MEMORANDUM

TO: Renaissance Zone Authority

FROM: Maegin Elshaug, Planning Coordinator

Kylie Bagley, Planner

DATE: June 20, 2019

RE: Renaissance Zone Authority Meeting

The next meeting of the Renaissance Zone Authority will be held on Tuesday, June 25 at 1:00 p.m. in the Commission Chambers at Fargo City Hall. If you are not able to attend, please contact staff at 701.241.1474 or Planning@FargoND.gov. Thank you.

Note: Due to overlapping projects, there is a joint meeting time of the Tax Exempt Review Committee (TERC) and the Renaissance Zone Authority (RZA). The TERC's meeting will begin at 1:00 p.m., and RZA members should be present in the audience. The RZA meeting will begin immediately following the TERC meeting.

RENAISSANCE ZONE AUTHORITY Tuesday, June 25, 2019, 1:00 p.m. Commission Chambers AGENDA

- 1. Approve Order of Agenda
- 2. Approve Minutes: Regular Meeting of February 27, 2019 (Attachment 1)
- 3. Review Request from Great Plains Holding LLC (New Construction) located at 1001 & 1011 NP Ave; 28 10th St N; 1016 1st Ave N; 11 11th St N (Attachment 2)
- 4. Review Request from Great Plains Mercantile Holdings LLC (New Construction) located at 401 Broadway N; 410 and 412 5th St N (Attachment 3)
- 5. Review Request from DFI Kesler LLC (New Construction) located at 617 & 621 1st Ave N; 624 2nd Ave N. (Attachment 4)
- 6. Other Business
- 7. Next Meeting July 24, 2019

Renaissance Zone Authority meetings are broadcast live on cable channel TV Fargo 56 and can be seen live by video stream on www.FargoND.gov/streaming. They are rebroadcast each Friday at 2:30 p.m. for one month following the meeting.

People with disabilities who plan to attend the meeting and need special accommodations should contact the Planning Office at 701.241.1474 or TDD at 701.241.8258. Please contact us at least 48 hours before the meeting to give our staff adequate time to make arrangements.

Minutes are available on the City of Fargo Web site at www.Fargo ND.gov/RenaissanceZoneAuthority.

RENAISSANCE ZONE AUTHORITY MINUTES

Regular Meeting:

Wednesday, February 27, 2019

The Regular Meeting of the Renaissance Zone Authority of the City of Fargo, North Dakota, was held in the Commission Chambers at City Hall at 8:00 a.m., Wednesday, February 27, 2019.

The Renaissance Zone Authority members present or absent were as follows:

Present: Dr. Dean Bresciani, Bruce Furness, Cari Luchau, Deb Mathern,

Chad Peterson

Absent: Commissioner Dave Piepkorn, Commissioner Tony Grindberg,

Steve Swiontek

Chair Mathern called the meeting to order.

Item 1: Approve Order of Agenda

Member Furness moved the Order of Agenda be approved as presented. Second by Member Peterson. All Members present voted aye and the motion was declared carried.

Item 2: Minutes: Regular Meeting of June 27, 2018

Member Bresciani moved the minutes of the June 27, 2018 Renaissance Zone Authority meeting be approved. Second by Member Peterson. All Members present voted aye and the motion was declared carried.

Item 3: Review Request from LHS Investment LLC to add One Additional Block: APPROVED

Planner Kylie Bagley briefly reviewed the request to add one additional block to the City's current Renaissance Zone area of 47 blocks. She noted the maximum number of blocks allowed by the State of North Dakota is 49 blocks, and if this request is approved the total would increase to 48 blocks. Ms. Bagley stated staff is recommending approval of this request.

Board discussion clarified that the Renaissance Zone guidelines state "continuous" blocks when determining the Renaissance Zone area; however, the City is allowed to add one satellite block and this request meets that definition.

Applicant Jesse Craig spoke on behalf of the application.

Planning Director Nicole Crutchfield addressed Member Peterson's question referring to the Board's past discussion on a possible satellite block in south Fargo. She explained that according to the Fargo Renaissance Zone Development Plan, requests are reviewed on a first-come, first-serve basis. Ms. Crutchfield stated that staff did reach out to properties for feedback on their interest in this program, and Mr. Craig was the first to respond with his request.

Member Furness moved to recommend to the City Commission approval of the application submitted by LHS Investments LLC, to add one additional Renaissance Zone block to the City of Fargo Renaissance Zone Plan. Second by Member Luchau. On call of the roll Members Luchau, Furness, Peterson, Bresciani, and Mathern voted aye. Absent and not voting: Members Grindberg, Piepkorn, and Swiontek. The motion was declared carried.

Item 4: Review Request from 201 Hospitality LLC to add one Additional Block: APPROVED

Kylie Bagley presented the request to add one additional block to the City's current Renaissance Zone. She noted the request is to remodel the existing downtown Radisson Hotel, and explained this block contains government-owned buildings and is considered a half block according to the state's guidelines. Ms. Bagley stated staff is recommending approval of this request, which would bring the total number of blocks to 48 1/2.

The Board further discussed the request.

Member Bresciani moved to recommend to the City Commission approval of the application submitted by 201 Hospitality LLC, to add an additional half block to the City of Fargo Renaissance Zone Plan. Second by Member Peterson. On call of the roll Members Luchau, Peterson, Furness, Bresciani, and Mathern voted aye. Absent and not voting: Members Grindberg, Piepkorn, and Swiontek. The motion was declared carried.

Item 5: Discuss Renaissance Development Plan Update

Planning Director Nicole Crutchfield referred to packet information summarizing the process staff followed for the 2014 plan update. She stated the same process will be followed and staff is bringing this to the Board today for discussion. Ms. Crutchfield briefly reviewed the process and stated staff will be assessing the status of existing projects on a block-by-block basis, reaching out to area property owners for their input, and bringing staff's proposals before the Board for discussion and recommendations.

The Board further discussed the process confirming that all projects that have been approved, including those where no active project has started, will be part of the assessment process.

Item 6: Other Business

Director of Strategic Planning and Research Jim Gilmour submitted a document to the Board for a Request for Development Proposals for City-owned property at 1-2nd Street South. He noted the property is within the Renaissance Zone Boundary and he is bringing this item before the Board today for discussion. Mr. Gilmour stated

proposals are due next month and will be presented at the next Renaissance Zone Authority meeting.

Item 7: Next Meeting – March 27, 2019

The time at adjournment was at 8:25 a.m.



Staff Report Renaissance Zone Application for Great Plains Mercantile Holdings, LLC (279-F) 401 Broadway North; 410 and 412 5th Street North

Project Evaluation:

The City of Fargo received a Renaissance Zone application from Great Plains Mercantile Holdings, LLC to construct a mixed-use commercial and residential building at 401 Broadway North; 410 and 412 5th Street North. Pursuant to the application, the intent of the project is to transform the former Goodyear Service Station and surface parking lots into a 6-story, 115,000 square foot building with 370 structured parking stalls, 11,000 square feet of ground floor commercial, 100 apartments, and a line of for-sale townhomes adjacent to the Great Northern Cycle to the north. Phase 1 is the 370 stall parking garage, developed as a public-private partnership, and Phase 2 is the mixed-use portion of the project.

The construction would begin Fall 2019 and the proposed timeframe of opening in 2021.

The Planning Department has reviewed the application and has provided a project ranking based on the analysis below.

<u>Lines 1:</u> Use consistent with the RZ Plan (as per Visions and Goals): As noted in the 2015 Renaissance Zone Development Plan the desired land use on the southwest corner of Block 3 is identified as: *clearance and redevelopment, re-establish corners with multiple stories in height and ground level retail/commercial activity on 4th Avenue.*

As proposed, the project will contribute to a number of goals and objectives as outlined in the RZ Plan as follows:

- 1. Activity Generator [goal]: Develop activity-generating enterprises along Renaissance Zone's major commercial corridors: Broadway/4th Avenue North.
 - The mixed-use project will generate activity by replacing the former Goodyear Service Station and surface parking lots with residential and commercial/retail land uses. The project adds 100 residential units, 11,000 square feet of commercial space, and 370 structured parking stalls.
- 2. Walkable Districts [goal]: Create "walkable districts" that integrate a wide range of activities and land uses; thus encouraging on-street activity...
 - The building structure will use design elements to create a walkable environment. Commercial/retail storefronts will be provided along the street. The east façade is mainly the parking structure, and does not generate much activity on 5th Street North.
- 3. Ground Floor Uses [goal]: Reserve ground floor land uses to those that will encourage streets to come to life shops, offices, cafes, restaurants and other "public" facilities.
 - The ground floor will provide commercial/retail uses along Broadway and 4th Avenue North, and will feature request entrances and large amount of glass, which creates a walkable environment. However, the east façade is mainly the parking structure, and does not generate much activity on 5th Street North.
- 4. Neighborhood Center [goal]: Make "Broadway" Fargo's "Main Street" a pedestrian-friendly, mixed-use magnet that anchors downtown neighborhoods.

The project faces Broadway and is directly adjacent to Broadway along 4th Avenue North, which provides a walkable mixed-use development with storefronts adjacent to the street. The project provides structured parking in the northern area of downtown.

5. *Urban Design [goal]:* Projects will embody strong urban design principles inclusive of building massing and form, building materials, pedestrian orientated design, streetscape, building orientation and recognition of the importance of defined block corners, architectural style, high building coverage percentages, limited setbacks or downtown district appropriate setbacks, design longevity and street level transparency.

The project replaces the Goodyear Service Station and surface parking lots with a six-story building with 100% lot coverage and zero lot lines. The structured parking will be centered on the lot and surrounded by the mixed-use liner building, except on the east façade, which is visible from the right-of-way. While there is the understanding of site logistics, there is a question if all options for enhanced screening were explored, as well as how the east façade interfaces with the right-of-way.

6. Transportation [goal]: Manage downtown transportation, accessibility and parking issues in a manner that will allow for further commercial developments and will make the entire area more user-friendly.

The mixed-use project will provide parking capacity for downtown, especially in the northern part of downtown. Visitors, residents and employees will have more opportunities to park, and will increase foot traffic.

7. Safe Streets – Safe Neighborhoods [goal]: Encourage safe streets and safe neighborhoods by relying on and utilizing the "natural surveillance" of lively and active streets.

The proposed project will replace surface parking with an active ground floor of commercial/retail. The residential units will add population to downtown and provide additional foot traffic. The glass storefronts will add activity and "natural surveillance".

8. *High Quality Housing [goal]:* Continue to encourage the production of unique high quality housing that is developed in areas targeted for residential development or as a component of a mixed-use project.

The proposed residential units will add 100 mark rate residential units, and provides amenities of a rooftop patio, clubroom and secure bike parking. A row of townhomes on the north side is proposed, which provides an option of for-sale housing.

9. *Infill [goal]:* Encourage and actively pursue projects that increase the productivity of underutilized property such as surface parking lots, vacant land and parcels with low building to land value ratios. Infill projects shall conform and be consistent with urban design principles as set forth in Goal 5, above.

The site is underutilized with low building to land ratio. The proposed project will have 100% lot coverage, with six stories of mixed-use surrounding the structured parking.

10. Housing Amenities [goal]: Integrate quality housing with public open space and neighborhood amenities, requiring the enhancement of existing amenities in conjunction with the creation of new ones.

The proposed project provides a rooftop patio, clubroom, secure bike parking and access to the parking garage. Additionally, the location of the building will be in close proximity to amenities provided on Broadway and is located two blocks north of the future Block 9 Plaza.

11. Downtown Entryways [goal]: Enhance auto entry experiences with landscaping improvements to all major corridors (Broadway, Roberts St, 1st/NP Avenue, Main Avenue) and gateway statements at Broadway/Main Avenue, Broadway/6th Ave N, 1st Avenue/Red River, Main Avenue/Red River and Main Ave/10th Street N.

The proposed mixed-use project will enhance the auto entry experience on Broadway and 4th Avenue North, as the project will improve the built environment and streetscape along those streets.

12. The Place to Be [goal]: Make downtown the entertainment/cultural/recreational center of the city... Make downtown a key destination for visitors/conventioneers and a key destination for residents.

The proposed project would be a component of the overall vision of downtown Fargo. The project proposes additional commercial/retail locations and additional parking options for visitors and residents.

13. A Place Like No Other [goal]: Highlight the unique historic character of the Renaissance Zone by placing a high value on historic preservation and overall awareness of the history of the area.

There are no historic properties on site, but it is intended that the original Mercantile building is used as inspiration for the design.

14. 24 Hours a day – 7 Days per Week – 365 Days a Year [goal]: Design spaces, facilities and features that will attract people to the area both day and night, on weekdays and weekends, and during all seasons of the year.

The proposed project will be activated during working hours of the commercial/retail, and office hours for employees using the parking structure. The 100 residential units will activate the area throughout the day, evening and weekends.

15. Connections and Coordination [goal]: Will the project create strong connections between people, places and things to do are vital to creating a strong sense of community.

The surface parking lot will be replaced with a mixed-use project with active ground floor commercial/retail that incorporates frequent doors, high percentage of glass, and pedestrian scale design, which enhances connectivity and encourages walking.

(18/20 points)

<u>Line 2:</u> Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in this RZ Plan? [note that for mixed-use projects the total square footage should be dissected into commercial and residential totals for comparison to minimum investment thresholds]:

Pursuant to City of Fargo Renaissance Zone standards, in order to qualify for consideration, a project must meet a minimum \$40 per square foot capital improvement threshold for commercial rehabilitation and \$100 per square foot for any new construction.

According to the application, the structure accommodates 114,315 square feet, as follows:

Lot Size: 53,198 SF

Proposed Building Total: approximately 114,315 SF

Commercial: approximately 16,000 SF Residential: approximately 98,000 SF Parking: approximately 150,000 SF

Overall, the application estimates a total capital investment of \$20,816,279, which calculates to approximately \$182.00 per square foot.

(10/10 points)

<u>Line 3:</u> The new construction or proposed improvements are representative of "High Priority Land Uses" as defined by this RZ Plan (see pg. 29).

Primary Sector Business: N/A

Active Commercial, Specialty Retail or Destination Commercial: The proposed mixed-use project will have active commercial/retail storefronts in Fargo's downtown core and increase activity on an underutilized block.

Mixed Use Development: The proposed uses will include commercial/retail, residential units (multi-dwelling apartments and townhomes), and structured parking in one building structure.

Large, upscale residential units: The proposed residential development will include 100 premium marking rate units.

(18/20 points)

<u>Line 4:</u> The investment is located in a "Targeted Area" as defined by this RZ Plan (see pg. 29)? Consideration shall be given to whether this property has been vacant or underutilized for a period of time and/or whether the property is specifically targeted for clearance (see spreadsheet).

Parcels that have been vacant or underutilized for an extended period of time:
 This site contains a single story former service station and surface parking lot for many years.

(5/5 points)

2) Parcels specifically targeted for clearance:

The RZ Plan identifies the southwest corner of Block 3 for: clearance and redevelopment, re-establish corners with multiple stories in height and ground level retail/commercial activity on 4th Avenue. Possible vacate all or portion of the 5th Street right-of-way.

(5/5 points)

(10/10 points)

<u>Line 5:</u> The project will create civic space or public space and/or will enhance pedestrian connectivity, streetscape amenities or will contribute to street level activation?:

This project will enhance public space by framing the street, creating a strong corner with active ground floor commercial/retail storefronts.

(8/10 points)

Line 6: Consideration and analysis as to the total actual investment in the project?

As proposed, the redevelopment project and improvement costs significantly exceed both the 50% (true and full value of the building) and \$100 per square foot requirement. As previously noted, the application represents a total estimated investment of \$20,816,279.

(10/10 points)

<u>Line 7:</u> Consideration as to whether the project will include or accommodate the relocation of a business from another North Dakota community?:

The project does not involve the movement or relocation of a business from another North Dakota community.

(10/10 points)

<u>Line 8:</u> Is the project located within a historic district? Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective?:

This property is located within the boundary of the Downtown Historic District. The project proposes to restore the original historic building pattern by building to the sidewalk, the storefronts will have high transparency similar to historic buildings, and the parking will be hidden. The historic mercantile building will be used as inspiration for the design.

(10/10 points)

Summary:

This application received a score of 94 on a 100-point scale. The applicant met all required criteria and the use is consistent with the RZ Plan. In addition, the proposed new construction project surpasses the local capital improvement requirement of \$40 per square foot for a commercial rehab and \$100 per square foot for new construction.

This project is consistent with the RZ Plan to provide a mixed-use development within a target area that acts as an activity generator by providing for residential units and street-level retail activity.

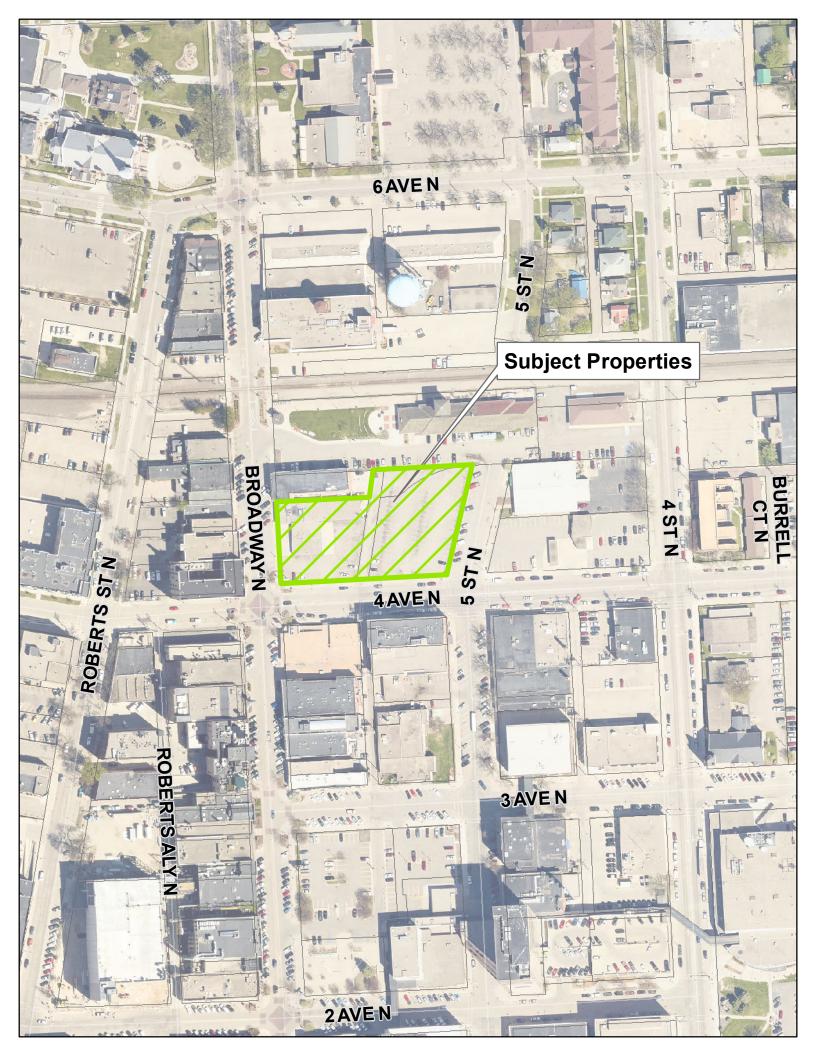
The amount invested in the project exceeds state and local guidelines. The project does not involve the relocation of commercial businesses from another North Dakota city. The applicant will not be seeking any historic preservation tax credits, however the applicant is proposing to secure a PILOT project to aid in the new construction.

This project will make use of a lot that is currently underutilized. Staff believes that this project will be a benefit to the downtown community and will positively contribute to the health of surrounding businesses.

Suggested motion:

Recommend approval to the Fargo City Commission to approve the application submitted by Great Plains Mercantile Holdings, LLC and to grant the property tax exemption and the State income tax exemptions as allowed by the ND Renaissance Zone law contingent upon completion of the project and verification of costs.

| | Minimum Criteria (Proposals involving the purchase of income-genera | ating prop | perty) |
|---|---|------------|--------|
| | | Possible | Staff |
| | | Points | Rating |
| 1 | Use consistent with the plan (as per Vision and Goals) | 20 | 18 |
| 2 | Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in the RZ Plan? | 10 | 10 |
| 3 | The new construction or proposed improvements are representative of "High Priority Land Uses" as defined in the RZ Plan: Primary sector business Active Commercial, Specialty Retail and/or Destination Commercial Mixed use development (combination of housing, commercial, and/or retail uses in a horizontal or vertical fashion) Large, upscale residential units | 20 | 18 |
| 4 | The investment is located in a 'Target Area' as defined by the RZ Plan: Parcels that have been vacant or underutilized for an extended period of time Parcels specifically targeted for clearance | 10 | 10 |
| 5 | The project will create civic space or public space and/or will enhance pedestrian connectivity, streetscape amenities or will contribute to street level activation: • Incorporation of "civic" or "public" space within a redevelopment proposal will receive additional consideration • Demonstrated commitment to strengthening pedestrian corridors and issues of "connection" • Attention to streetscape amenities • Contribution to street activity | 10 | 8 |
| 6 | Consideration and analysis as to the total actual investment in the project: Consideration can be given for the level of capital investment in a project. (i.e., additional consideration can be given for higher levels of investment) | 10 | 10 |
| 7 | Consideration as to whether the project will include or accommodate the relocation of a business from another North Dakota community: Commercial tenants that are re-locating within the Downtown Area (as defined by the 1996 Downtown Area Plan) are not eligible for tax incentives without special approval from the Zone Authority Commercial tenants that are relocating from a North Dakota community (other than Fargo) to the Fargo Renaissance Zone are not eligible for tax incentives without special approval from the Zone Authority. | 10 | 10 |
| 8 | Is the project located within a historic district? Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective? • Although not included in the Project Review Guidelines, historic preservation is considered an important component of downtown projects even when Historic Preservation and Renovation Tax Credits are not being requested. | 10 | 10 |
| | Total Rating (100 possible points) | 100 | 94 |



APPLICATION FOR RENAISSANCE ZONE – REHABILITATION OR PURCHASE (NEW CONSTRUCTION)

Property owners, business owners, developers or investors interested in pursuing a Renaissance Zone project should review the 2015 RZ Plan. The RZ Plan delineates the current geographical boundaries of the program (only certain blocks within the downtown core are included) and provides additional detail on minimum investment requirements and applicable program goals and objectives that must be met.

| Property Owner Information | Representation Information (if applicable) | | |
|--|--|--|--|
| Name (printed): Great Plains Mercantile Holdings, LLC | Name (printed): Mike Zimney Address: 210 Broadway Suite 300 Primary Phone: 701.237.2279 Alternative Phone: Email: zimney@kilbournegroup.com | | |
| Address: 210 Broadway Suite 300 | | | |
| Primary Phone: 701.237.2279 | | | |
| Alternative Phone: | | | |
| Email: | | | |
| Location of property involved in the application de | | | |
| Address or Parcel Number: 401 BROADWAY N, | 410 5 ST N, 412 5 ST N | | |
| Legal Description (attach separate sheet if more space | e is needed): see attached | | |
| | | | |
| Renaissance Zone Block Number: 3 | | | |
| Current Use of Property: A combination of privately-owner | d surface parking lots and the former Goodyear service station | | |
| | a defined parting lote and the former decayour convice etation. | | |
| How will this property | | | |
| How will this property affect historical properties: Property does not con | tain any historic buildings. Site was the location | | |
| How will this property | tain any historic buildings. Site was the location | | |
| How will this property affect historical properties: Property does not con | tain any historic buildings. Site was the location | | |
| How will this property affect historical properties: Property does not con | tain any historic buildings. Site was the location ding torn down in 1966. | | |
| How will this property affect historical properties: Property does not con of the former Fargo Mercantile Company build | tain any historic buildings. Site was the location ding torn down in 1966. corresponding application type requested) vements Historic Preservation | | |
| How will this property affect historical properties: Property does not con of the former Fargo Mercantile Company build Application Type (Please place a checkmark next to expect the company build property does not contain the contain the company build property does not contain the contain the company build property does not contain the cont | tain any historic buildings. Site was the location ding torn down in 1966. | | |
| Application Type (Please place a checkmark next to experiment) Property does not consoler the former Fargo Mercantile Company builty application Type (Please place a checkmark next to experiment) Purchase Purchase with Major Impro | tain any historic buildings. Site was the location ding torn down in 1966. corresponding application type requested) vements Historic Preservation | | |
| How will this property affect historical properties: Of the former Fargo Mercantile Company build Purchase Purchase Purchase with Major Improvements Rehabilitation Lease Is this A Historic Tax | tain any historic buildings. Site was the location ding torn down in 1966. corresponding application type requested) vements Historic Preservation | | |
| How will this property affect historical properties: Of the former Fargo Mercantile Company build Purchase Purchase Purchase with Major Improvements Rehabilitation Lease Is this A Historic Tax | tain any historic buildings. Site was the location ding torn down in 1966. corresponding application type requested) vements Historic Preservation | | |
| How will this property affect historical properties: Of the former Fargo Mercantile Company build Purchase Purchase Purchase Purchase with Major Improvement Rehabilitation Lease Is this A Historic Tax Credit Project: Yes Volume Property does not consider the property does | tain any historic buildings. Site was the location ding torn down in 1966. corresponding application type requested) vements Historic Preservation and Renovation | | |
| How will this property affect historical properties: Of the former Fargo Mercantile Company build Purchase Purchase Purchase Purchase with Major Improvement Rehabilitation Lease Is this A Historic Tax Credit Project: Yes Yes Yourse Property does not considered propert | tain any historic buildings. Site was the location ding torn down in 1966. corresponding application type requested) vements Historic Preservation and Renovation | | |



| Project Description | |
|---|---|
| Expected Date of Purchase: | n/a |
| Expected Date of Occupancy: | 2021 |
| Will this be your primary place | of Residency? n/a |
| Scope of Work | |
| Phase 1 - Publicly owned | 370 stall parking garage developed as a public private partnership. |
| parking lots to the east. T | ed-use project on the former Goodyear Service Station and surface he project will be a six story 115,000 SF building with 11,000 SF of 100 apartments, and a liner of for-sale town homes adjacent to |
| Estimated Tax Impact | |
| Current True and Full Value: | \$1,365,000 |
| Current Annual Property Tax: | \$19,696 |
| Estimated Value of Building aft | er Improvements: \$17,693,836 |
| Estimated Five-Year Impact: | \$1,276,610 |
| Acknowledgement – We her regulations to the preparation of our knowledge. | eby acknowledge that we have familiarized ourselves with the rules and of this submittal and that the forgoing information is true and complete to the bes |
| Owner (Signature): | MMM . Date: 5-8-19 |
| Representative (Signature): | M Date: 5-7-19 |
| Office Use Only | |
| Date Filed: | Planning Office Contact: |



Legal Description (attach separate sheet if more space is needed):

401 BROADWAY N

Lot: 1 Block: 21 KEENEY & DEVITTS 2ND LOTS 1 11 & 12 BLK 21 01-1540-01160-000

410 5 ST N

Lot: 2 Block: 21 KEENEY & DEVITTS 2ND ALL LOTS 2 3 4 & THAT PT OF LOT 5 BLK 21 DESC AS FOLL:BEG AT S E COR LOT 5 W ALG S LN 113.6' THENCE NE 141.6' TO PT IN NW LN OF 5TH ST 52.2'

FROM SE COR THENCE SW 52.2' TO BEG 01-1540-01170-000

412 5 ST N

Lot: B Block: 1 GREAT NORTHERN DEPOT PT LT B BLK 1 DESC AS FOLL: BEG AT SW COR OF SD LT B THN N 11D G23'24"" E ON ASSM BRG ON THE W LN OF LT B A DIST OF 51' THN N 90DG00'00"" E A DIST OF 152.40' TO TH E SLY LN OF SD LT B THN SWLY ON THE SLY LN OF LT B ON A CURVE CONC TO THE SE A DIST OF 140.05' HAVIN G A RAD OF 196.70 FT A CENT ANG OF 40DG47'42"" & A CHD BRG S 68DG36'54"" W A DIST OF 137.11' THN N 9 0DG00'00"" W ON S LN A DIST OF 34.80' TO THE PT OF BEG. **10-13-06 PETITIONED SPL FRM 01-1040-00020-01-1040-00023-000

Please complete the following that apply:

A. Is the proposed use of the project consistent with the RZ Plan (as per Visions and Goals)? As noted in the 2015 Renaissance Zone Development Plan the desired land use on Block _____ will contribute to a number of goals and objectives as outlined in the RZ Plan as follows:

1. Activity Generator [goal]: Will the project develop activity-generating enterprises along major commercial corridors of the Renaissance Zone? If true, how?

The addition of 100 apartments, 11,000 SF of commercial space, and 370 structured parking stalls will greatly improve the amount of activity to this area of Broadway.

2. Walkable Districts [goal]: Will the project create "walkable districts" that integrate a wide range of activities and land uses that encouraging on-street activity? If true, how?

The ground floor along Broadway and 4th Ave will include retail. The storefronts will feature frequent entrances and large amounts of glass, both critical design elements for creating an interesting environment. The mixed-use building will replace surface parking lots and greatly improve the built environment. The structured parking at this location will provide another transportation node at this

3. Ground Floor Uses [goal]: Will the project reserve ground floor land uses to those that will encourage streets to come to life – shops, offices, cafes, restaurants and other "public" facilities? If true, how?

The ground floor will be comprised of commercial storefronts. The storefronts will feature frequent entrances and large amounts of glass, both critical design elements for creating an interesting and walkable environment.

4. Neighborhood Center [goal]: Will the project make "Broadway" Fargo's "Main Street" – a pedestrian-friendly, mixed-use magnet that anchors downtown neighborhoods? If true, how?

This project will include the first structured parking in the northern area of downtown and will both anchor this area and help spur additional development by increasing parking capacity.

5. Urban Design [goal]: Will the project the projects embody strong urban design principles inclusive of building massing and form, building materials, pedestrian orientated design, streetscape, building orientation and recognition of the importance of defined block corners, architectural style, high building coverage percentages, limited setbacks or downtown district appropriate setbacks, design longevity and street level transparency? If true, how?

This project will replace surface parking with a 6story building with 100% lot coverage. The building will have zero lot lines and frame the street with ground floor commercial storefronts and apartments on the upper floors. The structured parking will be centered on the lot and surrounded by the mixed-use liner building.

6. Transportation [goal]: Will the project manage downtown transportation, accessibility and parking issues in a manner that will allow for further commercial developments and make the entire area more user-friendly. If true, how?

This mixed-use development and parking structure will anchor this area of downtown. The new parking structure will provide much needed additional parking capacity for downtown and especially this area. The additional parking will catalyze new development, generate more parking for visitors, residents, and office workers and in turn greatly increase foot traffic.



7. Safe Streets - Safe Neighborhoods [goal]: Will the project encourage safe streets and safe neighborhoods by relying on and utilizing the "natural surveillance" of lively and active streets? If true, how?

The redevelopment of this block will further enhance the natural human surveillance by replacing a surface parking lot with an active ground floor of mixed retail. The introduction of residential units will expand downtown's population and provide additional foot traffic and activity in this area. The commercial storefronts will also help to add activity and "natural surveillance."

8. High Quality Housing [goal]: Will the project continue to encourage the production of unique, high quality housing that is developed in areas targeted for residential development or as a component of a mixed-use project? If true, how?

This project will add 100 market rate residential apartments. These apartments will feature a rooftop patio, club room, secure bike parking, and other amenities. In addition, a row of town homes is being proposed which would line the north side of the parking garage adjacent to Great Northern Bicycle Co. and offer for-sale housing option.

9. Infill [goal]: Will the project encourage and actively pursue projects that increase the productivity of underutilized property such as surface parking lots, vacant land and parcels with low building to land value ratios? (Infill projects shall conform and be consistent with urban design principles as set forth in Goal 5 above.) If true, how?

This site currenity is very under utilized with a low building to land ratio. The new project will have 100% lot coverage with six stories of mixed use liner surrounding the structured parking.

Prior to the planning redevelopment of this site, we worked with local artists, makers and small local businesses to activate the site through a number of pop-up activities, including the Red River Market. These events illustrated the benefit of open space in downtown Fargo for public events. This site has been embraced by community builders and has had a positive impact on downtown. We are very excited of having a permanent at the Block 9 plaza with public bathrooms, ample seating, and all the the necessary infrastructure to host the Red River Market and other events.

10. Housing Amenities [goal]: Will the project integrate quality housing with public open space and neighborhood amenities, requiring the enhancement of existing amenities in conjunction with the creation of new ones? If true, how?

The apartments will feature a rooftop patio, club room, secure bike parking, access to the parking garage, and other amenities. In addition, the new commercial space in the project will also serve as an amenity to the residents.

11. Downtown Entryways [goal]: Will the project enhance auto entry experiences with landscaping improvements to all major corridors (Broadway, Roberts St, 1st/NP Avenue, Main Avenue) and gateway statements at Broadway/Main Avenue, Broadway/6th Ave N, 1st Avenue/Red River, Main Avenue/Red River and Main Ave/10th Street N? If true, how?

Replacing surface parking lots with this six story mixed-use building will greatly improve the built environment and streetscape along Broadway and 4th Ave N.

12. The Place to Be [goal]: Will the project make downtown the entertainment/cultural/recreational center of the city, a key destination for visitors/conventioneers, and a key destination for residents? If true, how?

The additional residents at this location will help support existing and new retail. The additional retail shops at this location will help grow this area of downtown as a retail destination. The additional parking at this location will undoubtedly provide much needed parking in this location and for downtown as a whole. This convenient parking will make it easier for visitors coming to downtown for events, shopping, and entertainment.



13. A Place Like No Other [goal]: Will the project highlight the unique historic character of the Renaissance Zone by placing a high value on historic preservation and overall awareness of the history of the area? If true, how?

There are no historic properties on the site, but its our intention to use the original Mercantile building as inspiration for the new design and brand.

14. 24 Hours a day - 7 Days per Week - 365 Days a Year [goal]: Will the project design spaces, facilities and features that will attract people to the area both day and night, on weekdays and weekends, and during all seasons of the year? If true, how?

Currently most activity on this site is the result of 8-5 office works parking on this site. There is limited use in the evenings and weekends. Upon completion, this location will be activated during working hours from the ground floor retail and those office workers parking in the 370 stall parking garage. The 100 residential units will activate this area throughout the day as well as during the evenings and weekends.

15. Connections and Coordination [goal]: Will the project create strong connections between people, places, and things to do that are vital to creating a strong sense of community? If true, how?

This project will be thoughtfully designed to enhance the walkability of this area. The surface parking will be replaced with a mixed-use building with active ground floor retail and a design that encourages walking (frequent doors, high percentage of glass, and pedestrian scale design).

B. Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in this RZ Plan? [Note that for mixed-use projects the total square footage should be dissected into commercial and residential totals for comparison to minimum investment thresholds]:

Pursuant to City of Fargo Renaissance Zone standards, in order to qualify for consideration, a project must meet a minimum \$25 square foot capital improvement threshold for residential rehabilitation, \$40 per square foot capital improvement threshold for commercial rehabilitation, and \$100 per square foot for any new construction.

| 1. | The structure accommodates | 114,315 | square feet, | as follows: |
|----|----------------------------|---------|--------------|-------------|

a. Lot Size: 53,198

b. Proposed Building Total: 114,315 SF

Overall, the application estimates a total capital investment (cost incurred for the repair, replacement or renovation of a building's: exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/air conditioning systems, windows, exterior doors, elevator improvements and accessibility. The square footage used to calculate required investment levels will be based on the square footage of the entire building excluding the basement) of , which calculates to approximately \$ 182 per square foot.



Please complete the following that apply:

A. The proposed development or lease are representative of "High Priority Land Uses" as defined by this RZ Plan (see pg. 29).

1. Is this a Primary Sector Business? If true, how?

n/a

2. Is this an Active Commercial, Specialty Retail or Destination? If true, how?

Yes, ground floor will have active commercial storefronts

Is this a Mixed-Use Development? If true, how?

Yes, mix of commercial, apartments, town homes, and phase 1 will be 370-stall parking garage

4. Does this development include large, upscale residential units? If true, how?

Yes, these will be premium market rate apartments

- **B.** Target Area Considerations: consideration shall be given to whether this property has been vacant or underutilized for a period of time and/or whether the property is specifically targeted for clearance.
 - 1) Is this parcels vacant or underutilized for an extended period of time? If true, how?

Yes, site contains single story former service station and surface parking.

2) Is this a parcel specifically targeted for clearance in the Renaissance Zone Plan?

Yes - RZ plans calls for "clearance and redevelopment"

C. Will the project create civic space or public space and/or will enhance pedestrian connectivity, streetscape amenities or contribute to street level activation?

The project will improve the public realm by framing the street, creating a strong corner with a active ground floor commercial storefronts.

D. Will the proposed project meet investment minimum criteria? How?

Yes, investment will exceed the \$100/SF threshold

E. Will the proposed project accommodate the relocation of a business from another North Dakota community? If true, how?

N/A

F. Is the project located within a historic district? Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective? If true, how?

Yes, the project will restore the original historic building pattern by building to the sidewalk, the storefronts will have high transparency similar to historic buildings, the parking will be hidden, and the scale will be context sensitive.





MERCANTILE MIXED-USE: SCHEMATIC ELEVATION





MERCANTILE MIXED-USE: SCHEMATIC

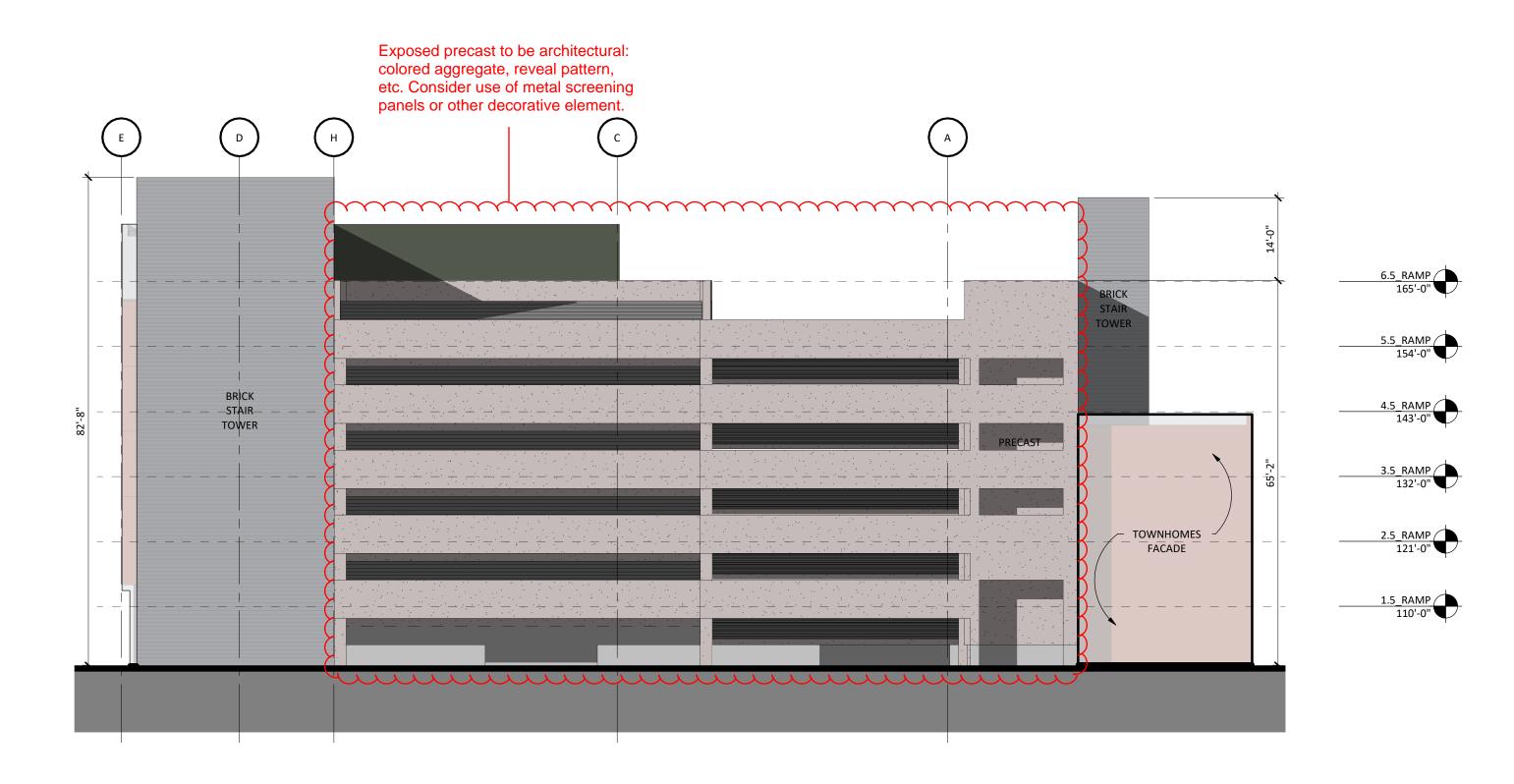
ELEVATION - BROADWAY OPTION 1



MERCANTILE MIXED-USE: SCHEMATIC

ELEVATION - BROADWAY OPTION 2

06/06/19 | JLG 19052 | © 2019 JLG ARCHITECTS

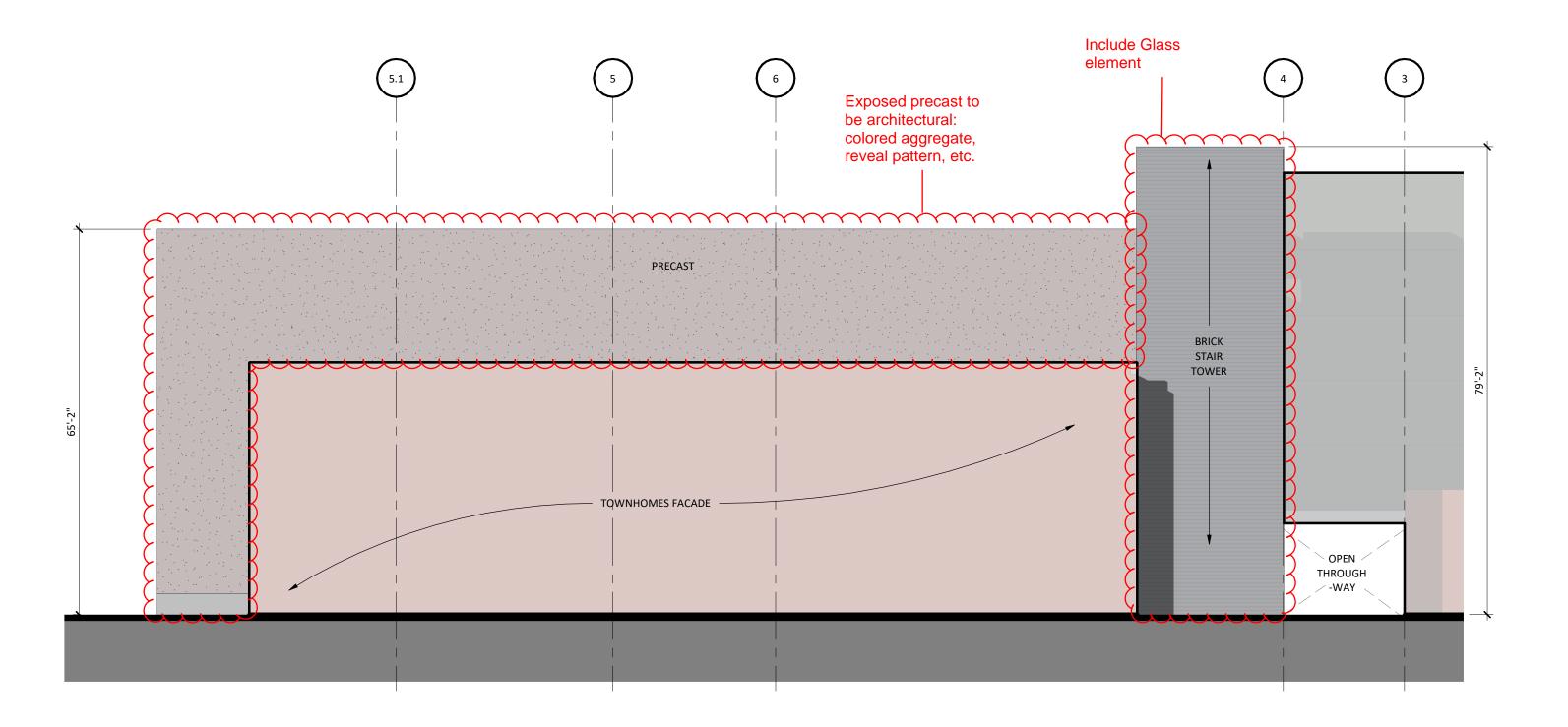




EXTERIOR EAST ELEVATION





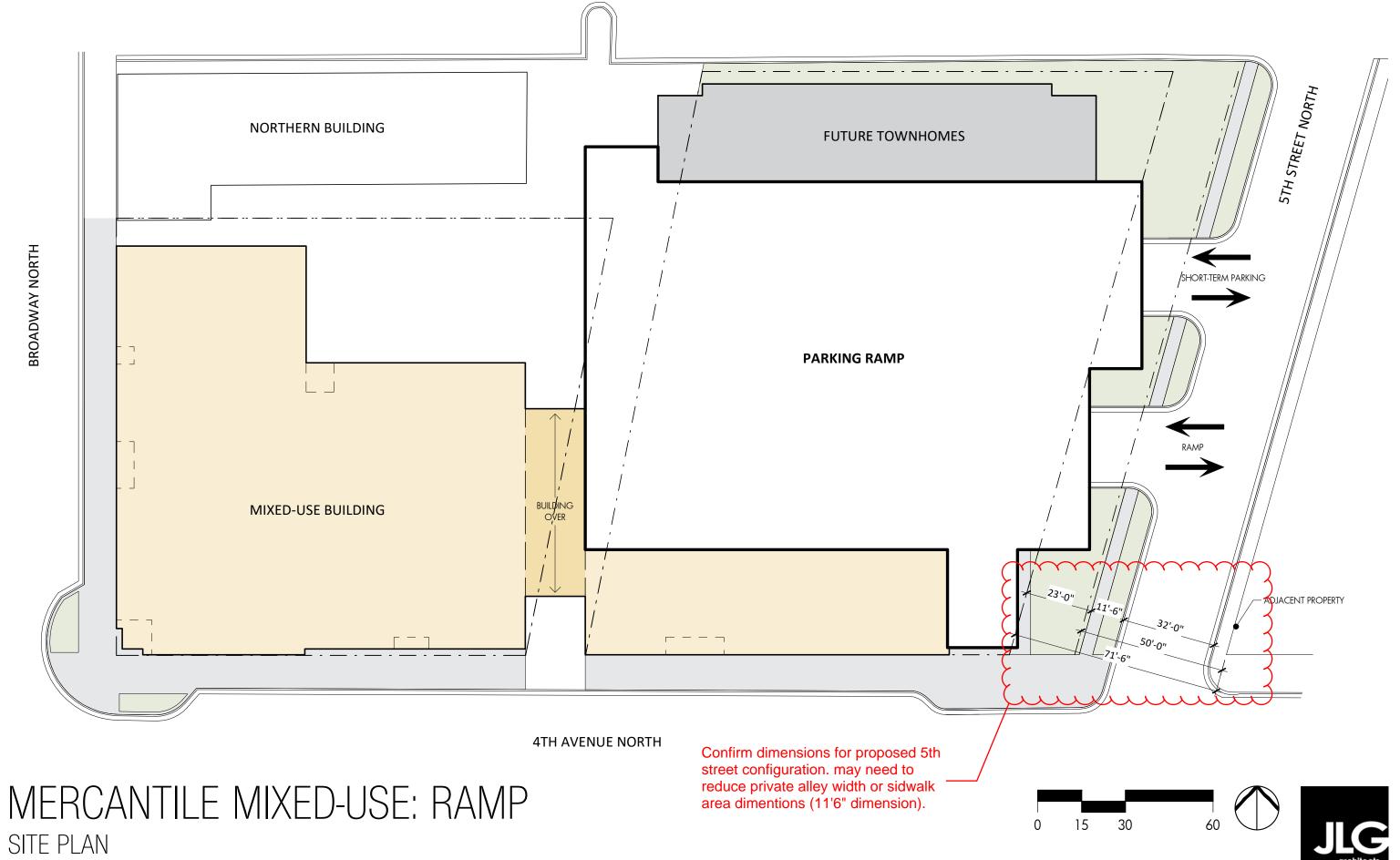


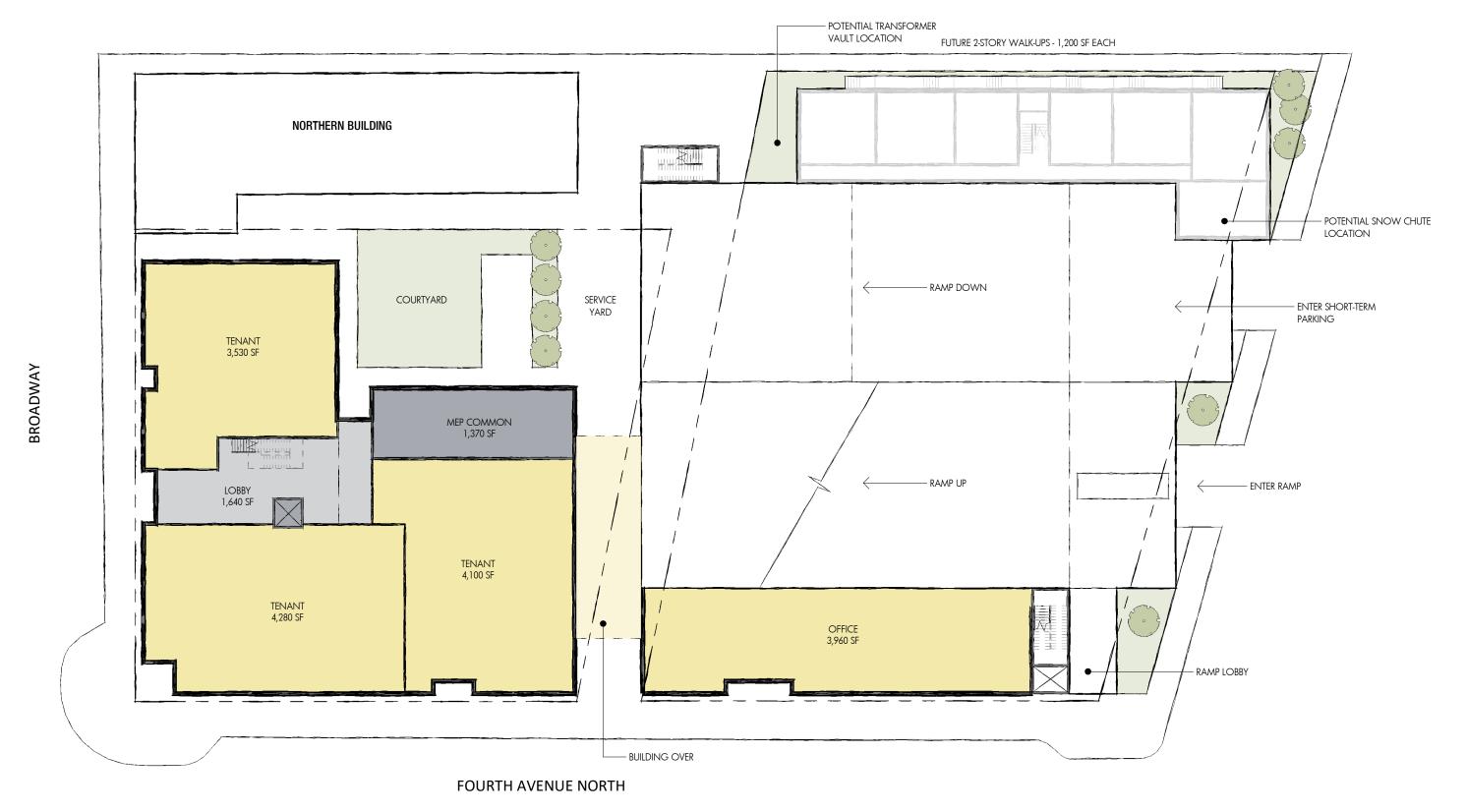
MERCANTILE MIXED-USE: RAMP

EXTERIOR NORTH ELEVATION







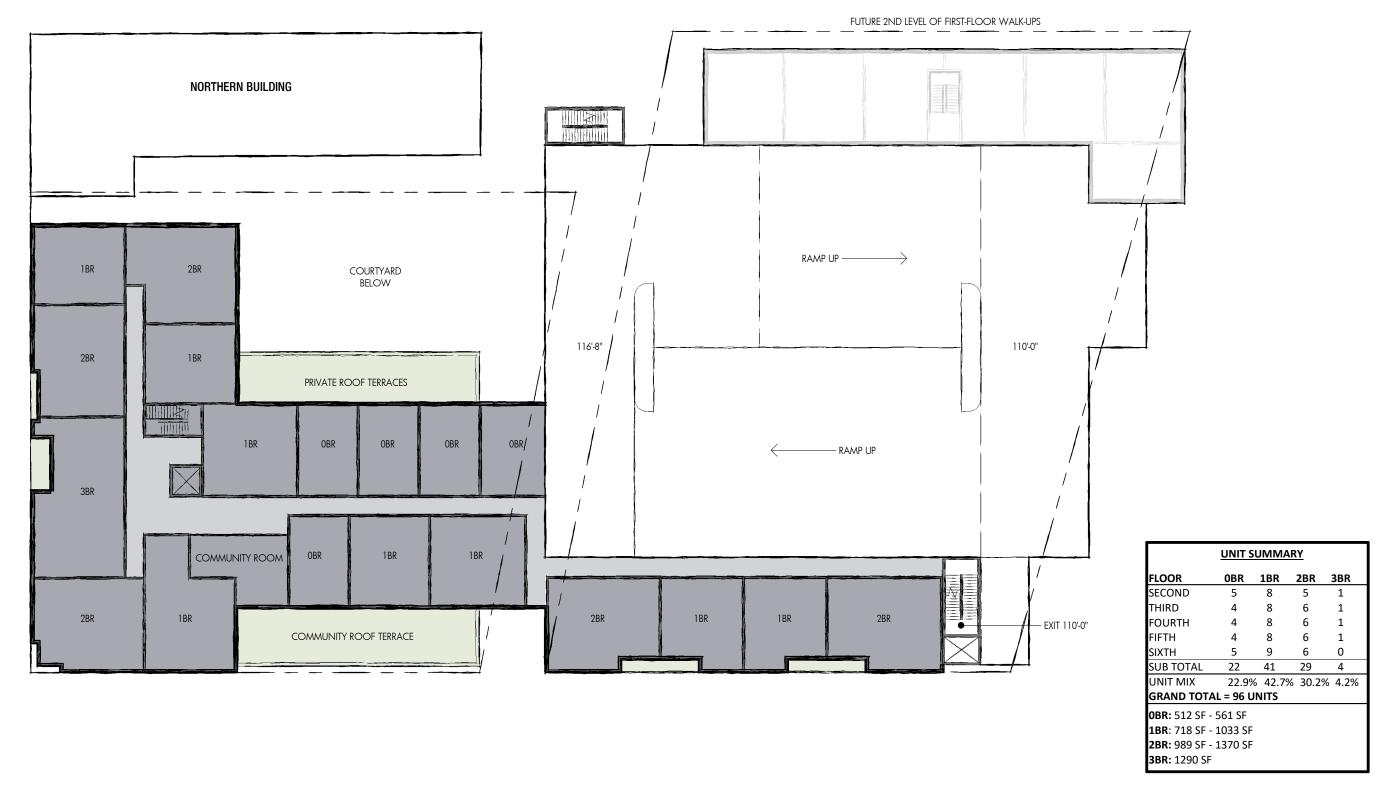


FIRST FLOOR / SITE PLAN

05/10/19 | JLG 19052 | © 2019 JLG ARCHITECTS





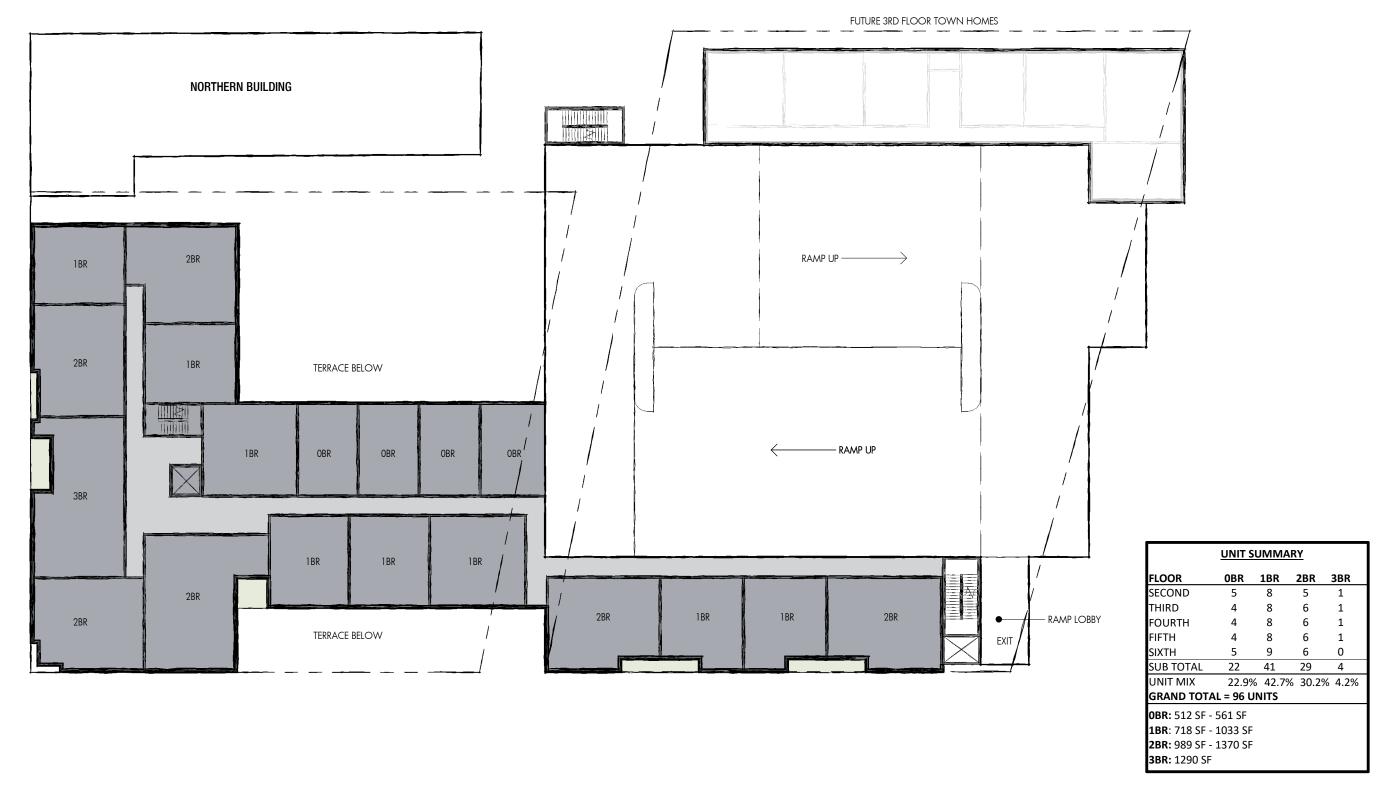


SECOND FLOOR PLAN

0 15 30 60





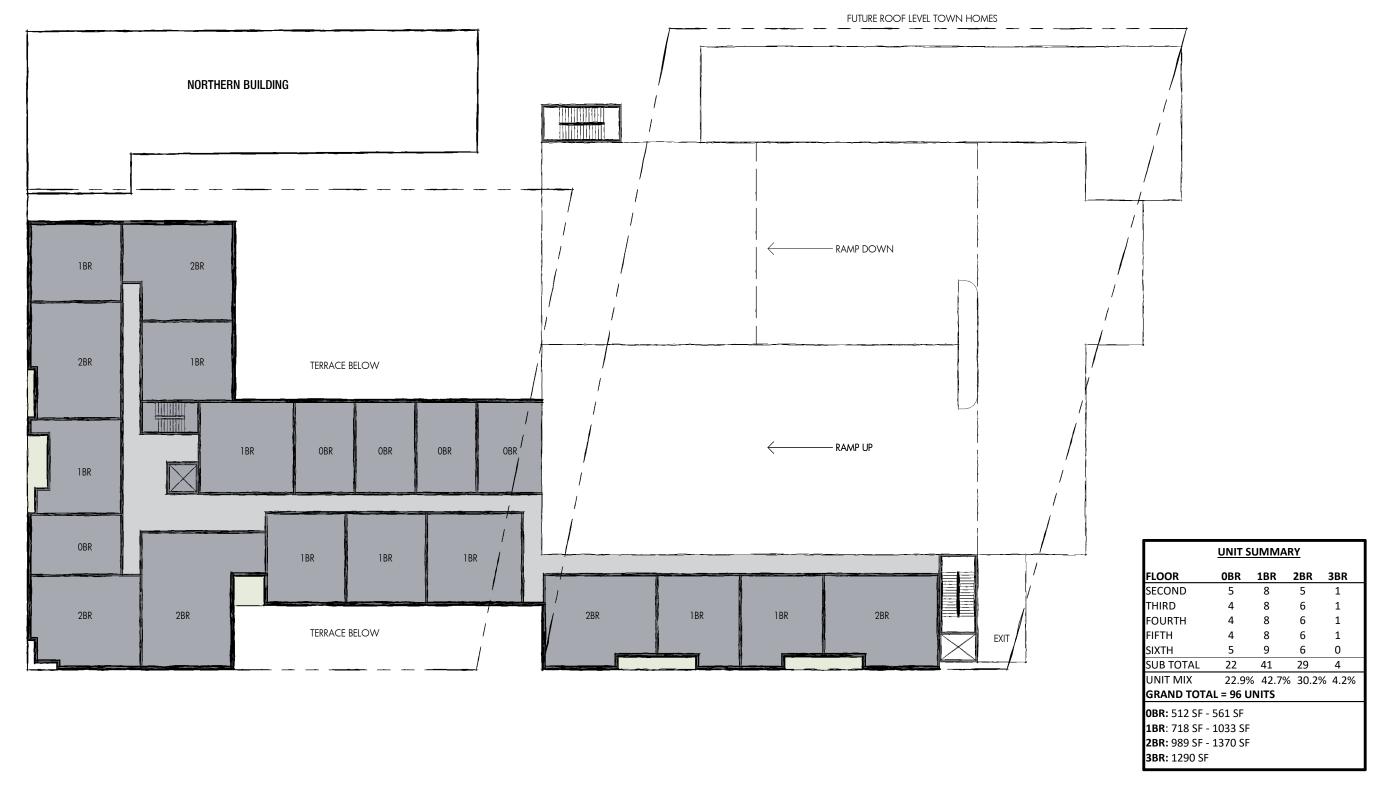


THIRD FLOOR PLAN (4TH-5TH SIMILAR)

0 15 30 60







SIXTH FLOOR PLAN

0 15 30 60





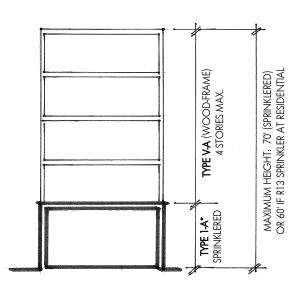


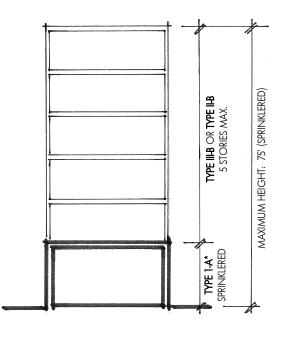


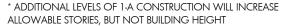


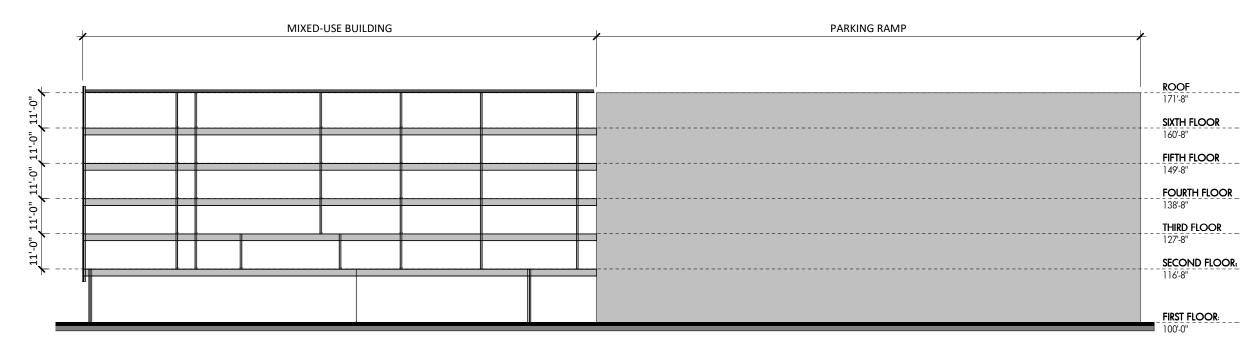
SUMMARY OF CONTSTRUCTION TYPES

- **HA = NON-COMBUSTIBLE MATERIALS, 3-HOUR PRIMARY STRUCTURE, 2-HOUR FLOORS (CONCRETE/MASONRY)**
- **II-B** = NON-COMBUSTIBLE MATERIALS, UNPROTECTED (STEEL FRAME/METAL STUDS).
- **III-B** = NON-COMBUSTIBLE EXTERIOR (METAL STUDS OR FIRE-TREATED WOOD)
 - EXTERIOR WALLS HAVE 2-HOUR PROTECTION
- INTERIOR CAN BE WOOD FRAMING.
- **V-A** = WOOD FRAME, STRUCTURAL ELEMENTS HAVE 1-HOUR PROTECTION



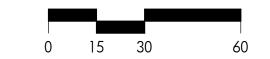






MERCANTILE MIXED-USE: PRE-DESIGN

BUILDING SECTION AND CONSTRUCTION TYPE







Staff Report Renaissance Zone Application for DFI Kesler LLC (280-F) 617 & 621 1st Avenue North; 624 2nd Avenue North

Project Evaluation:

The City of Fargo received a Renaissance Zone application from DFI Kesler, LLC to construct a mixed-use commercial and residential building at 617 & 621 1st Avenue North; 624th 2nd Avenue North. Pursuant to the application, the intent of the project is to construct a 6-story, 140,000 square foot mixed-use project with ground floor commercial/retail, five floors (95 units) of market-rate residential units with 88 underground parking on surface parking lots.

Note: Previously approved project 250-F at 624 2^{nd} Avenue North has been canceled and the property is now part of this application.

Construction is anticipated to begin later in 2019 and the proposed timeframe of opening is spring 2021.

The Planning Department has reviewed the application and has provided a project ranking based on the analysis below.

<u>Lines 1:</u> Use consistent with the RZ Plan (as per Visions and Goals): The 2015 Renaissance Zone Development Plan does not specify a specific desired land use for Bock 10, however, a primary development strategy is to *redevelop surface parking lots*. As proposed, the project will contribute to a number of goals and objectives as outlined in the RZ Plan as follows:

- Activity Generator [goal]: Develop activity generating enterprises along Renaissance Zone's major commercial corridors: Robert Street/2nd Avenue.
 - The mixed-use project will generate activity by replacing the surface parking lots with residential and commercial/retail land uses. The project adds 95 residential units, 13,000 square feet of commercial space, and 88 structured parking stalls.
- 2. Walkable Districts [goal]: Create "walkable districts" that integrate a wide range of activities and land uses; thus encouraging on-street activity...
 - The project is mixed-use and includes residential and ground floor commercial/retail along the street.
- 3. Ground Floor Uses [goal]: Reserve ground floor land uses to those that will encourage streets to come to life shops, offices, cafes, restaurants and other "public" facilities.
 - The ground floor will provide commercial/retail uses along 1^{st} and 2^{nd} Avenues North and Roberts Alley.
- 4. Neighborhood Center [goal]: Make "Broadway" Fargo's "Main Street" a pedestrian-friendly, mixed-use magnet that anchors downtown neighborhoods.
 - The project is located within the first block west of Broadway, and will provide uses of residential, commercial/retail and parking along 1st and 2nd Avenues North and Roberts Alley.

5. *Urban Design [goal]:* Projects will embody strong urban design principles inclusive of building massing and form, building materials, pedestrian orientated design, streetscape, building orientation and recognition of the importance of defined block corners, architectural style, high building coverage percentages, limited setbacks or downtown district appropriate setbacks, design longevity and street level transparency.

The project proposes near zero lot lines and high lot coverage, with commercial/retail along 1^{st} and 2^{nd} Avenues North and Roberts Alley that provide storefronts with frequent doors and large amounts of clear glazing.

6. *Transportation [goal]:* Manage downtown transportation, accessibility and parking issues in a manner that will allow for further commercial developments and will make the entire area more user-friendly.

The project proposes 88 parking stalls to provide parking for the Black Building during the day and residents during nights and weekends, with vehicular access from the alley to the west to maintain a pedestrian friendly streetscape.

7. Safe Streets – Safe Neighborhoods [goal]: Encourage safe streets and safe neighborhoods by relying on and utilizing the "natural surveillance" of lively and active streets.

The project will increase the "natural surveillance" with the additional residential and commercial/retail space which will increase activity on and along the street.

8. *High Quality Housing [goal]*: Continue to encourage the production of unique high quality housing that is developed in areas targeted for residential development or as a component of a mixed-use project.

The residential units will be market rate with quality finishes, be well-lit, and include amenities such as a roof top terrace, bike parking, pet facilities and package room.

9. *Infill [goal]:* Encourage and actively pursue projects that increase the productivity of underutilized property such as surface parking lots, vacant land and parcels with low building to land value ratios. Infill projects shall conform and be consistent with urban design principles as set forth in Goal 5, above.

The project will replace surface parking lots in downtown with a mixed use project appropriate in an urban setting.

10. Housing Amenities [goal]: Integrate quality housing with public open space and neighborhood amenities, requiring the enhancement of existing amenities in conjunction with the creation of new ones.

The project will provide amenities of a rooftop terrace, bike parking, pet facilities and package room.

11. Downtown Entryways [goal]: Enhance auto entry experiences with landscaping improvements to all major corridors (Broadway, Roberts St, 1st/NP Avenue, Main Avenue) and gateway statements at Broadway/Main Avenue, Broadway/6th Ave N, 1st Avenue/Red River, Main Avenue/Red River and Main Ave/10th Street N.

The project will replace surface parking lots along 1st and 2nd Avenues North and Roberts Alley and improve the gateways downtown.

12. The Place to Be [goal]: Make downtown the entertainment/cultural/recreational center of the city... Make downtown a key destination for visitors/conventioneers and a key destination for residents.

The project will build upon the vibrancy that is occurring in downtown with the addition of commercial and housing options. The addition of commercial/retail along Roberts Alley will provide a unique and pedestrian friendly experience in downtown.

13. A Place Like No Other [goal]: Highlight the unique historic character of the Renaissance Zone by placing a high value on historic preservation and overall awareness of the history of the area.

The project plans to incorporate the history of the site by playing homage to the original Kesler Block Apartment built on the site.

14. 24 Hours a day – 7 Days per Week – 365 Days a Year [goal]: Design spaces, facilities and features that will attract people to the area both day and night, on weekdays and weekends, and during all seasons of the year.

Ninety-five residential units and additional ground floor commercial/retail will generate more activity with new visitors and residents.

15. Connections and Coordination [goal]: ... Strong connections between people, places and things to do are vital to creating a strong sense of community.

The project replaces surface parking lots along the streetscape, which will improve the pedestrian experience and walkability, and will provide connections from Broadway to the west.

(19/20 points)

<u>Line 2:</u> Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in this RZ Plan? [note that for mixed-use projects the total square footage should be dissected into commercial and residential totals for comparison to minimum investment thresholds]:

Pursuant to City of Fargo Renaissance Zone standards, in order to qualify for consideration, a project must meet a minimum \$40 per square foot capital improvement threshold for commercial rehabilitation and \$100 per square foot for any new construction.

According to the application, the structure accommodates 140,000 square feet, as follows:

Lot Size: 33,837 SF

Proposed Building Total: 140,000 square feet Commercial: approximately 13,000 SF Residential: approximately 96,000 SF Parking: approximately 31,000 SF

Overall, the application estimates a total capital investment of \$21,889,421 which calculates to approximately \$156 per square foot.

(10/10 points)

<u>Line 3:</u> The new construction or proposed improvements are representative of "High Priority Land Uses" as defined by this RZ Plan (see pg. 29).

Primary Sector Business: N/A

Active Commercial, Specialty Retail or Destination Commercial: The proposed project will produce a new building on a previously vacant and underutilized lot in Fargo's downtown core and increase activity on an underutilized block.

Mixed Use Development: The proposed uses will include commercial/retail, residential units, and structured parking in one building structure.

Large, upscale residential units: The proposed residential development will include 95 premium marking rate units.

(18/20 points)

<u>Line 4:</u> The investment is located in a "Targeted Area" as defined by this RZ Plan (see pg. 29)? Consideration shall be given to whether this property has been vacant or underutilized for a period of time and/or whether the property is specifically targeted for clearance (see spreadsheet).

1) Parcels that have been vacant or underutilized for an extended period of time:

This site has been a surface parking lot for a number of years.

(5/5 points)

2) Parcels specifically targeted for clearance:

The RZ Plan designates Block 10 as being appropriate for: preservation and rehabilitation; and redevelopment of surface parking lots.

(5/5 points)

(10/10 points)

<u>Line 5:</u> The project will create civic space or public space and/or will enhance pedestrian connectivity, streetscape amenities or will contribute to street level activation?:

This project will enhance public space with pedestrian activity and streetscape amenities by providing a mixed-use infill project along with outdoor seating areas.

(9/10 points)

<u>Line 6:</u> Consideration and analysis as to the total actual investment in the project?

As proposed, the redevelopment project and improvement costs significantly exceed both the 50% (true and full value of the building) and \$100 per square foot requirement. As previously noted, the application represents a total estimated investment of \$21,889,421.

(10/10 points)

<u>Line 7:</u> Consideration as to whether the project will include or accommodate the relocation of a business from another North Dakota community?:

The project does not involve the movement or relocation of a business from another North Dakota community.

(10/10 points)

<u>Line 8:</u> Is the project located within a historic district? Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective?:

This property is located within the boundary of the Downtown Historic District. The project proposes to restore the original historic building pattern by building to the sidewalk, the storefronts will have high transparency similar to historic buildings, and the parking will be hidden. The project proposes to incorporate the history of the site by playing homage to the original Kesler Block Apartment built on this site.

(10/10 points)

Summary:

This application received a score of 96 on a 100-point scale. The applicant met all required criteria and the use is consistent with the RZ Plan. In addition, the proposed new construction project surpasses the local capital improvement requirement of \$40 per square foot for a commercial rehab and \$100 per square foot for new construction.

This project is consistent with the RZ Plan to provide a mixed-use development within a target area that acts as an activity generator by providing for residential units and street-level retail activity.

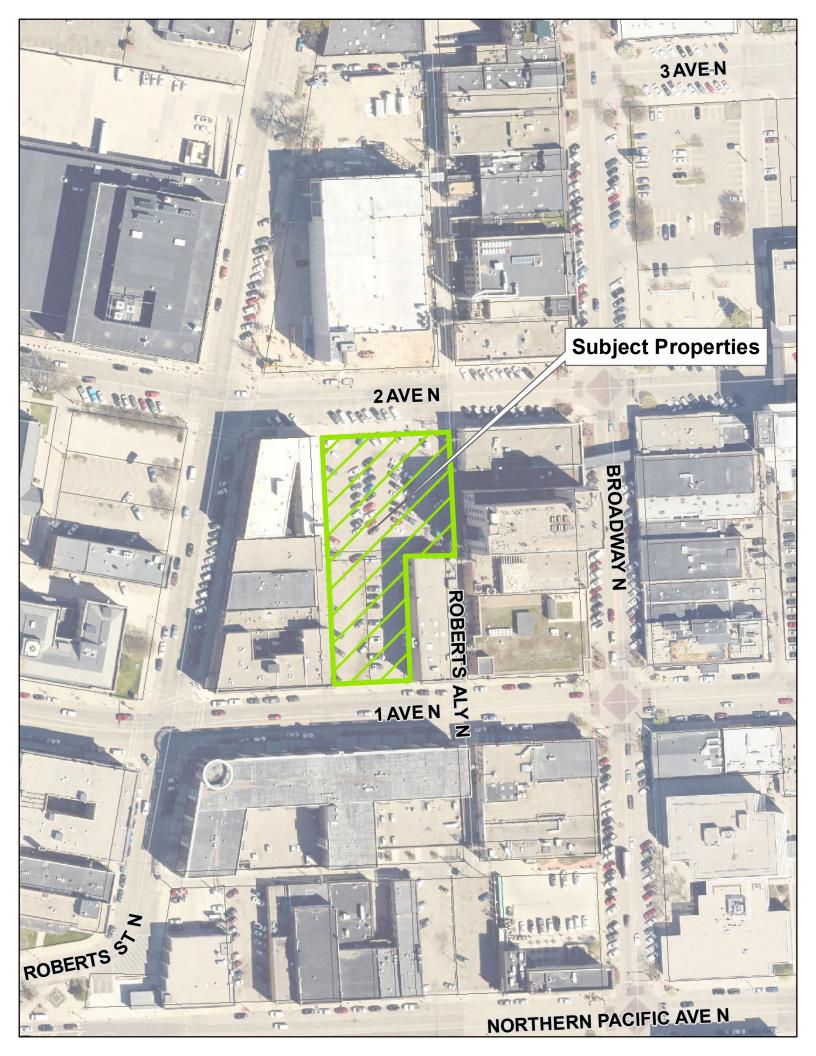
The amount invested in the project exceeds state and local guidelines. The project does not involve the relocation of commercial businesses from another North Dakota city. The applicant will not be seeking any historic preservation tax credits, however the applicant has applied for a **THF** PILOT project to aid in the new construction.

This project will make use of a lot that is currently underutilized. Staff believes that this project will be a benefit to the downtown community and will positively contribute to the health of surrounding businesses.

Suggested motion:

Recommend approval to the Fargo City Commission to approve the application submitted by DFI Kesler LLC and to grant the property tax exemption and the State income tax exemptions as allowed by the ND Renaissance Zone law contingent upon completion of the project and verification of costs.

| | Minimum Criteria (Proposals involving the purchase of income-genera | ating prop | perty) |
|---|---|------------|--------|
| | | Possible | Staff |
| | | Points | Rating |
| 1 | Use consistent with the plan (as per Vision and Goals) | 20 | 19 |
| 2 | Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in the RZ Plan? | 10 | 10 |
| 3 | The new construction or proposed improvements are representative of "High Priority Land Uses" as defined in the RZ Plan: • Primary sector business | 20 | 18 |
| | Active Commercial, Specialty Retail and/or Destination Commercial Mixed use development (combination of housing, commercial, and/or retail uses in a horizontal or vertical fashion) | | |
| _ | Large, upscale residential units The interpolation of the part of the pa | 10 | 10 |
| 4 | The investment is located in a 'Target Area' as defined by the RZ Plan: • Parcels that have been vacant or underutilized for an extended period of time • Parcels specifically targeted for clearance | 10 | 10 |
| 5 | The project will create civic space or public space and/or will enhance pedestrian connectivity, streetscape amenities or will contribute to street level activation: • Incorporation of "civic" or "public" space within a redevelopment proposal will receive additional consideration • Demonstrated commitment to strengthening pedestrian corridors and issues of "connection" • Attention to streetscape amenities | 10 | 9 |
| 6 | Contribution to street activity Consideration and analysis as to the total actual investment in the project: Consideration can be given for the level of capital investment in a project. (i.e., additional consideration can be given for higher levels of investment) | 10 | 10 |
| 7 | Consideration as to whether the project will include or accommodate the relocation of a business from another North Dakota community: • Commercial tenants that are re-locating within the Downtown Area (as defined by the 1996 Downtown Area Plan) are not eligible for tax incentives without special approval from the Zone Authority • Commercial tenants that are relocating from a North Dakota community (other than Fargo) to the Fargo Renaissance Zone are not eligible for tax incentives without special approval from the Zone Authority. | 10 | 10 |
| 8 | Is the project located within a historic district? Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective? • Although not included in the Project Review Guidelines, historic preservation is considered an important component of downtown projects even when Historic Preservation and Renovation Tax Credits are not being requested. | 10 | 10 |
| | Total Rating (100 possible points) | 100 | 96 |



APPLICATION FOR RENAISSANCE ZONE – REHABILITATION OR PURCHASE (NEW CONSTRUCTION)

Property owners, business owners, developers or investors interested in pursuing a Renaissance Zone project should review the 2015 RZ Plan. The RZ Plan delineates the current geographical boundaries of the program (only certain blocks within the downtown core are included) and provides additional detail on minimum investment requirements and applicable program goals and objectives that must be met.

| Property Owner Information | Representation Information (if applicable) |
|---|--|
| Name (printed): DFI Kesler LLC | Name (printed): Mike Zimney |
| Address: 624 2 AVE N & 617/621 1 AVE N | Address: 210 Broadway Suite 300 |
| Primary Phone: 701.237.2279 | Primary Phone: 701.237.2279 |
| Alternative Phone: | Alternative Phone: |
| Email: | Email: zimney@kilbournegroup.com |
| | |
| Location of property involved in the application decis | sion |
| Address or Parcel Number: 624 2 AVE N & 617/62 | 1 1 AVE N |
| Legal Description (attach separate sheet if more space is | s needed): see attached |
| | The state of the s |
| Renaissance Zone Block Number: 10 | |
| Current Use of Property: Surface Parking Lots | |
| How will this property affect historical properties: N/A | |
| | |
| | |
| Application Type (Please place a checkmark next to cor | rresponding application type requested) |
| Purchase Purchase with Major Improve | ments Historic Preservation |
| | and Renovation |
| Rehabilitation Lease | |
| Is this A Historic Tax Credit Project: Yes No | |
| ordat roject. | |
| Square Footage | |
| Lot: 6,499 + 7,600 sf E | Building: n/a sf |
| List Each Floor sf Separately n/a | |
| It is not expected. We expect the retail businesses will be new businesses. | esses or expansion of existing businesses from the city or region. |
| | |



| Project Description | |
|---------------------------------|--|
| Expected Date of Purchase: | June 2018 (624 2nd Ave N). 617/621 1 AVE N transferred to DFI Kesler Fall 2019 |
| Expected Date of Occupancy: | Spring 2021 |
| Will this be your primary place | of Residency? n/a |
| Soons of Work | |

A six-story mixed-use project with ground floor retail five floors of market-rate apartments and underground parking. This project will be built on three different parkings lots, (617/621 1st Ave N & 624 2nd Ave N) spanning between 1st and 2nd Ave N.

Project Metrics (all three parcels):

Current Annual Property Tax: \$7,070 (288.60 mills)

- +/- 140,000 SF
- +/-13,000 SF commercial
- +/-95 units
- +/-85 parking stalls

Estimated Tax Impact Current True and Full Value:

| Estimated Value of Building after Improvements: | | \$18.6MM (Construct | ion Cost | \$21.9M) |
|--|---|--|---------------------------|---|
| Estimated Five-Year Impact: | \$1,368,658 | | | |
| Acknowledgement – We he regulations to the preparation of our knowledge. | reby acknowledge of this submittal a | that we have familiarized nd that the forgoing inforn | ourselves nation is tr | with the rules and ue and complete to the best |
| Owner (Signature): Representative (Signature): | Mi | N. | _ Date: _ Date: | 6/13/19 |
| Office Use Only | | | | |
| Date Filed: | | Planning Office Contact | : | |

\$490,000 (\$286,000 + \$94,000 + \$110,000)



Please complete the following that apply:

A. Is the proposed use of the project consistent with the RZ Plan (as per Visions and Goals)? As noted in the 2015 Renaissance Zone Development Plan the desired land use on **Block** 10 will contribute to a number of goals and objectives as outlined in the RZ Plan as follows:

1. Activity Generator [goal]: Will the project develop activity-generating enterprises along major commercial corridors of the Renaissance Zone? If true, how?

Yes - addition of apartment units and ground floor commercial will generate foot traffic, new residents, and activation on former surface parking lots.

2. Walkable Districts [goal]: Will the project create "walkable districts" that integrate a wide range of activities and land uses that encouraging on-street activity? If true, how?

Yes, the project is mixed-use and will include residential apartments and ground floor retail.

3. Ground Floor Uses [goal]: Will the project reserve ground floor land uses to those that will encourage streets to come to life – shops, offices, cafes, restaurants and other "public" facilities? If true, how?

The ground floor will have retail along 2nd Ave, 1st Ave, and Roberts Alley.

4. Neighborhood Center [goal]: Will the project make "Broadway" Fargo's "Main Street" – a pedestrian-friendly, mixed-use magnet that anchors downtown neighborhoods? If true, how?

This project will continue to expand Broadway's revitalization west along 1st and 2nd Ave and continue the retail presence and activity along Roberts Alley.

5. Urban Design [goal]: Will the project the projects embody strong urban design principles inclusive of building massing and form, building materials, pedestrian orientated design, streetscape, building orientation and recognition of the importance of defined block corners, architectural style, high building coverage percentages, limited setbacks or downtown district appropriate setbacks, design longevity and street level transparency? If true, how?

The building will have near zero lot lines and retail along 1st Ave, 2nd Ave, and Roberts Alley. The storefronts will be designed with frequent doors and a large amount of clear glazing. The project will have a high lot coverage and a height appropriate for the surrounding area.

6. Transportation [goal]: Will the project manage downtown transportation, accessibility and parking issues in a manner that will allow for further commercial developments and make the entire area more user-friendly. If true, how?

The project will have +/-85 parking stalls that will be used to support parking needs for Black Building during the day and the residential users during nights and weekends. The parking entrance will be located off of Graver Alley to maintain pedestrian friendly streetscape.



7. Safe Streets - Safe Neighborhoods [goal]: Will the project encourage safe streets and safe neighborhoods by relying on and utilizing the "natural surveillance" of lively and active streets? If true, how?

These parking lots currently provide very limited "eyes on the streets." The addition of the 96 apartments and ground floor retail will significantly increase the amount of foot traffic, visitors, and activity on and along the site.

8. High Quality Housing [goal]: Will the project continue to encourage the production of unique, high quality housing that is developed in areas targeted for residential development or as a component of a mixed-use project? If true, how?

The apartments will be market rate with quality finishes, be well-lit, and include amenities such as a roof top terrace, bike parking, pet facilities, and lobby residence lounge.

9. Infill [goal]: Will the project encourage and actively pursue projects that increase the productivity of underutilized property such as surface parking lots, vacant land and parcels with low building to land value ratios? (Infill projects shall conform and be consistent with urban design principles as set forth in Goal 5 above.) If true, how?

The completion of this project will replace three very visible parking lots in the heart of downtown with a mixed use project appropriate in an urban setting.

10. Housing Amenities [goal]: Will the project integrate quality housing with public open space and neighborhood amenities, requiring the enhancement of existing amenities in conjunction with the creation of new ones? If true, how?

Amenities will include a roof top terrace, bike parking, pet facilities, and lobby/residence lounge.

11. Downtown Entryways [goal]: Will the project enhance auto entry experiences with landscaping improvements to all major corridors (Broadway, Roberts St, 1st/NP Avenue, Main Avenue) and gateway statements at Broadway/Main Avenue, Broadway/6th Ave N, 1st Avenue/Red River, Main Avenue/Red River and Main Ave/10th Street N? If true, how?

The replacement of parking lots along 1st Ave, 2nd Ave, and Roberts Alley will improve these important and very visible gateways in downtown.

12. The Place to Be [goal]: Will the project make downtown the entertainment/cultural/recreational center of the city, a key destination for visitors/conventioneers, and a key destination for residents? If true, how?

This project will build upon the vibrancy that is already occurring along these streets with the addition of new retail and housing options. The addition of retail along Roberts Alley will continue the efforts of creating a unique and pedestrian friendly experience in downtown.



13. A Place Like No Other [goal]: Will the project highlight the unique historic character of the Renaissance Zone by placing a high value on historic preservation and overall awareness of the history of the area? If true, how?

The Kesler project plans to incorporate the history of this site by playing homage to the original Kesler Block Apartment built on this site.

14. 24 Hours a day - 7 Days per Week - 365 Days a Year [goal]: Will the project design spaces, facilities and features that will attract people to the area both day and night, on weekdays and weekends, and during all seasons of the year? If true, how?

The 96 apartments located in the project will generate significant more activity on this site. The addition of ground floor retail will help generate new visitors and activity.

15. Connections and Coordination [goal]: Will the project create strong connections between people, places, and things to do that are vital to creating a strong sense of community? If true, how?

The removal of the parking lot gaps along the streetscape will greatly improve the pedestrian experience. This improvement in walkability will have continue the expansion of Broadway's success to points west.

B. Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in this RZ Plan? [Note that for mixed-use projects the total square footage should be dissected into commercial and residential totals for comparison to minimum investment thresholds]:

Pursuant to City of Fargo Renaissance Zone standards, in order to qualify for consideration, a project must meet a minimum \$25 square foot capital improvement threshold for residential rehabilitation, \$40 per square foot capital improvement threshold for commercial rehabilitation, and \$100 per square foot for any new construction.

| a. | Lot Size: 33,837 SF |
|----|--|
| b. | Proposed Building Total: 140,000 SF |
| c. | Overall, the application estimates a total <u>capital investment</u> (cost incurred for the repair, replacement or renovation of a building's: exterior, roof, structure, electrical and/or plumbing |
| | systems, heating/ventilation/air conditioning systems, windows, exterior doors, elevator |
| | improvements and accessibility. The square footage used to calculate required investment levels |
| | will be based on the square footage of the entire building excluding the basement) of |

square feet, as follows:

, which calculates to approximately \$ 156 per square foot.



The structure accommodates 140,000

Please complete the following that apply:

A. The proposed development or lease are representative of "High Priority Land Uses" as defined by this RZ Plan (see pg. 29).

1. Is this a Primary Sector Business? If true, how?

n/a

2. Is this an Active Commercial, Specialty Retail or Destination? If true, how?

Yes - ground floor retail

3. Is this a Mixed-Use Development? If true, how?

Yes - residential, commercial, parking

4. Does this development include large, upscale residential units? If true, how?

Yes - premium market rate apartments

B. Target Area Considerations: consideration shall be given to whether this property has been vacant or underutilized for a period of time and/or whether the property is specifically targeted for clearance.

1) Is this parcels vacant or underutilized for an extended period of time? If true, how?

Yes - surface parking lot

2) Is this a parcel specifically targeted for clearance in the Renaissance Zone Plan?

Yes - "...redevelopment of surface parking lots"

C. Will the project create civic space or public space and/or will enhance pedestrian connectivity, streetscape amenities or contribute to street level activation?

Yes - out door seating area will be created along the west alley. Streetscape will be greatly improved with the redevelopment of the surface lots

D. Will the proposed project meet investment minimum criteria? How?

Yes - \$156 SF

E. Will the proposed project accommodate the relocation of a business from another North Dakota community? If true, how?

It is not expected. We expect the retail businesses will be new businesses or expansion of existing businesses from the city or region.

F. Is the project located within a historic district? Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective? If true, how?

Yes - site plan will be consistent with historic urban development and building exterior will conform to the DMU design standards.





EAST ELEVATION - ROBERTS ALLEY



WEST ELEVATION - ALLEY



SOUTH ELEVATION - 1ST AVE N



NORTH ELEVATION - 2ND AVE N

KELSER

FARGO, ND

KILBOURNE GROUP

KESLER SCHEME I V3

ORIGINAL ISSUE: 06/10/19

REVISIONS

217A1

Author Checker CHECKED BY

KELSER

ELEVATIONS

E1



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KILBOURNE GROUP

I hereby certify that this plan, specification, or report was prepared by me or under my direct

Signature

Fyped or Printed Name

erse # Date

NOT FOR TRUCTION

KESLER SCHEME I V3

ORIGINAL ISSUE:

REVISIONS: No. Description

217A1
PROJECT NUMBER

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KELSER

Scheme I - Fit Plans

1 V3 LOWER LEVEL - P1

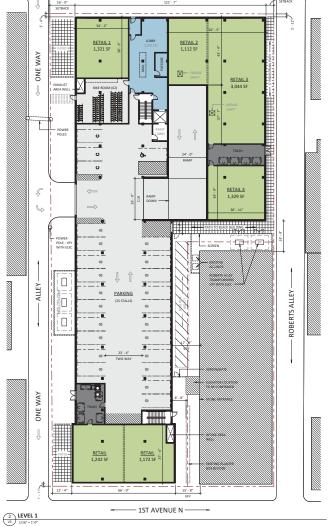
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PARKING (46 STALLS)







2 BD 1,148 SF

1 BD 680 SF <u>1 BD</u> 680 SF

ALCOVE 510 SF

MM MM



Staff Report Renaissance Zone Application for Great Plains 1001 Holdings, LLC (281-F) 1001 & 1011 NP Ave N; 28 10 St N; 1016 1 Ave N; 11 11 St N

Project Evaluation:

The City of Fargo received a Renaissance Zone application from Great Plains 1001 Holdings, LLC to construct a mixed-use commercial and residential building at 1001 & 1011 Northern Pacific Avenue North; 28 10 Street North; 1016 1 Avenue North; 11 11 Street North. Pursuant to the application, the intent of the project is to construct a 4-story, 220,000 square foot mixed-use project with 230 ground floor and structured parking stalls, a corner restaurant and three floors (160 units) of market-rate residential units.

Construction is anticipated to begin Fall 2019 and the proposed timeframe of opening is late 2020 for phase 1 and early 2021 for phase 2.

The Planning Department has reviewed the application and has provided a project ranking based on the analysis below.

<u>Lines 1:</u> Use consistent with the RZ Plan (as per Visions and Goals): As noted in the 2015 Renaissance Zone Development Plan the desired land use on the southwest corner of Block 37 is identified as: *clearance and redevelopment of mixed-use or commercial/retail with ground floor interaction on 10th Street and NP Avenue; housing on upper floors; definition of block corners shall be critical on this block. As proposed, the project will contribute to a number of goals and objectives as outlined in the RZ Plan as follows:*

- Activity Generator [goal]: Develop activity generating enterprises along Renaissance Zone's major commercial corridors: Robert Street/2nd Avenue.
 - The mixed-use project will generate activity by replacing the surface parking lots and several existing structures with residential and commercial/retail land uses. The project adds 230 residential units, 5,500 square feet of commercial space, and 230 ground floor and structured parking stalls.
- 2. Walkable Districts [goal]: Create "walkable districts" that integrate a wide range of activities and land uses; thus encouraging on-street activity...
 - The project is mixed-use and includes residential and some ground floor commercial/retail along the street, with a restaurant proposed at the corner of NP Avenue and 10th Street North.
- 3. Ground Floor Uses [goal]: Reserve ground floor land uses to those that will encourage streets to come to life shops, offices, cafes, restaurants and other "public" facilities.
 - A restaurant proposed at the corner of NP Avenue and 10th Street North.
- 4. Neighborhood Center [goal]: Make "Broadway" Fargo's "Main Street" a pedestrian-friendly, mixed-use magnet that anchors downtown neighborhoods.
 - The project is not located along Broadway, but will expand activity in this area of downtown.
- 5. *Urban Design [goal]:* Projects will embody strong urban design principles inclusive of building massing and form, building materials, pedestrian orientated design, streetscape, building orientation and recognition

of the importance of defined block corners, architectural style, high building coverage percentages, limited setbacks or downtown district appropriate setbacks, design longevity and street level transparency.

The project proposes near zero lot lines and high lot coverage. There are walk-up residential units and 5,500 square feet of restaurant at the corner of 10th Street North and NP Avenue North. While the Renaissance Zone specifically calls out that the definition of block corners are critical on this block, what staff is unsure of is the community's value of enhancement, and its relationship of urban design and street activity. Renaissance Zone projects are anticipated to be conscience of four-sided design, which has been seen with other projects within the downtown.

6. Transportation [goal]: Manage downtown transportation, accessibility and parking issues in a manner that will allow for further commercial developments and will make the entire area more user-friendly.

The project proposes approximately 230 parking stalls to support increased density on the site. Northern Pacific Avenue has a protected bike lane and is also served by several bus routes.

7. Safe Streets – Safe Neighborhoods [goal]: Encourage safe streets and safe neighborhoods by relying on and utilizing the "natural surveillance" of lively and active streets.

The project will increase the "natural surveillance" with the 160 residential and corner restaurant space which will increase activity on and along the street.

8. *High Quality Housing [goal]:* Continue to encourage the production of unique high quality housing that is developed in areas targeted for residential development or as a component of a mixed-use project.

The residential units will be market rate with quality finishes, be well-lit, and include amenities such as a roof top terrace, bike parking, pet facilities and package room.

9. *Infill [goal]:* Encourage and actively pursue projects that increase the productivity of underutilized property such as surface parking lots, vacant land and parcels with low building to land value ratios. Infill projects shall conform and be consistent with urban design principles as set forth in Goal 5, above.

The project will replace under-utilized site in downtown with a mixed use, higher density project appropriate in an urban setting.

10. Housing Amenities [goal]: Integrate quality housing with public open space and neighborhood amenities, requiring the enhancement of existing amenities in conjunction with the creation of new ones.

The project will provide amenities of a rooftop terrace, bike parking, pet facilities and package room.

11. Downtown Entryways [goal]: Enhance auto entry experiences with landscaping improvements to all major corridors (Broadway, Roberts St, 1st/NP Avenue, Main Avenue) and gateway statements at Broadway/Main Avenue, Broadway/6th Ave N, 1st Avenue/Red River, Main Avenue/Red River and Main Ave/10th Street N.

The project will replace single story buildings and surface parking lots with a multi-story project along NP Avenue North, 10th Street North and 1st Avenue North, all of which are gateways into downtown.

12. The Place to Be [goal]: Make downtown the entertainment/cultural/recreational center of the city... Make downtown a key destination for visitors/conventioneers and a key destination for residents.

This area of downtown is already experiencing revitalization from the Historic Union, Prairie Roots Food Co-Op, Woodrow Apartments and Jade properties projects.

13. A Place Like No Other [goal]: Highlight the unique historic character of the Renaissance Zone by placing a high value on historic preservation and overall awareness of the history of the area.

The site does not have any historic structures, but the project proposes to incorporate historic elements of the site into the branding and design.

14. 24 Hours a day – 7 Days per Week – 365 Days a Year [goal]: Design spaces, facilities and features that will attract people to the area both day and night, on weekdays and weekends, and during all seasons of the year.

One hundred and sixty residential units and additional ground floor commercial/retail will generate more activity with new visitors and residents.

15. Connections and Coordination [goal]: ... Strong connections between people, places and things to do are vital to creating a strong sense of community.

The project replaces single story buildings and surface parking lots along the streetscape, which will improve the pedestrian experience and walkability, and will provide connections to Broadway from the West.

(18/20 points)

<u>Line 2:</u> Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in this RZ Plan? [note that for mixed-use projects the total square footage should be dissected into commercial and residential totals for comparison to minimum investment thresholds]:

Pursuant to City of Fargo Renaissance Zone standards, in order to qualify for consideration, a project must meet a minimum \$40 per square foot capital improvement threshold for commercial rehabilitation and \$100 per square foot for any new construction.

According to the application, the structure accommodates 220,000 square feet, as follows:

Lot Size: 92,826 SF

Proposed Building Total: 220,000 SF Commercial: approximately 5, 500 SF Residential: approximately 134,000 SF Parking: approximately 78,000 SF

Overall, the application estimates a total capital investment of \$32,267,549 which calculates to approximately \$146 per square foot.

(10/10 points)

<u>Line 3:</u> The new construction or proposed improvements are representative of "High Priority Land Uses" as defined by this RZ Plan (see pg. 29).

Primary Sector Business: N/A

Active Commercial, Specialty Retail or Destination Commercial: The proposed project will produce a new building on an underutilized lot in Fargo's downtown core and increase activity, and will provide a 5,500 square foot restaurant.

Mixed Use Development: The proposed uses will include a restaurant, residential units, and structured parking in one building structure.

Large, upscale residential units: The proposed residential development will include 160 premium marking rate units.

(17/20 points)

<u>Line 4:</u> The investment is located in a "Targeted Area" as defined by this RZ Plan (see pg. 29)? Consideration shall be given to whether this property has been vacant or underutilized for a period of time and/or whether the property is specifically targeted for clearance (see spreadsheet).

1) Parcels that have been vacant or underutilized for an extended period of time:

This site has been a surface parking lot and low density development (single story buildings) for a number of years.

(5/5 points)

2) Parcels specifically targeted for clearance:

The RZ Plan designates Block 37 as being appropriate for: clearance and redevelopment of mixed-use or commercial/retail with ground floor interaction on 10th Street and NP Avenue; housing on upper floors; definition of block corners shall be critical on this block.

(5/5 points)

(10/10 points)

<u>Line 5:</u> The project will create civic space or public space and/or will enhance pedestrian connectivity, streetscape amenities or will contribute to street level activation?:

This project will enhance public space with pedestrian activity by creating a node in this area of downtown. The building form will improve the pedestrian experience.

(8/10 points)

<u>Line 6:</u> Consideration and analysis as to the total actual investment in the project?

As proposed, the redevelopment project and improvement costs significantly exceed both the 50% (true and full value of the building) and \$100 per square foot requirement. As previously noted, the application represents a total estimated investment of \$32,267,549.

(10/10 points)

<u>Line 7:</u> Consideration as to whether the project will include or accommodate the relocation of a business from another North Dakota community?:

The applicant expects the restaurant would be a new business.

(10/10 points)

<u>Line 8:</u> Is the project located within a historic district? Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective?:

This property is not located within the boundary of the Downtown Historic District. The project will be consistent with historic urban development and the building exterior must conform the Downtown Mixed-Use design standards.

(10/10 points)

Summary:

This application received a score of 93 on a 100-point scale. The applicant met all required criteria and the use is consistent with the RZ Plan. In addition, the proposed new construction project surpasses the local capital improvement requirement of \$40 per square foot for a commercial rehab and \$100 per square foot for new construction.

This project is consistent with the RZ Plan to provide a mixed-use development within a target area that acts as an activity generator by providing for residential units and street-level retail activity.

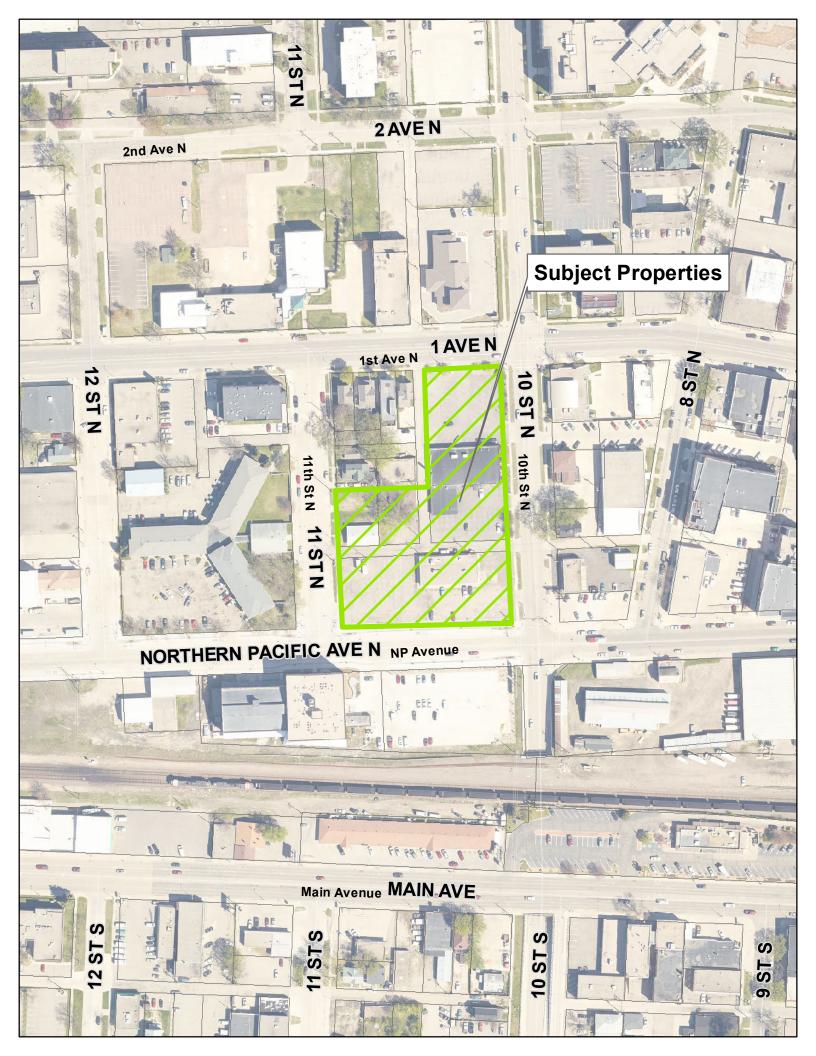
The amount invested in the project exceeds state and local guidelines. The project does not involve the relocation of commercial businesses from another North Dakota city. The applicant will not be seeking any historic preservation tax credits, however the applicant is proposing to secure a PILOT project to aid in the new construction.

This project will make use of a lot that is currently underutilized. Staff believes that this project will be a benefit to the downtown community and will positively contribute to the health of surrounding businesses.

Suggested motion:

Recommend approval to the Fargo City Commission to approve the application submitted by Great Plains 1001 Holdings, LLC and to grant the property tax exemption and the State income tax exemptions as allowed by the ND Renaissance Zone law contingent upon completion of the project and verification of costs.

| | Minimum Criteria (Proposals involving the purchase of income-generating property) | | | | | |
|---|---|----------|--------|--|--|--|
| | | Possible | Staff | | | |
| | | Points | Rating | | | |
| 1 | Use consistent with the plan (as per Vision and Goals) | 20 | 18 | | | |
| 2 | Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in the RZ Plan? | 10 | 10 | | | |
| 3 | The new construction or proposed improvements are representative of "High Priority Land Uses" as defined in the RZ Plan: Primary sector business Active Commercial, Specialty Retail and/or Destination Commercial Mixed use development (combination of housing, commercial, and/or retail uses in a horizontal or vertical fashion) Large, upscale residential units | 20 | 17 | | | |
| 4 | The investment is located in a 'Target Area' as defined by the RZ Plan: Parcels that have been vacant or underutilized for an extended period of time Parcels specifically targeted for clearance | 10 | 10 | | | |
| 5 | The project will create civic space or public space and/or will enhance pedestrian connectivity, streetscape amenities or will contribute to street level activation: Incorporation of "civic" or "public" space within a redevelopment proposal will receive additional consideration Demonstrated commitment to strengthening pedestrian corridors and issues of "connection" Attention to streetscape amenities Contribution to street activity | 10 | 8 | | | |
| 6 | Consideration and analysis as to the total actual investment in the project: Consideration can be given for the level of capital investment in a project. (i.e., additional consideration can be given for higher levels of investment) | 10 | 10 | | | |
| 7 | Consideration as to whether the project will include or accommodate the relocation of a business from another North Dakota community: • Commercial tenants that are re-locating within the Downtown Area (as defined by the 1996 Downtown Area Plan) are not eligible for tax incentives without special approval from the Zone Authority • Commercial tenants that are relocating from a North Dakota community (other than Fargo) to the Fargo Renaissance Zone are not eligible for tax incentives without special approval from the Zone Authority. | 10 | 10 | | | |
| 8 | Is the project located within a historic district? Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective? • Although not included in the Project Review Guidelines, historic preservation is considered an important component of downtown projects even when Historic Preservation and Renovation Tax Credits are not being requested. | 10 | 10 | | | |
| | Total Rating (100 possible points) | 100 | 93 | | | |



APPLICATION FOR RENAISSANCE ZONE – REHABILITATION OR PURCHASE (NEW CONSTRUCTION)

Property owners, business owners, developers or investors interested in pursuing a Renaissance Zone project should review the 2015 RZ Plan. The RZ Plan delineates the current geographical boundaries of the program (only certain blocks within the downtown core are included) and provides additional detail on minimum investment requirements and applicable program goals and objectives that must be met.

| Property Owner Information | Representation Information (if applicable) | | | | |
|---|--|--|--|--|--|
| Name (printed): Great Plains 1001 Holdings, LLC | Name (printed): Mike Zimney | | | | |
| Address: 210 Broadway Suite 300 | Address: 210 Broadway Suite 300 | | | | |
| Primary Phone: 701.237.2279 | Primary Phone: 701.237.2279 | | | | |
| Alternative Phone: | Alternative Phone: | | | | |
| Email: | Email: zimney@kilbournegroup.com | | | | |
| | | | | | |
| Location of property involved in the application deci- | sion | | | | |
| Address or Parcel Number: 1001 NP - 28 10 ST N | - 1016 1 AVE N - 11 11 ST N | | | | |
| Legal Description (attach separate sheet if more space is | s needed): see attached | | | | |
| | | | | | |
| Renaissance Zone Block Number: 37 | | | | | |
| Current Use of Property: Single story buildings (for | mer Nestor and Park Co.) and parking lots | | | | |
| How will this property | | | | | |
| affect historical properties: N/A | | | | | |
| | | | | | |
| | | | | | |
| Application Type (Please place a checkmark next to co | orresponding application type requested) | | | | |
| Purchase Purchase with Major Improve | | | | | |
| Rehabilitation Lease | and Renovation | | | | |
| Is this A Historic Tax | | | | | |
| Credit Project: Yes V No | | | | | |
| | | | | | |
| Square Footage | | | | | |
| | Building: 14,802 (5,000 + 9,802) sf | | | | |
| List Each Floor sf Separately 14,802 (5,000 + 9,802 |) | | | | |
| We expect the restaurant would be a new business | | | | | |
| | | | | | |



| Project Description | | | | |
|--|--|--|--|--|
| Expected Date of Purchase: 1001 NP = 2015. 28 10 ST N/1016 1 AVE N/11 11 ST N = late summer | | | | |
| Expected Date of Occupancy: | Late 2020 (phase 1). Early 2021 (phase 2) | | | |
| Will this be your primary place | of Residency? n/a | | | |
| | | | | |
| Scope of Work | | | | |
| | roject with three floors of market rate apartments and ground floor corner restaurant, and apartments. | | | |
| Project Metrics: • +/- 220,000 SF • 5,500 SF commercial • +/- 160 units • +/- 230 parking stalls | | | | |
| | | | | |

| Estimated Lax Impact | |
|--------------------------------|--|
| Current True and Full Value: | \$1,863,000 (\$644,000 + \$1,219,000 + \$70,000 + \$49,000) |
| Current Annual Property Tax: | \$28,600 (288.60 mills) |
| Estimated Value of Building af | ter Improvements: \$27,427,417 |
| Estimated Five-Year Impact: | \$1,864,602.51 |
| | |
| | reby acknowledge that we have familiarized ourselves with the rules and of this submittal and that the forgoing information is true and complete to the best |

| Owner (Signature): Representative (Signature): | · · | Date: | 5.8.19 | |
|---|--------------------------|-------|--------|--|
| Office Use Only | | Date. | 797 | |
| Date Filed: | Planning Office Contact: | | | |



Please complete the following that apply:

A. Is the proposed use of the project consistent with the RZ Plan (as per Visions and Goals)? As noted in the 2015 Renaissance Zone Development Plan the desired land use on **Block** 10 will contribute to a number of goals and objectives as outlined in the RZ Plan as follows:

1. Activity Generator [goal]: Will the project develop activity-generating enterprises along major commercial corridors of the Renaissance Zone? If true, how?

Yes - addition of apartment units and ground floor commercial will generate foot traffic, new residents, and activation along NP, 10 ST N, and 1st Ave N.

2. Walkable Districts [goal]: Will the project create "walkable districts" that integrate a wide range of activities and land uses that encouraging on-street activity? If true, how?

Yes, the project is mixed-use and will include residential apartments and 5,500 SF commercial space intended for a restaurant on the corner of NP and 10 St N.

3. Ground Floor Uses [goal]: Will the project reserve ground floor land uses to those that will encourage streets to come to life – shops, offices, cafes, restaurants and other "public" facilities? If true, how?

The ground floor will have commercial space at the corner of NP and 10 St N.

4. Neighborhood Center [goal]: Will the project make "Broadway" Fargo's "Main Street" – a pedestrian-friendly, mixed-use magnet that anchors downtown neighborhoods? If true, how?

This project will continue to expand the activity and residents living in the "10-U" area of downtown.

5. Urban Design [goal]: Will the project the projects embody strong urban design principles inclusive of building massing and form, building materials, pedestrian orientated design, streetscape, building orientation and recognition of the importance of defined block corners, architectural style, high building coverage percentages, limited setbacks or downtown district appropriate setbacks, design longevity and street level transparency? If true, how?

The building will have walk up units along along NP and 1 Ave N. There will be near zero lot lines and outdoor restaurant seating along 10 St N. The ground floor will have walk-up apartments and 5,500 SF of restaurant space at the corner of NP and 10 St N. The project will have a high lot coverage and a height appropriate for the surrounding area.

6. Transportation [goal]: Will the project manage downtown transportation, accessibility and parking issues in a manner that will allow for further commercial developments and make the entire area more user-friendly. If true, how?

The project will have +/-230 parking stalls that will be used to support the increased density at this site. The project is along NP with a protected bike lane which improves the connection from this area to Broadway. The site is also served by a number of bus routes.



7. Safe Streets - Safe Neighborhoods [goal]: Will the project encourage safe streets and safe neighborhoods by relying on and utilizing the "natural surveillance" of lively and active streets? If true, how?

The 160 new apartments on this site, the restaurant space, and the ground floor residential units will significantly increase the amount of activity on the site.

8. High Quality Housing [goal]: Will the project continue to encourage the production of unique, high quality housing that is developed in areas targeted for residential development or as a component of a mixed-use project? If true, how?

The apartments will be market rate with quality finishes, be well-lit, and include amenities such as a roof top terrace, bike parking, pet facilities, and package room.

9. Infill [goal]: Will the project encourage and actively pursue projects that increase the productivity of underutilized property such as surface parking lots, vacant land and parcels with low building to land value ratios? (Infill projects shall conform and be consistent with urban design principles as set forth in Goal 5 above.) If true, how?

The completion of this project will replace two underutilized sites with a higher density project appropriate for an urban setting.

10. Housing Amenities [goal]: Will the project integrate quality housing with public open space and neighborhood amenities, requiring the enhancement of existing amenities in conjunction with the creation of new ones? If true, how?

Amenities will include a roof top terrace, club room, bike parking, pet facilities, and package room.

11. Downtown Entryways [goal]: Will the project enhance auto entry experiences with landscaping improvements to all major corridors (Broadway, Roberts St, 1st/NP Avenue, Main Avenue) and gateway statements at Broadway/Main Avenue, Broadway/6th Ave N, 1st Avenue/Red River, Main Avenue/Red River and Main Ave/10th Street N? If true, how?

The replacement of single story buildings surrounded by parking lots with multi-story near zero lot line development will improve this site along the very visible corridors of 10 St N, 1st Ave, and NP.

12. The Place to Be [goal]: Will the project make downtown the entertainment/cultural/recreational center of the city, a key destination for visitors/conventioneers, and a key destination for residents? If true, how?

This area of downtown is already experiencing revitalization from Union Storage, the Prairie Roots Food Co-Op, Woodrow Apartments, and Jade Properties.



13. A Place Like No Other [goal]: Will the project highlight the unique historic character of the Renaissance Zone by placing a high value on historic preservation and overall awareness of the history of the area? If true, how?

The site lacks any historic structures, but where possible, we will try to incorporate historic elements of the site into the branding and design.

14. 24 Hours a day - 7 Days per Week - 365 Days a Year [goal]: Will the project design spaces, facilities and features that will attract people to the area both day and night, on weekdays and weekends, and during all seasons of the year? If true, how?

The 160 apartments located in the project will generate significantly more activity on this site. The addition of a restaurant space will help generate new visitors and activity.

15. Connections and Coordination [goal]: Will the project create strong connections between people, places, and things to do that are vital to creating a strong sense of community? If true, how?

The removal of the parking lot gaps along the streetscape will greatly improve the pedestrian experience. As this area of downtown continues to redevelop, the walkability and connection to Broadway and downtown as a whole will improve.

B. Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in this RZ Plan? [Note that for mixed-use projects the total square footage should be dissected into commercial and residential totals for comparison to minimum investment thresholds]:

Pursuant to City of Fargo Renaissance Zone standards, in order to qualify for consideration, a project must meet a minimum \$25 square foot capital improvement threshold for residential rehabilitation, \$40 per square foot capital improvement threshold for commercial rehabilitation, and \$100 per square foot for any new construction.

| 1. | The structure accommodates | 220,000 | square feet, as follows: |
|----|----------------------------|---------|--------------------------|
| | | | |

a. Lot Size: 92,826 SF
b. Proposed Building Total: 220,000 SF

c. Overall, the application estimates a total <u>capital investment</u> (cost incurred for the repair, replacement or renovation of a building's: exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/air conditioning systems, windows, exterior doors, elevator improvements and accessibility. The square footage used to calculate required investment levels will be based on the square footage of the entire building excluding the basement) of \$\$32,267,549\$, which calculates to approximately \$\$^{146}\$ per square foot.



Please complete the following that apply:

A. The proposed development or lease are representative of "High Priority Land Uses" as defined by this RZ Plan (see pg. 29).

| 1 | Is this a Primary | Sector Business? | If true, how? |
|----|-------------------|-------------------|----------------|
| ١. | is uns a rilliary | Sector Dustiness. | 11 01 010, 110 |

n/a

2. Is this an Active Commercial, Specialty Retail or Destination? If true, how?

Yes - the project will contain a 5,500 SF restaurant space

3. Is this a Mixed-Use Development? If true, how?

Yes - residential, commercial, parking

4. Does this development include large, upscale residential units? If true, how?

Yes - premium market rate apartments

B. Target Area Considerations: consideration shall be given to whether this property has been vacant or underutilized for a period of time and/or whether the property is specifically targeted for clearance.

1) Is this parcels vacant or underutilized for an extended period of time? If true, how?

Yes - surface parking lot and low density development

2) Is this a parcel specifically targeted for clearance in the Renaissance Zone Plan?

Yes - "...Clearance and redevelopment"

C. Will the project create civic space or public space and/or will enhance pedestrian connectivity, streetscape amenities or contribute to street level activation?

Yes - pedestrian connectivity will be improved by creating a node in this area of downtown. The creation of zero lot line development, walk up units, and the corner restaurant will improve the pedestrian experience.

D. Will the proposed project meet investment minimum criteria? How?

Yes - \$146/SF

E. Will the proposed project accommodate the relocation of a business from another North Dakota community? If true, how?

We expect the restaurant would be a new business

F. Is the project located within a historic district? Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective? If true, how?

Yes - site plan will be consistent with historic urban development and building exterior will conform to the DMU design standards.





WEST ELEVATION



NORTH ELEVATION - 1ST STREET N.

1001 NP MIXED USE

EXTERIOR ELEVATIONS







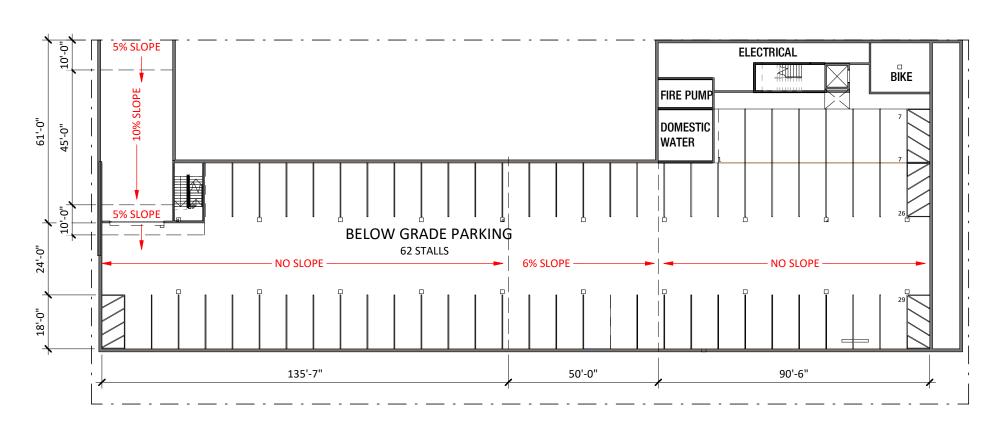


EXTERIOR ELEVATION

05/24/19 | JLG 16121 | © 2019 JLG ARCHITECTS



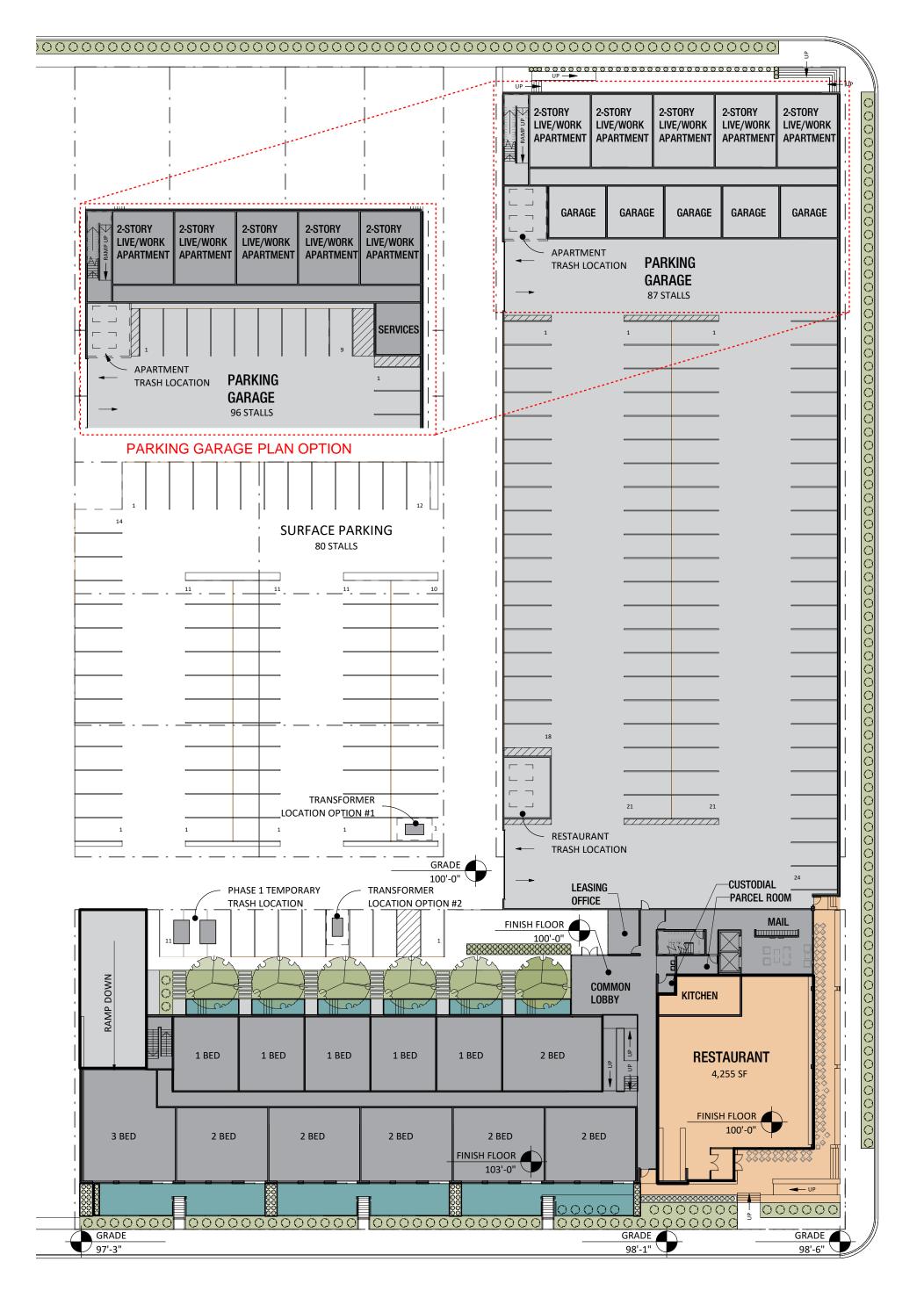




0 16 32 64







FIRST FLOOR PLAN

0 16 32 64



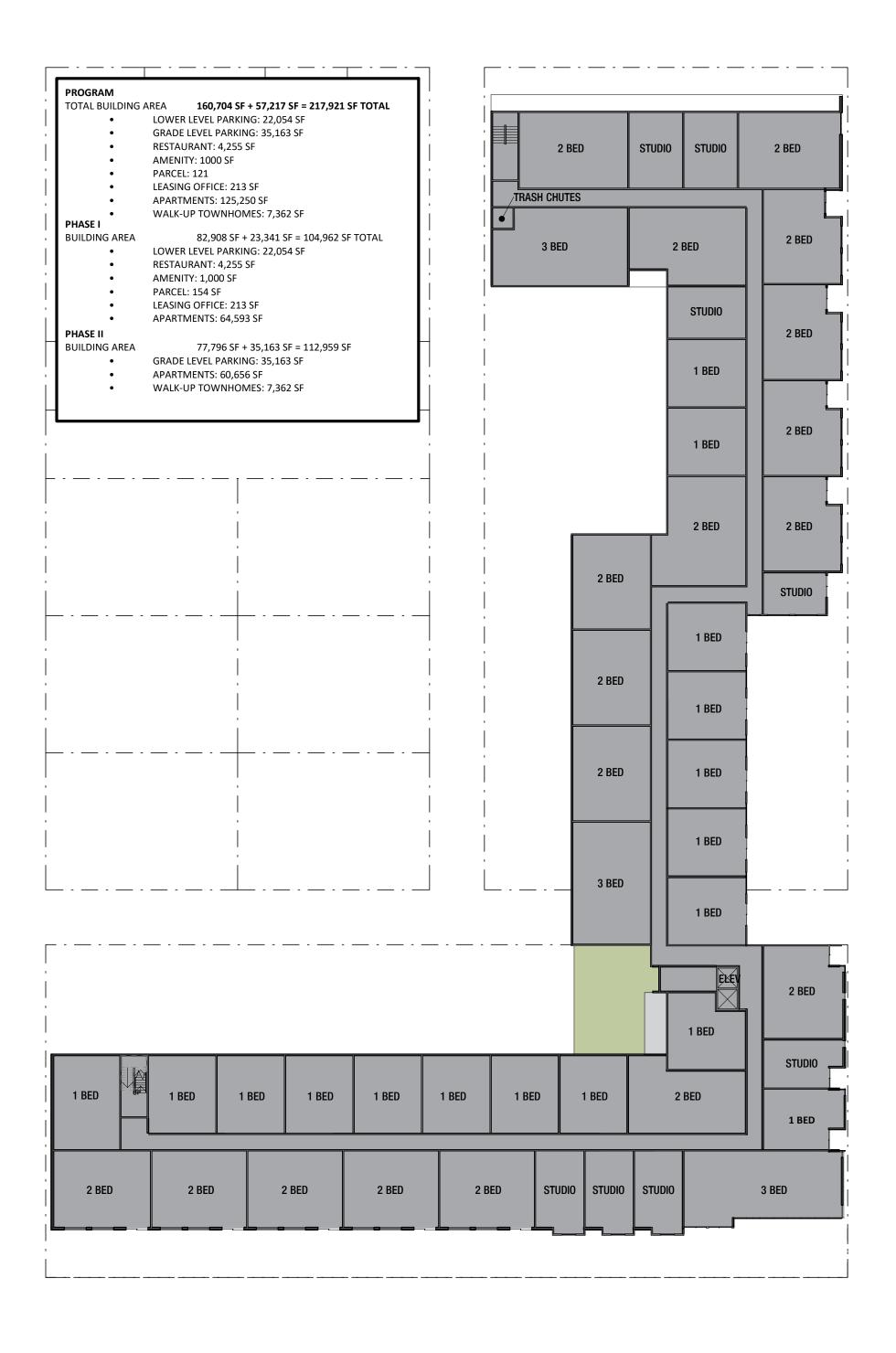












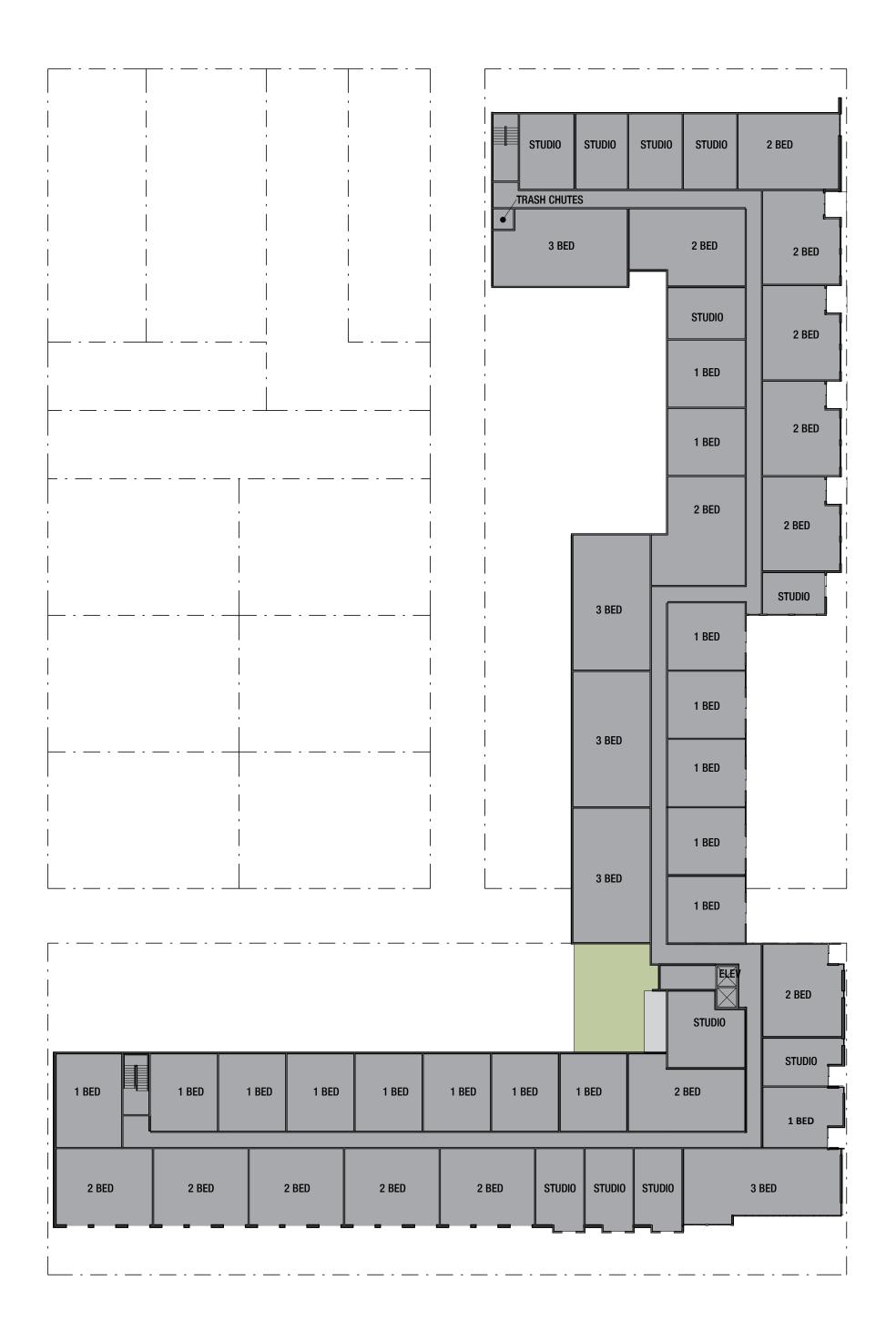












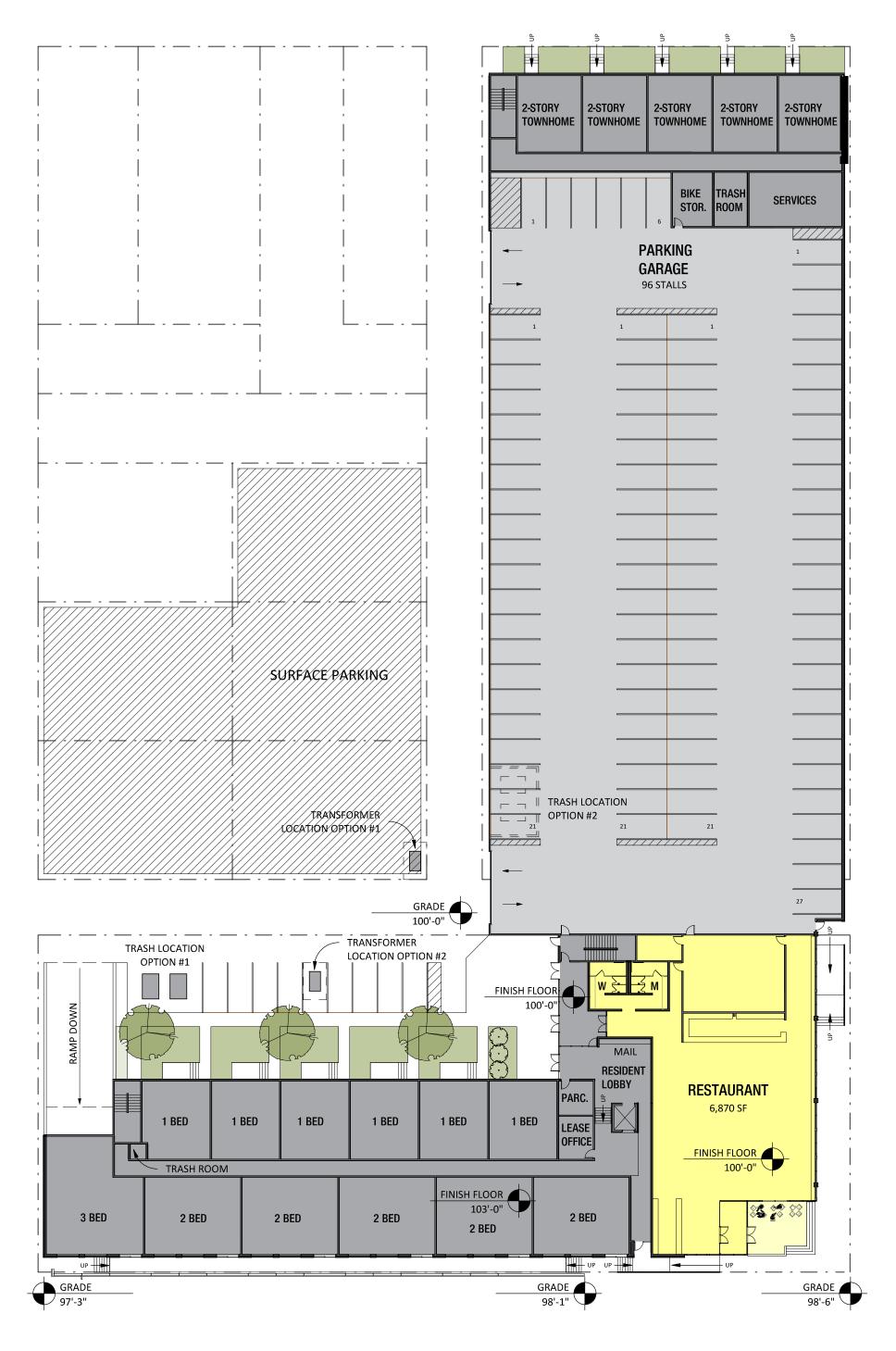


FOURTH FLOOR PLAN









FIRST FLOOR PLAN





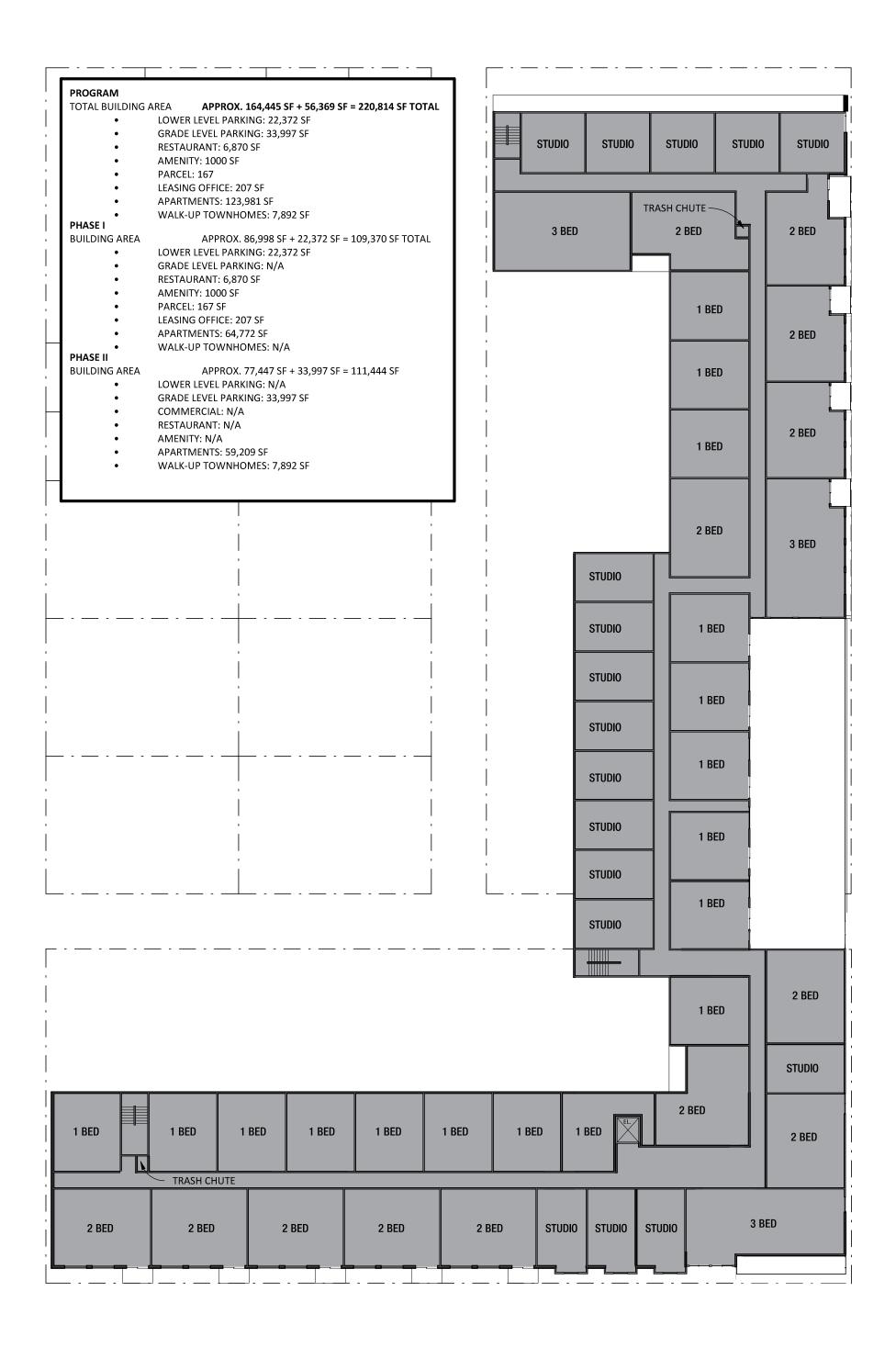
















DESIGN FOR LIFE

