

Description of the Washburn Renaissance Zone

1. Map of Washburn Renaissance Zone (hereinafter referred to as the Zone) attachment A

2. Inventory of buildings in the blocks - attachment B

3. Natural and historical assets/sites

The following locations are listed on the National Register of Historic Places:

McLean County Courthouse
712 5th Avenue

McLean County Museum
602 Main Avenue

The Renaissance Zone Authority (hereinafter referred to as the Authority), in cooperation with the city and local historical associations, will continue to evaluate the potential development of historical sites.

4. Local regulatory burdens that may affect renovation of historic properties

At this time, there are no local regulatory burdens that affect renovation of historic properties. The Authority, city, community development authority and other city officials will work with the state historical office and other historical associations to assure all properties are renovated accordingly.

Management of the Washburn Renaissance Zone

1. Administration of all zone activities including

Promotion

The city of Washburn has chosen members of the Authority that will have interest in promoting the success of the project. Included on the Authority are economic development specialists, City and Economic Development Director, mayor and all council members.

The Authority has also committed to meeting with the realtors in the city to explain the Zone and the benefits derived from building or remodeling in the Zone area. They will also make the contractors in the region aware of the boundaries and benefits of the Zone.

The Authority will promote an understanding of the Zone and the benefits of renovation or building in the area in the local newspaper, which has been a strong supporter of the Renaissance Zone and its guidelines. The Economic Development Association and its director will also promote the project and the benefits of the Zone to the public through personal visits and community associations.

The Authority plans on developing a brochure which will include a map of the Zone, explanation and benefits of developing in the Washburn Renaissance Zone. This brochure will be distributed to all new residents in the community through the Washburn City Council and Auditor, Economic Development Director, realtors and media.

Development and management strategies

Monitoring activities

The Washburn City and Economic Development Director will serve as the initial point of contact for any interest in applying for Renaissance Zone Project acceptance. The CEDD will update the Authority on a regular basis along with reporting to the City Council.

Each application will be thoroughly reviewed by the Authority and if acceptable, will be submitted to the City Council for approval. The Authority is made up of a diverse group of interested individuals involved in economic, city council and infrastructure which provides a comprehensive team.

Any material change to an approved Renaissance Zone Project, including changes to building materials, building elevations or site design, must be approved by the Renaissance Zone Authority. An approved Renaissance Zone Project not completed within 18 months of the anticipated completion date is subject to review by the Renaissance Zone Authority.

The Authority will conduct an annual assessment of the projects and potential growth of the zone area. This report will be submitted to the North Dakota Division of Community Services, along with the Washburn City Council and the local media for their information.

Maintenance of reportable information

The Washburn City and Economic Development Director will be responsible for initial applications, Authority meetings and timely hearings at City Council meetings. This person will also keep a reportable log of all activities in the Zone and submit reports to the Division of Community Services for application acceptance. The auditor will also cross reference the project against the city assessment, water and sewer billing to assure ownership.

2. Measures Washburn will take to assure it does not actively recruit businesses for its zone from other North Dakota cities

The Renaissance Zone Authority will first promote development within its city. They will create awareness with local realtors, business owners and civic of the benefits of renovation or development in the Zone. The Authority will also work with the Development Authority to assure that a new business understands all benefits of development in Washburn.

3. How Washburn will assure that all construction, renovation and remodeling will comply with State Building Code, State Energy Code and ADA guidelines

The Washburn Renaissance Zone will comply by ordering all projects be inspected by State and local authorities for all building codes and regulations.

4. How Washburn will assure approved projects don't involve the restructuring of ownership of existing zone buildings without real benefit to the jurisdiction

The Washburn Renaissance Zone guidelines, as adopted by the Zone Authority and the City, lay out guidelines restricting transfer of ownership. The guidelines also require investment in the building in order to qualify for Zone designation.

Goals and objectives of the Washburn Renaissance Zone

1. Vision, Goals and Objectives

Washburn's Renaissance Zone vision

The vision for the Washburn Renaissance Zone follows the City of Washburn Strategic Plan 2007 updated version. Original version was prepared 2001 under a grant award from the Department of Commerce Economic Development Administration, US Forest service Rural Community Assistance Grant and financial support from the City of Washburn.

Washburn's Renaissance Zone goals

- Create high-quality jobs
- Unique, pleasing and attractive view of the zone areas, economic development for the businesses that are here and new business development
- Revitalize downtown district in appearance for economic and "emotional" value for the current and future residents of the Washburn area
- Update and inhabit abandoned housing within the Zone

Washburn's Renaissance Zone objectives

Year one of the Zone:

- One new or existing business expansion/renovation in the Zone

Year two through five of the Zone

- Six new or expansion/renovation of existing businesses in the Zone
- Six new/renovation of existing residential housing in Zone

Year six through fifteen of the Zone:

- Six new or expansion/renovation of existing businesses in the Zone (total of 13 new or renovation of existing businesses)

- Six new/renovation of existing residential housing in Zone (total of 12 new or renovation of existing residential housing)

Relationship of the goals and objectives to the current strategic plan

2. Milestones for managements and monitoring the progress of Washburn's
The Washburn Renaissance Zone Authority Committee will meet on a regularly scheduled monthly meeting to manage and monitor projects, applications, goals and objectives of the Zone.

3. Duration of Washburn's Renaissance Zone and why this time is needed
The City of Washburn intends to establish the Renaissance Zone for 15 years. Washburn's downtown, with existing infrastructure, has great potential but renovation of some of the larger vacant buildings will take a large investment that requires time to establish relationships

Selection of Washburn's Renaissance Zone projects

1. How Washburn will select projects within its Zone to qualify for state tax exemptions and credits

Residential property

- Property may not have been part of a previous zone project
- Project must bring property into compliance with all current building codes
- Property owner must make all necessary improvements to eliminate any and all deteriorated condition that are visible on the exterior of the building
- Property owner must make capital improvements equal to the greatest of the following:
 - 20% of the true and full value of the property prior to improvements
- Proposed capital improvements must substantially improve the life expectancy of the property. Capital improvements include, but are not limited to, replacement or updating of roof, foundation, structure, siding, windows, and doors as well as electrical, plumbing, heating and cooling systems. Capital improvements do not include new floor covering, window treatments, wall coverings or furnishings.

New Residential Construction

- Property must be consistent with visions and goals of the city of Washburn

Current commercial property

- Property ownership must be transferred after the state authorization of the zone to be eligible for both real estate and income tax exemptions
- Property may not have been part of a previous zone project

- Project must bring property into compliance with all current building codes and all deteriorated conditions that are visible on the exterior of the building.
- Property owner must make capital improvements equal to the greatest of the following
 - 50% of the true and full value of the property prior to improvements
- Proposed capital improvements must substantially improve the life expectancy of the property. Capital improvements include, but are not limited to, replacement or updating of roof, foundation, structure, siding, windows, and doors as well as electrical, plumbing, heating and cooling systems. Capital improvements do not include new floor covering, window treatments, wall coverings, or furnishings

New commercial construction or additions

- Tenant must be leasing space in a building that has been approved as a zone project for current or new commercial property
- Building has been determined by Zone Authority to have been restored or rehabilitated prior to the establishing of the zone meeting all require criteria and now need additional incentives to bring building to full occupancy

Vacant Properties

- Vacant lots that have never been developed or built on will not receive Renaissance Zone approval per state requirements (Said lots would be lots that do not have or ever had services ex. Water, sewer, road, etc.)
- Properties with a history of long term vacancies may be given special consideration by waiving some of the above mentioned requirement

Relocation of commercial businesses

- Commercial tenants that are relocating within the zone are not eligible for tax incentives without special approval from the Zone Authority
- Commercial tenants that are relocating from another North Dakota community to Washburn are not eligible for tax incentives without special approval from the Zone Authority

Percentage of exemption

- Property that is targeted for demolition in the Renaissance Zone plan shall be eligible for 100% exemption from property taxes if the existing property is demolished and replaced by a new structure. Property taxes on land are not exempt
- Single family property tax exemption - renovation. The city may grant up to a 100% exemption from ad-valorem taxation for up to five (5) taxable years on the improvements to a single-family residential property that is rehabilitated by an individual for use as the individual's primary residence.

- Single family property tax exemption – construction. The city may grant up to a 100% exemption from ad-valorem taxation for up to 5 years on the construction of a single-family residential property built by an individual for use as the individual's primary residence.
- Business investment property tax exemption – renovation. The city may grant up to 100% exemption from ad valorem taxation for up to 5 years on the improvements on any property rehabilitated as an approved Zone project for any business for investment purpose.
- Business investment property tax exemption – construction. The city may grant up to 100% exemption from ad valorem taxation for up to 5 years on any property newly constructed as an approved Zone project for any business purpose.
- Property meeting the criteria of the Renaissance Zone shall be eligible for 100% property tax exemption on improvements or new construction
- Income tax exemptions are available for income generated in the Renaissance Zone of businesses operating in an approved project
- Tenants leasing space in an approved Renaissance Zone Project are eligible for 100% income tax exemption for the business operating in the approved project.

How do these projects support the Washburn's Renaissance Zone goals and objectives?

How Washburn's Renaissance Zone will include public participation

2. How homeowner in the Washburn's Renaissance Zone will be identified

How the Washburn's Renaissance Zone Authority will verify primary residences

3. How will Washburn's Renaissance Zone approve either partial or complete property tax exemptions

Renaissance Fund Organization

At this time, the Washburn's Renaissance Zone Authority will not be pursuing a Renaissance Fund Organization, but will reserve this right for future planning.

Local Commitment and Public Information Meetings

1. Public hearing in regard to Washburn's Renaissance Zone

2. Issues at the public hearing

3. Efforts to involve the public in Washburn's Renaissance Zone

4. Community support and commitment for Washburn's Renaissance Zone