

**BISMARCK RENAISSANCE ZONE AUTHORITY  
MEETING MINUTES  
May 9, 2024**

The Bismarck Renaissance Zone Authority met on May 9, 2024, in the Tom Baker Meeting Room in the City-County Office Building at 221 North 5<sup>th</sup> Street and remotely via the online platform Zoom. Chair Christianson presided.

Authority members present were Jim Christianson, Kirsten Dvorak, Joe Fink, Dustin Gawrylow, Nancy Guy, Wayne Munson and Greg Zenker.

Design Advisor Eric Hoffer was present.

Design Advisor David Witham was absent.

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

Guests present were Maria Fleck (Downtowners) and Leo Thai (JOMO HOUSE).

**CALL TO ORDER**

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

**MINUTES**

The minutes of the March 14, 2024 meeting were distributed prior to the meeting since the Renaissance Zone Authority did not meet in April.

**MOTION:** A motion was made by Ms. Guy and seconded by Mr. Zenker to approve the minutes of the March 14, 2024 meeting. The motion passed unanimously by voice vote with members Dvorak, Fink, Gawrylow, Guy, Munson, Zenker and Chair Christianson voting in favor.

**RENAISSANCE ZONE AUTHORITY – 515 EAST MAIN AVENUE  
TRUONGTHAIGROUP, LLC – REHABILITATION**

Mr. Johnson gave an overview of the staff report and stated that the applicant, Truongthaigroup, LLC, is requesting a Renaissance Zone designation for a Rehabilitation Renaissance Zone project for an existing commercial building for a new business, JOMO HOUSE, that would be a combination coffee/tea house and restaurant at 515 East Main Avenue. He stated that the owner intends to make interior improvements to the building as stated in the agenda packet. Mr. Johnson stated that the owner intends to replace the roof and finish the interior with the appropriate mechanical, electrical and plumbing including replacing the electrical meter, ductwork and building a vent hood system with an exhaust motor on the roof for the kitchen area. Mr. Johnson stated that the applicant estimates a budget of \$1,000,000 for capital improvements in a 4,326 square foot building, which is approximately 341% of the assessed building value, which exceeds the 50% of the assessed building value requirement and also

exceeds the requirement to invest \$40 per square foot of commercial floor area, which is \$173,040.

Mr. Johnson presented a graphic representation of the applicant's proposed interior space and a graphic representation of the proposed property tax exemption system.

Mr. Johnson stated that, based on the findings contained in the staff report, staff recommends approval of the Rehabilitation Renaissance Zone project at 515 East Main Avenue as presented in all submitted documents and materials, as a 70% property tax exemption on the building for five years and an exemption from state tax on income derived from the location for five years with the following conditions:

1. A Certificate of Good Standing from the North Dakota Office of State Tax Commissioner is received by City staff prior to approval by the Bismarck Board of City Commissioners.
2. Appropriate work occurs on the western wall to ensure structural integrity and removal of any visual blight. No Downtown Design Review would be required for basic repairs and painting.

Mr. Gawrylow stated that he appreciates the graphics and analysis offered by staff and requested that staff include similar graphic explanations in future staff reports.

There was a consensus that the interior images look nice.

There was discussion about when the Development Plan could be approved which would modify the exemption calculation, and how Authority members could make a determination at this time based on the Letter of Intent from the Bismarck City Commissioner but before the development plan could be approved. Chair Christianson stated that Authority Members want to honor the County's requests.

Ms. Guy asked Mr. Munson and Mr. Zenker if they have any problems with the proposed property tax exemption. Mr. Munson stated that what staff proposed satisfies his concerns. Mr. Zenker stated that he appreciated Ms. Guy's question at this time and recognized the amount of time staff has spent aligning proposed changes to the Development Plan to what the County has requested and stated that he therefore did not have any problems with the proposed property tax exemption. There was a consensus that the Authority should not delay business until after the Development Plan is approved. Chair Christianson stated that he thought Authority members were making a good faith effort.

Mr. Gawrylow stated that the described system matched what he envisioned for the tax exemption procedure and appreciated having a Renaissance Zone project at this time rather than later in the year.

Mr. Munson stated that this is a great example of how City has worked hard to make this right for the County's concerns.

There was discussion about the assessment value of the finished building and taxable value and if the tax exemption should be based on the value of the improvements or the total

assessed value of the building after improvement. There was consensus that it would be easier to value improvements rather than an assumed building value after improvements are made.

At Chair Christianson's request, Mr. Thai stated that his intention is to keep the historical nature of the exterior and only paint some of the exterior and make improvements to the roof.

Mr. Hoffer stated that it would be nice to see exterior improvements and asked the applicant about color selection. Mr. Thai stated that a variant on gray is intended, to coordinate with the interior.

There was discussion about intentions to paint the exterior of the building. Staff stated that Authority members could request that the applicant submit a Downtown Design Review application for exterior improvements. Mr. Zenker asked authority members if they agree to ask Design Advisors to determine the minor improvements proposed. There was a consensus to allow the Design Advisors to approve improvements such as paint color.

Ms. Dvorak asked if the western wall has any structural issues. Mr. Johnson stated a determination about structural viability is outside the scope of the Community Development Department's responsibilities and that staff was unaware of any structural determination.

**MOTION:** A motion was made by Mr. Fink and seconded by Mr. Munson to approve the Rehabilitation Renaissance Zone project within the building at 515 East Main Avenue as presented in all submitted documents and materials, as an exemption from local property tax on the increased value of the building above its current assessed value as a result of the project when it is completed, with the following conditions:

1. A Certificate of Good Standing from the North Dakota Office of State Tax Commissioner is received by City staff prior to approval by the Bismarck Board of City Commissioners.
2. Appropriate work occurs on the western wall to ensure structural integrity and removal of any visual blight. No Downtown Design Review would be required for basic repairs and painting.

The motion passed with members Dvorak, Fink, Gawrylow, Guy, Munson, Zenker and Chair Christianson voting in favor.

## **OTHER BUSINESS**

### **REVIEW OF RENAISSANCE ORDINANCE, BYLAWS, AND DEVELOPMENT PLAN**

Mr. Nairn referenced the May 3, 2024 memorandum included in the agenda packet which lists a proposed timeline of events. He stated which changes have been made in the City Ordinance at Authority members' requests and mentioned that the proposed Development Plan is included in the digital packet agenda on line.

Mr. Gawrylow asked why the political subdivisions are not mentioned in the proposed ordinance. Mr. Nairn stated that is because it is contained in the Development Plan so it is unnecessary to also include in the ordinance.

**MOTION:** A motion was made by Ms. Guy and seconded by Mr. Gawrylow to approve the amended ordinance as presented in all submitted documents and materials. The motion passed with members Dvorak, Fink, Gawrylow, Guy, Munson, Zenker and Chair Christianson voting in favor.

Mr. Nairn stated what changes have been made to the Renaissance Zone bylaws at Authority members' requests and included in the agenda packet.

**MOTION:** A motion was made by Mr. Zenker and seconded by Mr. Munson to approve the amended bylaws as presented in all submitted documents and materials. The motion passed with members Dvorak, Fink, Gawrylow, Guy, Munson, Zenker and Chair Christianson voting in favor.

Mr. Nairn stated what changes have been made to the Development Plan at Authority members' requests and included the agenda packet. He highlighted changes which allow flexibility for Authority members to determine worth and allowable tax values regarding demolitions and historic buildings. Mr. Nairn stated how the Renaissance Zone Authority voting process would be modified.

There was discussion about whether to vary property tax exemptions separately for each political subdivision or whether to apply the same rate for all. There was a consensus to direct staff to only exempt the incremental value for all political subdivisions in the draft Development Plan.

Ms. Guy pointed out a few updates to make in the Plan before the public hearing.

**MOTION:** A motion was made by Mr. Fink and seconded by Ms. Dvorak to request a public hearing for comments to the amended Renaissance Zone Development Plan as presented in all submitted documents and materials. The motion passed with members Dvorak, Fink, Gawrylow, Guy, Munson, Zenker and Chair Christianson voting in favor.

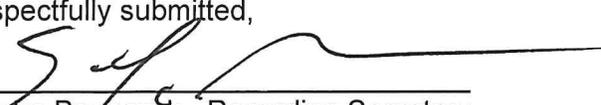
## REPORT FROM DOWNTOWNERS

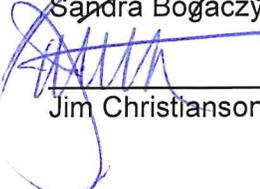
There were no items to discuss at this time.

## ADJOURNMENT

There being no further business, the meeting of the Bismarck Renaissance Zone Authority adjourned at 4:45 p.m. to meet again on June 13, 2024.

Respectfully submitted,

  
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Sandra Bogaczyk - Recording Secretary

  
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Jim Christianson - Chair