

Renaissance Zone Board Meeting

04/25/2019

Agenda

Conference Room 4
City Public Works Building

- Call to Order
- Roll Call
- Approval of Minutes
- **Item #1 - Authorize recommendation of deletion of the 14 blocks**

Block deletion... Consideration should be given to recommending to the City Council the deletion of current blocks 1A, 1B, 2B, 3A, 5B, 6B, 15, 18, 19, 20, 21, 22, 23, and 24.

Letters were sent out to all property owners reflected in the current records advising them of the identifying of these blocks for removal from the Renaissance Zone with a request that any property owner with a potential project notify us in writing within 30 days. It has been more than 40 days since the letters were mailed. We have received no letters. Zakian did receive 5 phone calls and 2 emails all along the same theme which is that the property owner did not know they were in Renaissance Zone and were not aware of any benefits. After describing the benefits and the various eligible activities, all seven of these property owners said that had no project. Since no affirmative responses have been received from any of the owners in these blocks, it reaffirms that these blocks are either completed or have not had any eligible or potentially eligible blocks. Should the Board recommend that these blocks be deleted (Code term), then the recommendation would go to the City Council with the Council holding a public hearing as part of the decision process. The hearing can be conducted as part of a regular City Council meeting. It provides one more opportunity for any property owner that might be affected to speak.

We can also begin the process of identifying blocks to be added to the Zone to replace these blocks. The Century Code does not spell out on specific path. The process can either be to first delete blocks and secure approval from the Department of Commerce and then subsequently submit new blocks, or it can be done at the same time.

- **Item #2 - Support recommendation that the Renaissance Zone Board serve as coordinating entity for City for the Opportunity Zone**

Opportunity Zones... it has become apparent nationally that while the IRS has been extremely slow in rolling out all the draft rules governing the Opportunity Zones, the private sector, especially the investment community is not waiting for the rules to begin to create nationally and regionally based Investment Funds for investments in Opportunity Zones. Zakian is aware of two actual investments that have already occurred, but neither is in North Dakota. There several private sector created state oriented funds such as one set up in Colorado to investments in that state's 25 Opportunity Zones. These are all private investment funds. The collective recommendation of leading national organizations including the International City/County Management Association, IEDC, etc. have all begun recommending that city's become pro-active in identifying potential Opportunity Zone investments, creating a portfolio as to why investment in the Opportunity Zone makes sense, coordinate possible local benefits that can be connected to Opportunity Zone investments, and have an entity coordinating the effort. We have generally discussed of these matters before in general terms but it is now becoming real. The plan is to present a range of options to the City Council for their consideration at the May 6th City Council meeting and give them a briefing on what is happening nationally. A recommendation that the Renaissance Zone Board be designated to be the coordinating entity for any and all initiatives that are green-lighted will also be included. While Census Tract 101 is larger than the Renaissance Zone, it makes sense because any Opportunity Zone investment will be eligible for the Renaissance Zone tax breaks. Also, as we have discussed, coordination and minimizing creating new entities is prudent. Therefore, it will be helpful to me to get a sense of the Board whether it will be OK serving as the Coordinating Entity.

- Adjourn