



PIZZA HUT RENAISSANCE
ZONE staff report

To: City of Dickinson Planning and Zoning Commission
From: City of Dickinson Community Services Department
Date: August 14, 2024
Re: **REN-003-2024 Pizza Hut Renaissance Zone Project**

APPLICANT

Seven K Huts LLC dba Pizza Hut
546 2nd Street West
Dickinson ND 58601
Phone: 701-290-0351

Public Hearing	August 14, 2024	Planning and Zoning Commission
Final Consideration	August 20, 2024	City Commission

EXECUTIVE SUMMARY

Property Description Based on Current Plat

Lot 7 less 100’ x 135’ Block 1, of the Second Replat of Prairie Hills 1st Addition within the City of Dickinson.

Request

The applicant is requesting an eight-year real estate tax exemption and a maximum eight-year income tax exemption for a purchase with new construction project on Block 40 of the City of Dickinson’s Renaissance Zone. Seven K Huts LLC dba Pizza Hut intends to purchase a vacant 1.2-acre lot and develop it with new restaurant.

Seven K Huts LLC dba Pizza Hut has submitted a completed application and is compliant with application requirements.

The applicant estimates the project investment amount is \$1.5 million. The anticipated cost of improvements is \$774,000.

The City of Dickinson City Assessor indicates the current true and full value of the property is \$180,000.

The applicant estimates the total property tax benefit for eight years would be \$120,000. The applicant estimates the total state income tax benefit for eight years would be \$12,000.

Community Development Staff recommends APPROVAL.

LOCATION

The vacant lot is legally described as Lot 7 less 100' X 135', Block 1, 2nd Replat of Prairie Hills 1st Subdivision in Dickinson. The subject lot is located approximately 535 feet southeast of the intersection of 15th Street West and 6th Avenue West. The subject lot is zoned Community Commercial (CC). The proposed restaurant is a permitted use in the CC zoning district. The subject lot is also located in the Corridor Overlay District.

CURRENT ZONING	Community Commercial; Corridor Overlay District
FUTURE LAND USE MAP DESIGNATION	COMMERCIAL
GROSS SITE ACREAGE	1.2
LOTS PROPOSED	n/a

NEARBY ZONING & LAND USE		
Direction	Zoning	Land Use
North	Community Commercial	Retail shopping center
East	Community Commercial	Auto Services
South	Community Commercial	Restaurant
West	Community Commercial	Vacant

STAFF ANALYSIS

Staff of the North Dakota Department of Commerce have confirmed this project is considered an allowable Renaissance Zone project.

According to the City of Dickinson's Renaissance Zone Development Plan, as amended effective January 2024, the site of the project is located within the City's Renaissance Zone, and it is listed in the Plan's Property Inventory.

The proposed project is consistent with the following goals of the City's Renaissance Zone Plan:

To gain at least 3 improved structures or new businesses in the Renaissance Zone a year.

This is the second Renaissance Zone project submitted to the City in 2024.

The proposed project is consistent with the following objective of the City Renaissance Zone Plan:

Foster a culture of progressiveness and change while recognizing the traditions and history of the area.

Chapter VI of the Development Plan "Renaissance Zone Project Selection Minimum Criteria" contains the following :

- To be considered an eligible zone rehabilitation project, a **commercial property owner** must invest at least 50% of the full and true value of the property. The City may grant an exemption of up to five years if the investment is at least 50% of the full and true value of the property. The City may grant an exemption of up to eight years if the investment exceeds 75% of the full and true value of the property.

Seventy-five percent of the full and true value of the property is \$135,000. The estimated project cost of \$1,500,000 exceeds 75 percent of the full and true value of the property.

Consistency with the Comprehensive Plan

The proposed project is consistent with Policy 1.1. of Chapter 3 of the City of Dickinson Comprehensive Plan, which states the City shall actively promote the Renaissance Zone. The project is also consistent with Comprehensive Plan Policy 1.4 of Chapter 3, which states the City shall provide technical assistance with Renaissance Zone applications.

PUBLIC COMMENT AND STAFF RECOMMENDATION

Public Input: As of the date of this report, City staff has not received any public comments.

Staff Recommendation: The City Development Team staff recommends **approval** of this rezone petition.

MOTIONS:

*****Approval*****

*"I move the City of Dickinson Planning and Zoning Commission recommend Approval of **REN-003-2024 The 7 K Huts LLC dba Pizza Hut Purchase with New Construction** project as being consistent with City of Dickinson Renaissance Zone Development Plan, as well as being the compliant with the City of Dickinson Comprehensive Plan and also being in the interest of the public health, safety and welfare."*

*****Denial*****

*"I move the Dickinson Planning and Zoning Commission recommend Denial of **REN-003-2024 The 7 K Huts LLC dba Pizza Hut Renaissance Zone Purchase with New Construction** project as NOT being consistent with City of Dickinson Renaissance Zone Development Plan, as Not being compliant with the City of Dickinson Comprehensive Plan and as being contrary to interest of the public health, safety and welfare."*