

**BISMARCK RENAISSANCE ZONE AUTHORITY
MEETING MINUTES
February 8, 2024**

The Bismarck Renaissance Zone Authority met on February 8, 2023, in the Tom Baker Meeting Room in the City-County Office Building at 221 North 5th Street and remotely via the online platform Zoom. Chair Christianson presided.

Authority members present were Jim Christianson, Kirsten Dvorak, Joe Fink, Dustin Gawrylow (via Zoom), Nancy Guy and Wayne Munson.

Authority member Greg Zenker was absent.

Design Advisors Eric Hoffer and David Witham were absent.

Staff members present were Julie Mees (Assistant City Attorney), Ben Ehreth (Director of Community Development), Sandra Bogaczyk (Office Assistant II), Isak Johnson (Planner), and Daniel Nairn (Planning Manager).

Guest present were Steve Bakkan (Burleigh County Commissioner) and Kate Herzog (Downtowners).

CALL TO ORDER

Chair Christianson called the meeting to order at 4:00 p.m. and welcomed guests present.

MINUTES

The minutes of the December 14, 2023 meeting were distributed prior to the meeting.

MOTION: A motion was made by Mr. Fink and seconded by Ms. Guy to approve the minutes of the December 14, 2023 meeting. The motion passed unanimously by voice vote with members Dvorak, Fink, Gawrylow, Guy, Munson and Chair Christianson voting in favor.

OTHER BUSINESS

REVIEW OF RENAISSANCE ZONE DEVELOPMENT PLAN, ORDINANCE AND BYLAWS

Mr. Johnson gave a brief overview of the progress of the Plan and its January 3, 2025 sunset and stated that no formal applications have yet been received.

Mr. Nairn drew attention to the memorandum included in the meeting packet outlining items to be revised according to the letter of intent issued from the City of Bismarck to Burleigh County in November 2023. Staff recommended that Commissioners discuss several items including the following:

- A suggestion to add definitions to the Development Plan
- Adding section to explain exemptions
- Amending the number and appointment method of members
- Define procedure if a tie happens between the political subdivisions

- Change the ordinance by allowing City Commission to delegate to support Renaissance Zone authority members to the political subdivisions

Mr. Nairn stated that these items can be completed by summertime, at the members' discretion and stated that January 3, 2025 is the deadline for the one-year extension.

Ms. Guy stated that she would like to update but not remove the map of current and approved Renaissance Zone projects under the History of the Bismarck Renaissance Zone Program heading. She also suggested having a discussion about Mr. Fink's alternative approach to allowing each taxing entity to participate at a rate lower than a 100% exemption. She stated that it would be a good idea in order to satisfy the various political subdivisions, if appropriate language is created.

Chair Christianson asked staff to confirm that the Renaissance Zone Authority would draft a Plan which would then be considered by City Commission and then be disbursed to the political subdivisions to be further approved or revised. Mr. Nairn confirmed that process.

Mr. Fink stated that part of the Plan is to draft the method by which items would be approved.

Ms. Guy asked if Mr. Fink's vision is to make tax exemption for each subdivision consistent for all projects or to allow for flexibility in exemption proportion for each project. Mr. Fink stated that what he envisions is once a base tax is established then each political subdivision decides to conform to a stated percentage of the base tax amount to be stated in the Plan for every project. He stated that going to each entity for each project would be inefficient. Chair Christianson and Ms. Guy agreed.

Mr. Nairn stated that Mr. Fink's vision is not included in the letter of consent issued by the City Commission. Mr. Fink noted that his vision goes beyond that agreement.

Mr. Nairn stated that the North Dakota Department of Commerce (DOC) had not commented on the idea of variable taxable levels from different subdivisions. He stated that the DOC would need an opinion from the North Dakota Attorney General to see if a political subdivision's decision to participate at zero percent exemption would qualify as community support for the program, and therefore disqualify Bismarck from having a Renaissance Zone.

Mr. Fink explained that he felt that Century Code allows for the flexibility he proposes in that the political subdivisions simply need to approve the Plan, not specific details of the Plan as proposed by the DOC.

Ms. Guy proposed that the Attorney General be asked to look at the wording as it might be determined to either be an issue or not be an issue before drafting a Plan would commence. Mr. Nairn stated that the DOC asked that any request for the Attorney General decision be requested by the Renaissance Zone Authority, not staff of any individual.

There was discussion about the pros and cons of asking political entities to determine what percent each entity would allow.

Mr. Gawrylow asked if the DOC would allow an exclusion of current taxable value from the exemption. Mr. Nairn stated that is mentioned in the letter of intent which has already been

vetted by the DOC.

Mr. Gawrylow suggested that a subcommittee should be formed to develop a checklist to go to each political subdivision for input.

Chair Christianson stated that he wanted to develop a checklist at this meeting but does not see that happening. He also considered the time staff would have to spend on crunching the numbers for individual entity and reminded members that there was only one project which County was mostly concerned about and thought a more consistent decision made by Authority members was a more appropriate way to get political subdivision buy-in for the Renaissance Zone renewal next year.

Ms. Dvorak asked staff if numbers could be produced to show the financial gap that's being discussed. Mr. Nairn stated that staff can produce those numbers and reminded members that new construction projects would not be touched by the new Plan. The smaller rehabilitation projects would mostly be affected.

Chair Christianson stated that looking at the numbers would be helpful to see what might be drafted in a checklist or for the Plan, especially if those numbers show that most projects would still be eligible for a full exemption.

Mr. Fink noted that the more taxable value exempted from the program the lower the incentive for renovation projects will exist. Chair Christianson agreed. Mr. Fink stated that the reduction of blight is part of the mission of the program and that will be compromised by higher exemptions from the program.

Mr. Fink reiterated that currently the political subdivisions have already agreed to full support with the exception of the County.

Ms. Herzog was recognized by Chair Christianson to comment on the considerations of the Downtowners membership. She stated that with the actions being discussed there is incentive to demolish buildings instead of renovating them depending on how current taxable value is determined.

Ms. Guy stated that the discussion requires members to look at the 3rd paragraph under Project Exemptions (NEW) and asked for discussion of how properties would be valued and evaluated and if valuations can be different than what the Assessor's office has determined. Ms. Guy suggested that the Renaissance Zone Authority can create its own estimate of property value and asked staff for their comment. Mr. Nairn agreed that Authority members, subject to City Commission and the Plan, has the authority to set the value at whatever they decide.

Mr. Munson stated that it is a good question for Burleigh County Commission to discuss the incentive to demolish buildings, which would create a lower taxable base than paying taxes on a structure that is to be renovated.

Mr. Gawrylow discounted creating new values due to the required practice of the Renaissance Zone Authority approving demolition projects within the Renaissance Zone.

Mr. Fink stated that he would like to see a distinction made between new rehabilitation

construction that allows for more nuanced exemptions to encourage, if appropriate, and suggested that these nuances be discussed with Burleigh County Commission.

Ms. Herzog stated that developers need to know a defined plan in order to make appropriate construction plans, not something that would be flexible after they start planning.

Chair Christianson asked if there is consensus on various items of discussion. Ms. Guy stated what she heard members saying which was that the base value should be the same number assessing determines the year before the project started and that a percentage of that should be adjusted based on a possible mid-year tear down.

Chair Christianson suggested that a special meeting be determined to allow for further discussion.

Staff suggested that they create a draft to organize discussion at the next regular meeting.

There was discussion about the wording of the draft to include County at zero percent.

Ms. Guy likes the idea of a definition section in the Plan but noted that no suggestions are made.

Mr. Fink suggested that staff create a draft splitting what is non-consequential to other subdivisions and what is important to each.

There was consensus to keep the Revision Processes with Mr. Fink stating that he suggests staff create two drafts, one which the subdivisions are concerned with and one complete draft for the Renaissance Zone Authority to approve.

There was consensus that the Renaissance Zone Authority Bylaws be revised as stated along with the other titles including Amendments to Development Plan (NEW), Potential Future Renaissance Zone Program Revisions, Promotion and Marketing of the Renaissance Zone Program, Administrative Roles and Responsibilities with discussion about the Burleigh County Commissioner who is the portfolio manager for the Renaissance Zone Authority who is not the current City Commission appointed Renaissance Zone Authority member representing the Burleigh County Commission. It was determined that the Plan should state that a member of each political subdivision has the opportunity to sit as a voting Authority member but it is up to each board to appoint that member.

There was discussion about Authority member three-year terms and new appointed members and how quorum would be maintained. Mr. Nairn stated that the City Commission-appointed portfolio member would be the exception in that his term is as long as City Commission wished him/her to remain an Authority member.

Chair Christianson garnered consensus for the remaining items including Ms. Guy's request to keep the map of Renaissance Zone projects and that Definitions (NEW) need to be drafted and edited.

Through discussion it was determined that if a project were to be submitted before the Plan is approved that Authority members would act in good faith throughout the year to appeal to

Burleigh County's requests.

REPORT FROM DOWNTOWNERS

Ms. Herzog asked Authority members about the process of applying for Renaissance Zone before the Development Plan is approved.

There was discussion about how to value taxes on new projects applied for in the immediate future.

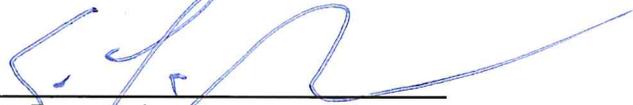
WELCOME NEW AUTHORITY MEMBERS AND ELECTION OF OFFICERS

Election of officers was not addressed at this time.

ADJOURNMENT

There being no further business, the meeting of the Bismarck Renaissance Zone Authority adjourned at 5:08 p.m. to meet again on March 14, 2024.

Respectfully submitted,



Sandra Bogaczyk
Recording Secretary



Jim Christianson
Chair