

CITY OF RAY, NORTH DAKOTA

DOWNTOWN PLAN

January 2017





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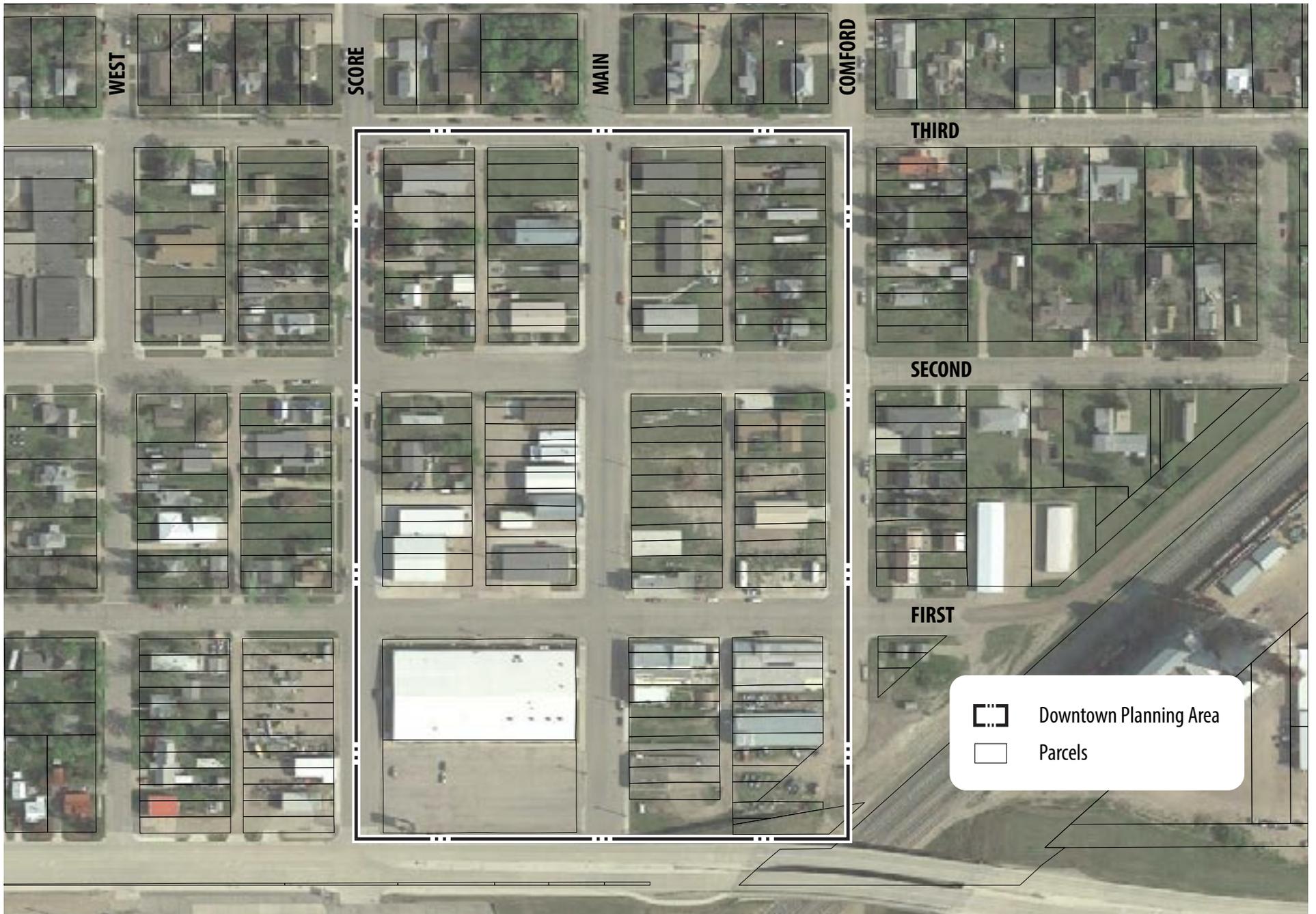
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Introduction

The City of Ray is an actively engaged community with the necessary vision and goals to increase community vitality through proactive economic development. The City of Ray continues to understand the importance of long range planning, and is developing this Downtown Plan as an amendment to the adopted Comprehensive Plan, setting that vision into reality and creating the baseline for continued community growth.

The primary focus of the downtown planning effort is to improve the City's main street corridor by investing in infrastructure, supporting existing businesses, promoting new downtown activities and attracting new business opportunities.

It is proven that healthy, sustainable communities are created through public investment, and that this investment increases community livability, promotes economic development and provides a more stable economic baseline for community longevity. Using this place-based approach and building on existing assets is key to successful downtown revitalization.

The downtown plan should address the longevity of new investments which would include items such as: sustainability in design and construction, funding strategies, and roles and responsibilities between the public and private interests. The downtown plan should be the guiding tool for economic development on the community's main street.

Identifying the specific area for economic development strategies and setting clear goals connected to specific conditions within the area will make the plan achievable and allow the community to see success.

Downtown planning goals include: retaining existing businesses, attracting new businesses, encouraging infill within downtown locations, supporting workforce housing, and promoting quality of life through investment in public infrastructure, particularly sidewalks.

The vision is to create a business community that can support the daily needs of its residents such as food, medicine, clothing, hardware and houseware materials, and promoting a walkable community whereby a variety of services can be accessed with minimal transportation.

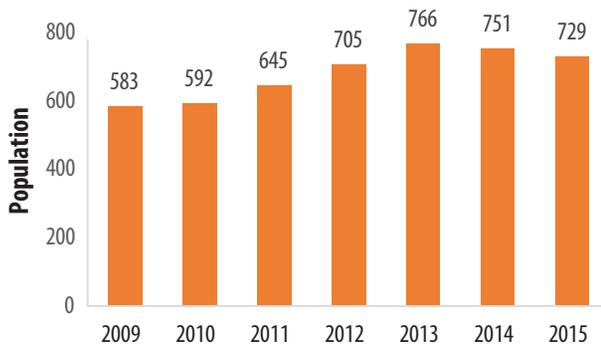
Up until the middle 20th Century, Ray's downtown provided these services to its residents, but over time the downtown, particularly Main Street, has transitioned. However, with careful allocation of resources and investment from both the public and private sectors, Ray's downtown can once again become a place to eat, drink, shop, play, work, and live for residents and visitors alike.



Market Review

Population and Employment Trends

Ray's population growth has seen dramatic shifts over the last decade, and throughout other boom and bust cycles of natural resource development. Most recent estimates have shown a slight two-year decline, dropping to 729 people after rising to 766 in 2013.



US Census ACS Estimates 2009-2015

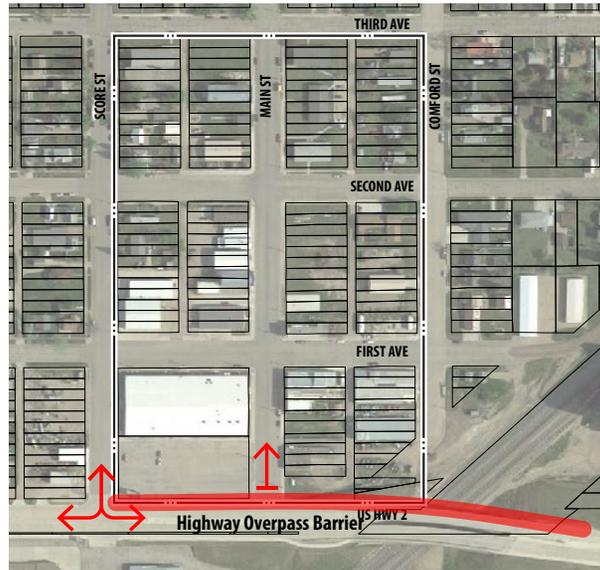
Demographics, Household Size, and Income

Median age in Ray is 26.6 years, which is considerably younger than that of the state (35.9 years). Median household income is \$64,792 in 2014, which is significantly higher than the state (\$55,759). Average family size in Ray is 2.85, while average family size in North Dakota is 2.95. These figures may indicate that the existing and potential customers and patrons to local downtown businesses are young adults with small families making relatively high incomes.

Development Trends

From 2011 to 2016 several development projects have entered the pipeline, some of which have faced challenging and changing market conditions. Located between Minot and Williston, Ray's downtown is strategically positioned with high traffic, access and visibility from the highway.

Most of Ray's new businesses have aimed to locate along US Highway 2. In recent years, older buildings have been reused for oil and gas related businesses, or services that cater to the workforce. Agricultural businesses remains a large sector of the local economy and do not typically locate downtown.



Development Challenges

A major challenge for Downtown Ray is the Highway 2 overpass disconnecting Main Street and its businesses from highway traffic. Local and regional retailers choose to locate on the highest-traffic intersections, which in Ray is on the highway. Smaller format, local serving retail businesses and services are ideal business types for the downtown.

Housing and Mixed Use Development

Historically, housing existed above ground-floor businesses along the Main Streets of northwestern North Dakota cities and towns and there are opportunities to rebuild that urban fabric. Recent housing development has been on the city's edge, requiring improvements to the city's public infrastructure systems and the extension of city services to new subdivisions. Developing housing in the downtown may avoid some of these costs.

Oil Impacts and Natural Resources

The region is heavily impacted by natural resources, in both boom and bust periods. The most recent Bakken oil boom fueled both commercial and residential development in the most opportunistic areas. This plan is intended promote good growth in the downtown area by showing the City's commitment through investment in public infrastructure.

Existing Conditions

Main Street and the perpendicular US Highway 2 form the “T” in the T-town city plat developed by the railroad companies who settled the Northern Plains in the 19th Century. With the rails, depot, elevators and other infrastructure anchoring one end of town, Main Street, and to a lesser extent First Avenue, became the key commercial corridor supplying services and goods to the town and nearby agriculture community. Like other downtown streets, Main Street was platted at 80 feet wide to accommodate heavier commercial traffic, while residential streets are platted at the standard 60 feet.

Today Main Street struggles to once again become the central artery for commerce since the highway overpass disconnects traffic from turning into town on Main Street. To establish new businesses downtown this obstruction will have to be overcome. Elements such as highway signage directing drivers to the center of town may assist this progression.

Existing Uses

Downtown is the center of public services and civic uses in Ray. The City Hall, Fire Station, the auditorium, and Opera House museum are all located in close proximity.

As in other small rural downtowns, commercial storefronts lined the Main Street, sometimes with housing above. Setback detached homes line streets other than Main Street. Only a few remaining businesses occupy these storefronts, and vacant lots exist where dilapidated structures once stood.

Streetscape

Historically Ray’s Main Street had abundant streetscape features such as trees and pedestrian-scaled street lamps.

Many celebrations still occur on Main Street including Fourth of July parades and the Grain Palace Festival parades. Over time the trees and lamps were not replaced and storefronts were vacated. A return to the historic streetscape in the public right-of-way should be an aspirational vision, and could be initiated through funding from the sources mentioned later in this plan.



Historic Architecture

Many of Ray's original wood buildings have been lost to fire, disinvestment, or disrepair. Records however, remind us of the high character of these buildings and the pride with which they were built. As such any remnants of historic architecture or design elements should be preserved, or in the case of new development, reflected in the materials, size, scale, or massing of the built environment.



The Ray Opera House is a good example of remaining historic architecture

Traffic and Circulation

A successful downtown retail or mixed-use district should have a wide, complete, and well-maintained sidewalk network. The sidewalk network in Ray is currently incomplete through the downtown planning district, projects are underway to repair and enhance the pedestrian network across the city. Where feasible, new development should repair or replace missing or broken sidewalks.

US Highway 2 provides high access and visibility to businesses in Ray, yet also creates a significant barrier as it passes over the rail corridor. Signage and wayfinding enhancements could assist in attracting motorists to downtown through a series of directional signs strategically placed in accessible intersections, such as Score Street and US Highway 2.

Through a series of capital projects, many local roads in downtown, including Main Street, have been repaired.

Sidewalk and trail connections linking downtown with nearby recreational amenities, including the rodeo grounds, ball field, campgrounds, and golf course on the south side of the highway exist in some places. Enhanced pedestrian safety features should be expanded upon to ensure the highway crossing is safe for all modes of transportation.

Parking

The downtown planning area has approximately 4,260 linear feet of continuous curb for on-street parking. This includes parking on Main Street and First, Second, and Third Avenues but does not include Score or Comford Streets. Using an estimate of one car per every 24 feet of continuous curb, the downtown can supply an estimated 177 cars parked on street.

Off street parking is located mostly at the Ray Mall which can park an estimated 100 vehicles. If it was more efficiently parked, the lot has capacity for approximately 170 vehicles. Other downtown businesses supply parking in the rear of the structure with alley access. Where possible, this pattern should continue for new development.

In general the parking is well-supplied for existing downtown uses and businesses. The location and accessibility of parking may need to be improved to gain access for the elderly or disabled.

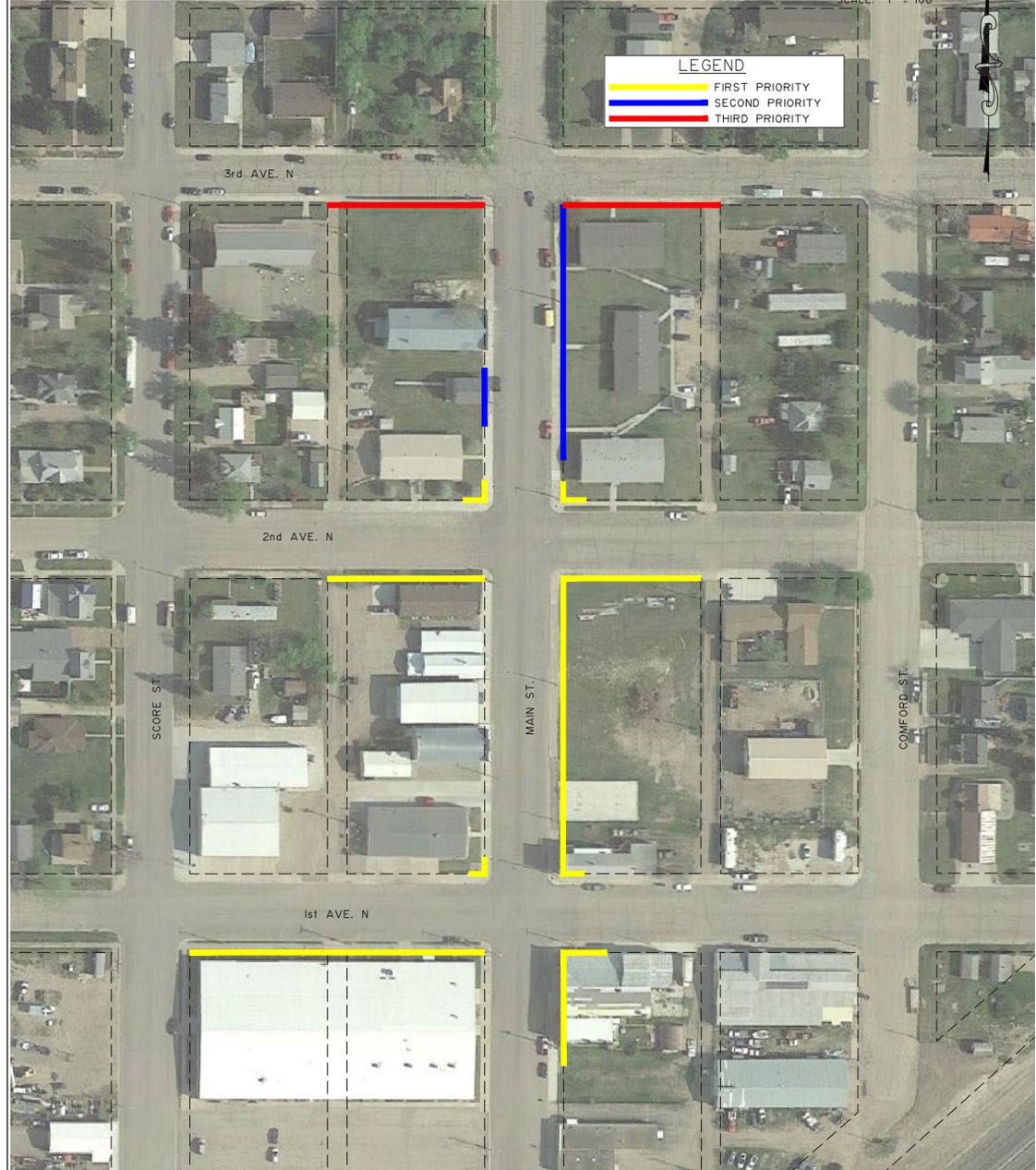
RAY - PROPOSED CENTRAL BUSINESS DISTRICT SIDEWALK IMPROVEMENTS

SEC. 9 & 16, T156N, R97W, 5TH P.M.
CITY OF RAY, WILLIAMS COUNTY, NORTH DAKOTA



LEGEND

- FIRST PRIORITY
- SECOND PRIORITY
- THIRD PRIORITY



Investing in Public Infrastructure: Sidewalks

The map at right depicts prioritized sidewalk projects as defined by the Planning Commission. The city intends to complete the sidewalk network in the downtown. The highest priority improvements are along Main Street between 1st Avenue and 2nd Avenue. Prioritizing downtown sidewalks will enhance the pedestrian environment, which is essential to a complete street and retail experience.

Sidewalk improvements will aid in safety and mobility of the public and will signal desire on the part of the City for private investment in the Downtown Area.

1 <small>SHEET NO.</small>	 <small>Professionals you need, people you trust</small>	Interstate Engineering, Inc. P.O. Box 266 110 2nd Avenue Southwest Belfield, North Dakota 58622 Ph: (701) 575-2247 Fax: (701) 575-2251 www.ieng.com <small>Other offices in Minnesota, North Dakota and South Dakota</small>	RAY - PROPOSED CENTRAL BUSINESS DISTRICT SIDEWALK IMPROVEMENTS SEC. 9 & 16, T156N, R97W, 5TH P.M. WILLIAMS COUNTY, NORTH DAKOTA Drawn By: J.J.W. Project No.: S16-00-107 Checked By: S.J.A.R.B. Date: SEPTEMBER 2016	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Revision No.</th> <th>Date</th> <th>By</th> <th>Description</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>	Revision No.	Date	By	Description																
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Infill Redevelopment

The Design Guidelines in the Comprehensive Plan discuss in detail the vision for development in the Downtown district. New construction in vacant parcels downtown are envisioned to reflect the historic storefront retail environment, with zero setback onto the street, glazed frontages, wide sidewalks, and pedestrian features and signage.

The diagram at right illustrates how site layout is intended for downtown infill development. Parking is situated to the sides and rear of the building, with primary entrances on the Main Street frontage. New buildings are approximately the same size and scale as existing buildings, and can be up to 40' tall, per the standards in the City of Ray Zoning Regulations for the Central Business District (CBD).

Mixed use development is a preferred use considering the desire for housing and local goods and services. However a mix of uses and intensities is allowed per the CBD zone district.

On-site parking requirements are regulated by the type of use. Landscape standards require 10% of the site to be open space or park, however a cash payment may be accepted or required in lieu of parkspace requirements at the discretion of the Planning Commission.



Implementation Plan

Summary

The City of Ray has done an outstanding job planning for its future. With the recent update of the 2016 Comprehensive Plan and the heavy investment in public works infrastructure, the City has set the stage for economic revitalization.

Recognizing that locally-owned businesses are what gives the city its character and contributes to the overall wellbeing of the community, Ray is home to a number of small locally-owned businesses with room to grow. In addition to providing a baseline level of services and goods to its primary market, Ray also hosts a number of vacant properties within the Central Business District that would provide an incredible opportunity for new business development. With vital pieces of infrastructure now in place, it is an opportune moment to invest in Ray.

Population trends are showing a younger than average demographic for a rural community and a higher income per capita than other rural communities, Ray can support new business growth. Service sectors that meet the needs of a younger population may have the most opportunity for success. These may include additional food and beverage establishments, entertainment facilities, and services such as beauty salons, spas, massage therapy, drug stores, clothing, and medical facilities and daycare.

How do we get there?

We get there by building confidence in the investment of Ray's downtown. This will not occur overnight and will require community-wide collaboration, effort, and investment.

We also get there by implementing a vision and policies through tangible projects, not just lofty statements. The Implementation Plan on the following pages delivers project-oriented actions that, when completed together, create a road map to drive Ray's downtown to what the citizens and leaders envision.

Implementation Project List:

1. Downtown Sidewalk Improvements
2. Marketing and Branding
3. Facade Improvement Program
4. Facilitate the Creation of a Business Association
5. Infrastructure and Capital Projects
6. Identify Catalyst Sites or Projects
7. Incentivize Private Businesses

1

Project 1: Downtown Sidewalk Improvements

Complete, connected pedestrian networks in small communities stimulate business districts, increase leisurely shopping, and improve access for people with disabilities and the elderly. The highest priority project in the downtown is to improve sidewalk conditions along the main commercial corridor and east/west avenues.

Gaps exist in the sidewalk network in several places, and the many blocks where sidewalk does exist it is in need of repair. Re-painting and signaling pedestrian crosswalks is another key element of a sidewalk improvement project.



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Project 2: Marketing and Branding

Related to marketing principles, branding and theming applies a unified visual character to an area to create an experience and strengthen a sense of place. Concepts of retail district branding are well understood and effective examples exist across North Dakota. A brand may reflect Ray's progressive attitude with contemporary imagery and symbols, or may reflect the community's agricultural history with agrarian building murals and vintage signage. A strong brand for the downtown will inevitably suggest to outsiders Ray is providing opportunities for development.

It is recommended that this could be a project for the "Future Business Leaders of America" at the Ray High School (<http://rayfbla.weebly.com/>).



RETOOL - REVIVE - REVAMP - REPAY ...The City of Ray.

Just like Ray, things which are durably made can be retooled to function even better, more efficiently, and be re-purposed to work under new and challenging conditions.

{ restore, renew, refresh, rebuild, reward }

IMPLEMENTATION & APPLICATION

- Team/Community Apparel - (show community unity)
- Corridor Signage | Main Street Banners - (implement a brand throughout the town)
- Project Construction Signs - (inform the public of progress)



Example of a branding strategy that creates a clear identity throughout the community.

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Project 3: Facade Improvement Program

A facade improvement program is an assistance program specifically oriented to improving the quality, appearance, and design of street-fronting facades—typically on commercial or mixed use buildings—in downtown districts. Many larger cities in North Dakota employ such programs, including West Fargo and Bismarck, however they can be effective in smaller rural communities as well. Similar to the refurbished and repainted water tower project completed several years ago in Ray, old structures can be made new again with a relatively small investment.

In other communities, facade improvement programs encourage reinvestment, promote commercial growth, contribute to community pride and heritage, beautify and improve the aesthetics of a property, and create a unique place, as well as coordinate implementation efforts between the city and business community.



Ray's City Hall facade improvement and renovation.

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Project 4: Facilitate the Creation of a Business Association

A business association can be any form of organization between business owners dedicated to a common goal of promoting the existing businesses, establishing new businesses, and generally strengthening downtown commerce. The association can be a formal, self-assessed improvement district, or an informal gathering of owners who have monthly meetings. The important consideration is having close correspondence with the city.

Pursuing a business association as an avenue of revitalization offers many challenges and obstacles because of the range of interests involved. Yet the biggest reason a business association may be a suitable option is the streamlined coordination between the city and businesses due to the ability to communicate with a consolidated voice.

The success or failure of a business association is contingent upon the relationship between the businesses and the property owners. Strong organization directly contributes to a business association's success in securing grant funding. Creating a business association can be motivated by private owners or by the city and may be a combination of existing associations like the Ray Chamber of Commerce or the Ray Mall Association.



Main Street in Ray, from

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Project 5: Infrastructure and Capital Projects

A city may improve its infrastructure or capital facilities – water, sewer, roads, parks, law enforcement/ emergency medical equipment, public buildings or staff – to encourage downtown economic development. A number of municipal and grant funding sources have been used by cities to attract business to their downtowns. Improvements to the public right-of-way (streetscaping, landscaping or lighting for instance) all fall under this form of public investment.



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Project 6: Identify Catalyst Sites or Projects



Conceptual rendering of a Community Center

A catalyst project is an intervention in the economic, cultural, or built environment that creates and motivates change in its surroundings. A downtown organization, for example, may create a list of catalyst projects stemming from a Capital Improvements Plan or a Downtown Plan.

Catalyst projects may be specific things the community desires such as medical facilities, mixed-use projects, or a new community center, or they may involve the relocation of services and facilities to the downtown. Smaller activities that bring people downtown such as festivals, arts fairs, and farmers markets are also catalysts.

Any use, activity or improvement that can attract redevelopment downtown is a catalyst, and identifying what catalysts are desirable is the first step in finding a way to complete projects.

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Project 7: Incentivize Private Businesses

Incentives provide a direct benefit to new and existing private businesses by reducing costs and thereby risks associated with developing property. One option for providing incentives is the State's "Renaissance Zone Program." The program provides both state and local tax incentives for a period of five years.

In some cases, the municipality may leverage the benefit a private business receives to achieve a community benefit, such as placing design standards on projects that wish to take advantage of an incentive, or requiring streetscape improvements.



APPENDIX A: Funding Strategies

The following discusses funding resources and strategies that are available to the city for downtown projects.

North Dakota Development Fund

http://www.business.nd.gov/development_fund/NDDFPrograms/

The North Dakota Development Fund coordinates efforts between all the sources of financing, the business and the community. Any project considered for this financing must be feasible and have a reasonable chance of succeeding.

The fund provides “gap financing” through loans and equity investments not available from most conventional lenders and is available to any primary-sector business with the exception of production agriculture. The Development Fund also administers the Regional Rural Revolving Loan Fund, which provides funding for primary-sector projects located in a community of less than 8,000 in population or located more than five miles outside the city limits.

The fund is a secondary source of financing, subordinate to private sources. If a business can't handle added debt, the Development Fund can take an equity financing position.

The North Dakota Development Fund Programs include:

New Venture Capital Program

Revolving Rural Loan Fund

Child Care Loan Program

Rural Incentive Growth Program

ND Small Business Technology Investment Program

Community Development Block Grants (CDBG)

Community Development Block Grants (CDBG) provide financial assistance to eligible communities in the forms of grants and loans for public facilities, housing rehabilitation, and economic development projects. Ray currently does not meet CDBG low to moderate income (LMI) requirements as only 30% of the population is LMI. However, CDBG would fund improvements to bring public facilities into ADA compliance such as entry ways, doors, restroom facilities, and sidewalk ramps. They will also participate in special assessments where they would pay for the cost of the improvement for LMI individuals.

Being located in Williams County, Ray is within Region 1 and would submit an application to the Tri-County Regional Council. General funding cycles require a pre-application end of June/July with a final application in August. Funds are then obligated to projects. Emergency funds remain available on an as needed basis.

Contact for the Tri-County Regional Council is Executive Director Everett: (701) 577-1358.

<http://www.communityservices.nd.gov/communitydevelopment/Programs/CommunityDevelopmentBlockGrantCDBG/>

Grant programs include economic development and finance, innovation & entrepreneurship, workforce development, community services and tourism. In addition to CDBG's, some of the grant programs that may apply to downtown development are listed below:

- Neighborhood Stabilization Program (NSP): provides funds to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values.
- Renaissance Zone Program: used to improve the vitality of a community through additional renovation and development.

North Dakota Community Services

North Dakota Community Services is a state government program

Contact: Adele Segal (701) 328-5300

USDA Rural Development Programs

Rural Business-Cooperatives Service: The USDA's Cooperative Programs help rural entrepreneurs understand and make use of the cooperative business formats. Cooperatives mainly market and distribute agricultural products and supplies but may also provide electricity, telecommunications, or financial services. In addition, cooperatives can aid in supplying construction supplies, and equipment hardware which may be particularly helpful for potential businesses in Ray's downtown.

There is a significant list of grants and loans that may support individual businesses in Ray's downtown, or may also assist in funding municipal infrastructure projects such as sidewalk repair or streetscaping.

USDA Rural Development program information can be found at the department's website:

<http://www.rd.usda.gov/>

Contact: Mark Wax
Community Program Director 701.530.2029
USDA State Rural Development Office:
220 East Rosser Ave., Room 208
Bismarck, ND 58501
(701) 530-2037
info@nd.usda.gov

Dakota Certified Development Corporation (Dakota CDC)

The Dakota CDC is a Fargo-based economic and community development 501 c(3), private, not-for-profit organization dedicated to "the success and growth of businesses in North Dakota and Western Minnesota." Dakota CDC offers several small business support programs particularly geared to creating jobs and helping start-ups in underserved rural communities. The programs reduce the risk for conventional lenders to offer loans to small businesses.

The Dakota CDC also has a Main Street Program that offer fixed-rate loans to support existing and new small businesses in North Dakota. Main Street loan amounts range from \$1,000 to \$35,000 and the program is administered with the participation of the local economic development authority, which is the Tri-County Regional Development Council.

The Dakota CDC has a long list of successful small businesses supported through their various programs that can be found on their website: <http://www.dakotacdc.com/success-stories/>