

MEMORANDUM

TO: Renaissance Zone Authority
FROM: Kylie Bagley, Planner
DATE: February 20, 2019
RE: Renaissance Zone Authority Meeting

The next meeting of the Renaissance Zone Authority will be held on Wednesday, February 27 at 8:00 a.m. in the City Commission Room at Fargo City Hall. If you are not able to attend, please contact staff at 701.241.1474 or planning@FargoND.gov. Thank you.

RENAISSANCE ZONE AUTHORITY
Wednesday, February 27, 2019, 8:00 a.m.
City Commission Room
AGENDA

1. Approve Order of Agenda
2. Approve Minutes: Regular Meeting of June 27, 2018 (Attachment 1)
3. Review Request from LHS Investment LLC to Add One Additional Block (Attachment 2)
4. Review Request from 201 Hospitality LLC to Add One Additional Block (Attachment 3)
5. Discuss Renaissance Development Plan Update (Attachment 4)
6. Other Business
7. Next Meeting – March 27, 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.FargoND.gov/RenaissanceZoneAuthority.

**RENAISSANCE ZONE AUTHORITY
MINUTES**

Regular Meeting:

Wednesday:

June 27, 2018:

The Regular Meeting of the Renaissance Zone Authority of the City of Fargo, North Dakota, was held in the City Commission Room at City Hall at 8:00 o'clock a.m., Wednesday, June 27, 2018.

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

Present: Commissioner Dave Piepkorn, Commissioner Tony Grindberg,
Deb Mathern

Present Via Conference Call: Dr. Dean Bresciani, Bruce Furness

Absent: Cari Luchau, Chad Peterson, Steve Swiontek

Chair Mathern called the meeting to order.

Item 1: Approve Order of Agenda

Chair Mathern presented and asked for any additions or corrections to the agenda.

Assistant Planner Mark Williams requested the following two items be added for discussion at the end of the Agenda:

- TIF Policy Discussion
- Adding a Block to the existing Renaissance Zone

The amended agenda stands approved as presented.

Item 2: Minutes: Regular Meeting of September 27, 2017

Member Piepkorn moved the minutes of the September 27, 2017 Renaissance Zone Authority meeting be approved. Second by Member Grindberg. All Members present voted aye and the motion was declared carried.

Item 3: Minutes: Regular Meeting of April 25, 2018

Member Grindberg moved the minutes of the April 25, 2018 Renaissance Zone Authority meeting be approved. Second by Member Piepkorn. All Members present voted aye and the motion was declared carried.

Item 4: Review application from DFI BA LLC (Rehabilitation) located at 109 and 111 Broadway North: APPROVED

Assistant Planner Barrett Voigt presented the proposal to rehabilitate the existing commercial building at 109 and 111 Broadway North. He also shared a handout showing a past picture of the exterior of the existing building. Mr. Voigt stated staff is

recommending approval as the proposal does meet the guidelines and all required approval criteria.

Member Bresciani moved to recommend to the City Commission approval of the application submitted by DFI BA LLC, and to grant the property tax exemption and the State income tax exemptions as allowed by the North Dakota Renaissance Zone law, contingent upon completion of the project and verification of costs. Second by Member Piepkorn. On call of the roll Members Grindberg, Piepkorn, Furness, Bresciani, and Mathern voted aye. Absent and not voting: Members Luchau, Peterson, and Swiontek. The motion was declared carried.

Item 5: Review application from North 500 Block LLC (Rehabilitation) located at 502 and 506 Broadway North: APPROVED

Mr. Voigt presented the proposal to rehabilitate the existing commercial building at 506 and 508 ½ Broadway North, and construct an addition to the building on 502 Broadway North. Mr. Voigt stated staff is recommending approval as the proposal does meet the guidelines and all required approval criteria.

Member Piepkorn moved to recommend to the City Commission approval of the application submitted by North 500 Block LLC, and to grant the property tax exemption and the State income tax exemptions as allowed by the North Dakota Renaissance Zone law, contingent upon completion of the project and verification costs. Second by Member Grindberg. On call of the roll Members Grindberg, Piepkorn, Furness, Bresciani, and Mathern voted aye. Absent and not voting: Members Luchau, Peterson, and Swiontek. The motion was declared carried.

Item 6: Commissioner Grindberg News Release

Commissioner Grindberg talked about the packet item regarding the June 6, 2018 news release titled, "Renaissance Zone Continues to Stimulate Strong Return on Investment."

The Board further discussed the information, concurring the data shared in the release reiterates how positive the Renaissance Zone program has been for the City's downtown area.

Item 8: Other Business

TIF Policy Discussion:

Director of Strategic Planning and Research Jim Gilmour, shared information regarding the goals of staff to streamline the approval process for applications requesting both TIF Funds and Renaissance Zone Funds. He stated a proposal will be recommended at an upcoming City Commission meeting, to present applications received that request both of these incentives at a joint meeting of the Tax Exempt Review Committee and the Renaissance Zone Authority. Mr. Gilmour noted he will send a copy of this proposal policy to the Board for review.

Adding a Block to the Existing Renaissance Zone:

Mr. Gilmour submitted documents to the Board of two maps showing the existing Renaissance Zone Boundary, and the proposed Renaissance Zone satellite block. He explained the applicant is seeking incentives offered by the City to assist with a proposal to redevelop this area. Mr. Gilmour stated that staff is not looking for Board action today, and that a final proposal will be presented at an upcoming Board meeting.

Jessie Craig, property owner of the proposed block/property, shared background regarding the work and costs already incurred to bring this property up to City Code to prepare for future redevelopment.

The Board further discussed other properties within the City needing improvements that could also benefit from the Renaissance Zone Funds and other City incentives.

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



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MEMORANDUM

TO: Renaissance Zone Authority
FROM: Kylie Bagley, Planner
DATE: February 20, 2019
RE: Request from LHS Investments LLC to add one (1) additional RZ Blocks

The city received a request from LHS Investments LLC to add one (1) additional RZ blocks to the City of Fargo Renaissance Zone Plan (RZ Plan). The one block is located between 6th Avenue North, Oak Street North, the railroad and Wildflower Grove Park. LHS Investments LLC has plans to construct a multifamily development, on the proposed RZ Block 54.

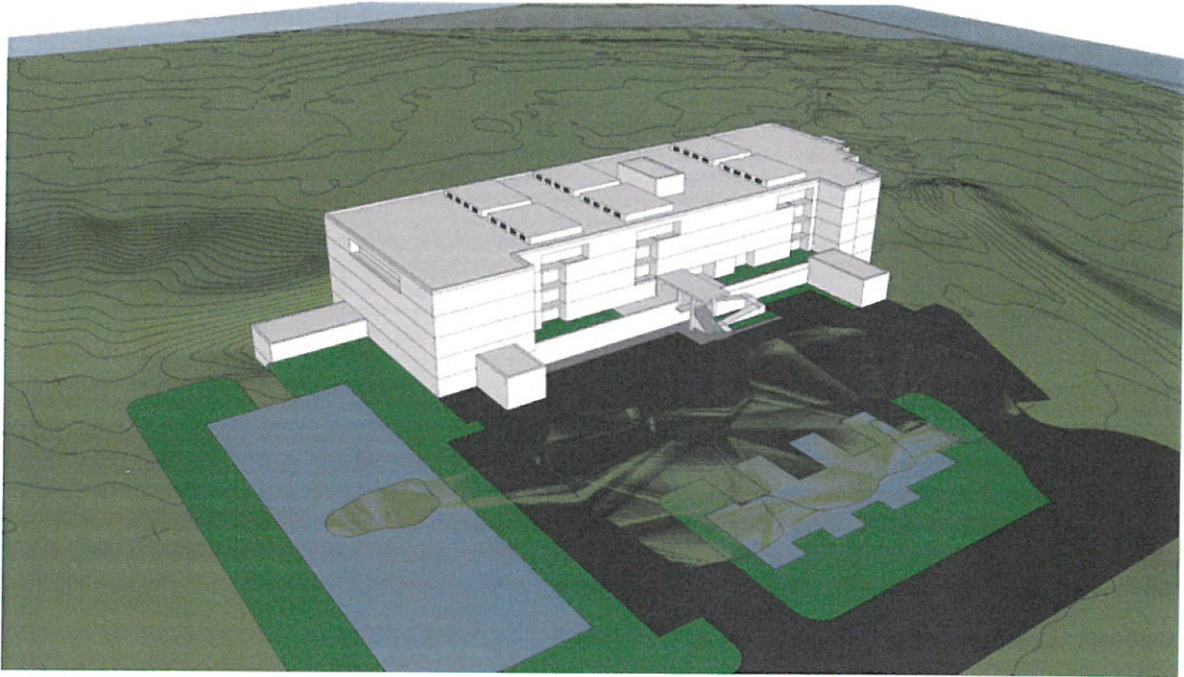
Attached is a copy of the applicant's request and corresponding material.

Recommended Action: Approve the addition of the proposed RZ Block 54 as recommended by the staff.

DRAFT PROJECT SUMMARY

Multifamily Development

January 2019



Lofts at Oak Grove

505 Oak St.
Fargo, North Dakota

INVESTMENT OVERVIEW

Lofts at Oak Grove is located in the historic Oak Grove neighborhood just blocks from Downtown Fargo. The property is situated off of Oak Street and 6th ave North and borders the Wildflower Grove park offering convenient access to the newly created Riverwalk trails and stunning views of the Red River, Hjemkomst Center, downtown Fargo skyline, etc...

Lofts at Oak Grove will start construction in spring 2019. Once construction is completed the property will be managed by Craig Property Management. LHS Investments LLC, the current ownership group, acquired the property in Aug. 2018. At that time significant capital expenditure had already been put into a similar project with a different ownership group. That ownership group dissolved and LHS Investments was formed to step in, take over, and acquire the remaining properties left to start a brand-new development plan.

The unit finishes will be clean and modern while offering premium amenities to its residents. There will be 3 unique offerings within the building. First floor will have more of an industrial feel to the units with concrete block, precast floors & high ceilings. The Second to Fourth floors will be a modern stick-built apartment units with 5 units featuring a two story floorplan. The highlight of the property would be the 5th floor (i.e. the Skyloft) which will be higher end units with design and amenities catering to a wealthier clientele. The First and Fifth floor units will have assigned parking within the second-floor parking garage, as well as a private elevator for the 5th floor residents. The Second thru Fourth floor residents will have access to the first-floor parking garage, which will be first come, first serve. There will also be ample visitor parking on site.

This project aligns with the goals of the 2015 Fargo Renaissance Zone Development Plan in the following way;

Infill Policies/Initiatives

GO2030 – Neighborhoods, Infill and New Development; Initiative 01: Promote Infill. Develop policies to promote infill and density within areas that are already developed and are protected by a flood resiliency strategy.

GO2030 – Neighborhoods, Infill and New Development; GUIDING PRINCIPLE: Fargo Will promote attractive and welcoming neighborhoods by promoting a diverse and Affordable housing stock. Fargo will support neighborhoods where residents can age in Place, children can walk to school and essential services are only a short walk away.

PROPERTY OVERVIEW

Property Name:	Lofts at Oak Grove
No. of Units:	TBD
Addresses:	505 Oak St N. Fargo ND, North Dakota
Est. Construction Costs:	\$19,000,000 (est)
Price Per Unit:	TBD
Est. Completion:	Aug / Sept 2020
No. of Buildings:	One Building
Unit Mix:	TBD
Garages:	None
Parking Spaces:	TBD
Storage Units	TBD
Apartment Heat:	TBD
Apartment Hot Water:	TBD
Electricity (Common Areas):	TBD
Electricity (Apartments):	TBD
Amenities:	Washer & Dryer in each unit, as well as, 2 coin operated laundry rooms / Controlled Access / Riverwalk access/ Community room / Exercise Room / Mailroom Lockers / Underground Parking / Bike Racks / Storage Units / Green Roof



7 AVE N

ELM ST N

SOUTH TER N

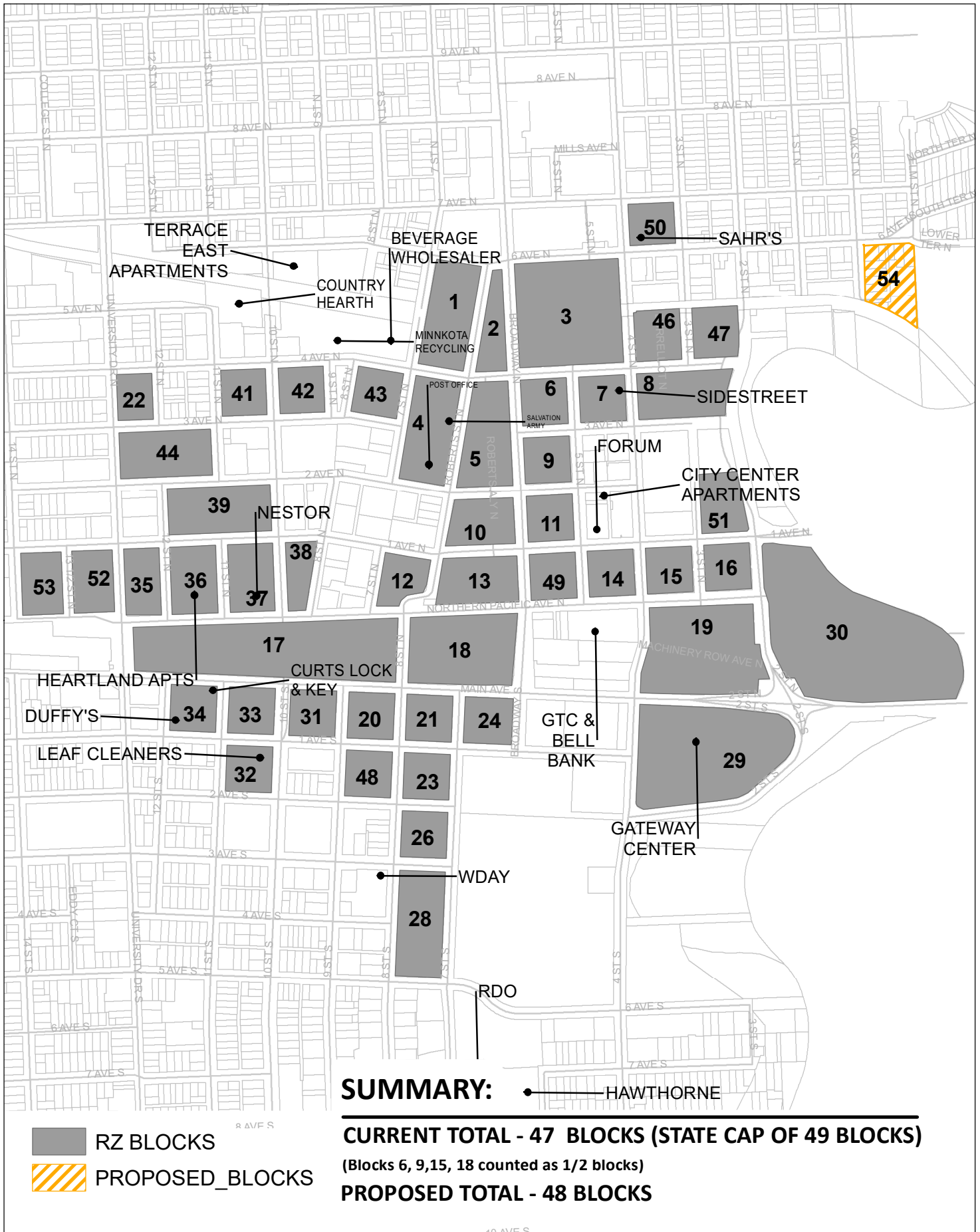
OAK ST N

Subject Property

6 AVE N

1 ST N

PROPOSED RENAISSANCE ZONE BOUNDARY





PLANNING AND DEVELOPMENT
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MEMORANDUM

TO: Renaissance Zone Authority

FROM: Kylie Bagley, Planner

DATE: February 20, 2019

RE: Request from 201 Hospitality LLC to add one (1) additional RZ Blocks

The city received a request from 201 Hospitality LLC to add one (1) additional RZ blocks to the City of Fargo Renaissance Zone Plan (RZ Plan). The one block is located between 2nd Avenue North, 3rd Avenue North, 5th Street North and 4th Street North. 201 Hospitality LLC has plans to remodel the exterior and interior of the Radisson, on the proposed RZ Block 55.

The proposed RZ Block 55 contains government owned buildings. This allows the city to add the proposed RZ Block 55 as a half block.

Attached is a copy of the applicant's request and corresponding material.

Recommended Action: Approve the addition of the proposed RZ Block 55 as recommended by the staff.



2/1/2019

Renaissance Zone Proposal

The Radisson building has towered over Downtown Fargo since 1983. Although a great structure, minimal improvements have been made to the building during the past 36 years. Anyone, who has been in the building for an event or for an evening stay has developed an image of what they think hotel is. Those images haven't changed much with time. With the addition of the Block 9 project's new hotel and our aging reputation, we need to make an impactful change to our building. We need to make a change that not only improves our ability to complete, but elevates the look and feel of Downtown Fargo.

The Radisson executive team, including Radisson's President of the Americas, spent time with us here in Fargo and agree that our building and our city are ready for a Blu. Anyone that has stayed in a Radisson Blu, here in the U.S. or internationally, would tell you that it is a great experience. Radisson positions the "Blu" brand to be in the same tier as a J.W. Marriott with upscale rooms, engaging spaces, state of the art equipment and impressive service. These improvements will come with a high price tag, but we intend to bring that elevated experience to Fargo.

Our vision begins with the exterior of the building where new signage and accent lighting catch the eye and enhance the architecture. Inside we will update the décor that leads to the open three story atrium. The Radisson team will work with us to reinvent our restaurant and lounge. Our event spaces will be modernized to meet the needs of any group. Our current fitness center will be replaced with a much larger and well-equipped space that supports the healthier lifestyle of today's traveler.

When our guests arrive at their rooms, they will find a completely different experience than we can offer today. Radisson Blu rooms have clean lines and a contemporary but warm feel. The new bathrooms will have better lighting to highlight the new stone, tile and updated fixtures. Everything in the rooms will be rebuilt with the guest experience in mind.

With all of the resources going into the Block 9 project next door, we can choose to either accept our declining position or to improve in order to compete. Moving our building into the Renaissance Zone will open doors and help us compete. Downtown Fargo will be better with a Blu.

Thank you,

A handwritten signature in blue ink, appearing to read "Steve".

Steve Martodam
Chief Operating Officer



4 AVE N

3 AVE N

Subject Property

2 AVE N

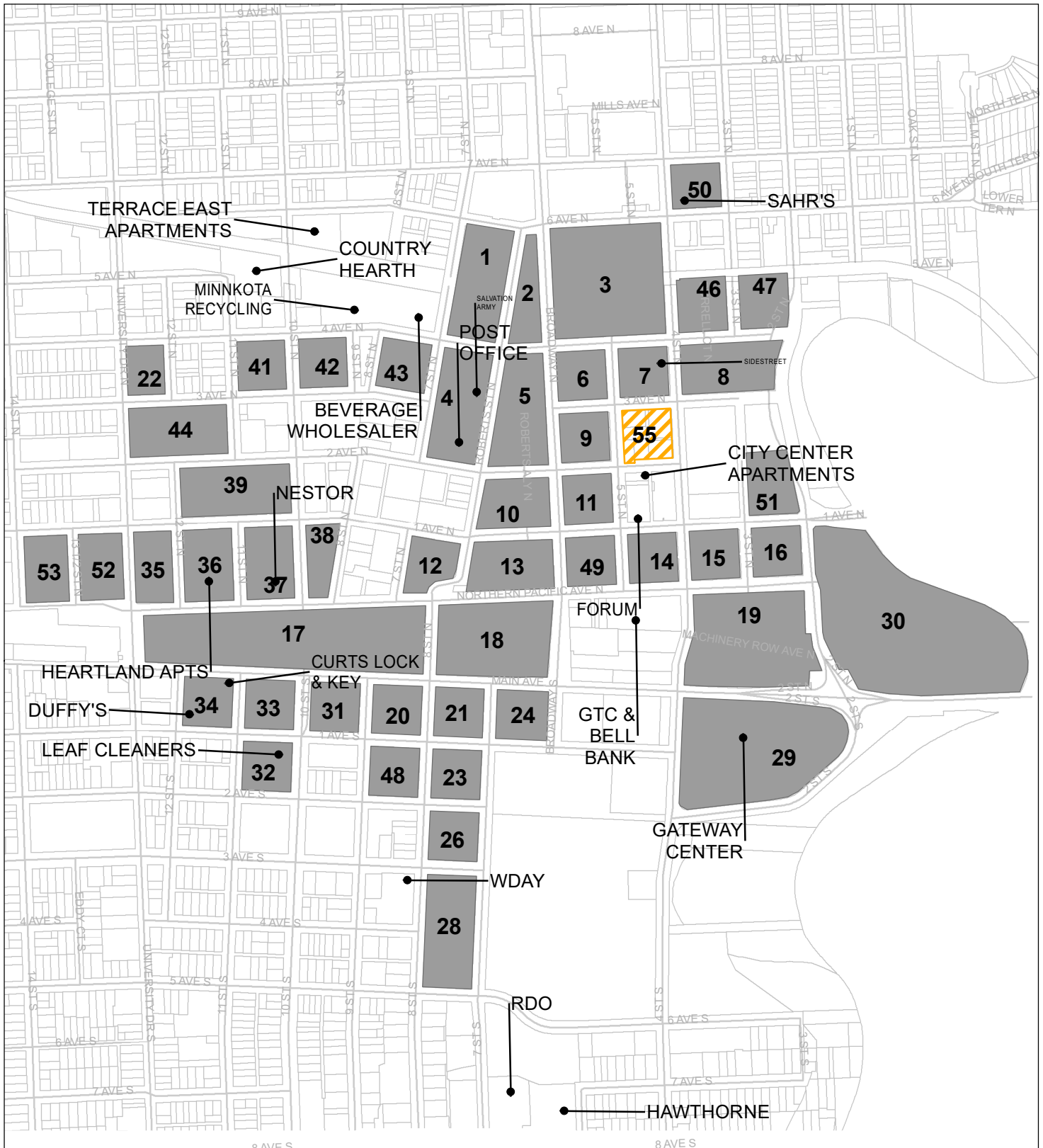
BROADWAY N

5 ST N

1 AVE N

4 ST N

PROPOSED RENAISSANCE ZONE BOUNDARY



SUMMARY:

- RZ BLOCKS
- PROPOSED_BLOCKS

CURRENT TOTAL - 47 BLOCKS (STATE CAP OF 49 BLOCKS)
 (Blocks 6, 9, 15, 18 counted as 1/2 blocks)
PROPOSED TOTAL - 47 1/2 BLOCKS



PLANNING AND DEVELOPMENT

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MEMORANDUM

TO: Renaissance Zone Authority
FROM: Kylie Bagley, Planner
DATE: February 20, 2019
RE: Renaissance Development Plan Update

Background. The original Renaissance Zone (RZ) legislation was signed into law on April 8, 1999 and was intended to be a 15 year program. The City of Fargo signed a Memorandum of Understanding (MOU) with the North Dakota Division of Community Services on December 28, 1999 which established the ability for the City to establish a Renaissance Zone program. The 15 year timeframe expired at the end of 2014 and therefore pursuant to N.D.C.C 40-63-03(1)(f) the City may submit an application to extend the duration of the RZ status in increments of 5 years. As a component to this request the Renaissance Zone Authority will need to complete an update of the Renaissance Zone Development Plan.

The initial *Fargo Renaissance Zone Development Plan* was approved in December of 1999 and an update was completed in 2003 in response to legislative changes in 2001 and 2003. Additional legislative changes were made in 2005, 2007 and 2009 and the program has continued to evolve. The last update to extend the duration of the Renaissance Zone was in 2014. Since its original configuration in 1999 the Renaissance Boundary has been modified four times and the most recent is dated 2017. As specifically set forth in N.D.C.C 40-63-01(2), Renaissance Zone “Development Plans” are intended to include a block-by-block analysis of structures and target areas, an outline of goals and objectives, a description of the types of projects desired for each area, promotion and management strategies to maximize investment and evidence of community support.

Renaissance Zone Authority Role. The RZA will oversee and guide the ‘Development Plan’ update process. Over the next several months staff anticipates that a few intermittent meetings will be necessary to discuss and review materials; as well as to eventually finalize a recommendation on an updated plan. Staff is looking to schedule a tour (spring) of the RZ area and specifically blocks that may be candidates for addition or removal.

Process. Generally, staff anticipates the process unfolding as follows:

Step:	Details:	Timeline:
Declaration of Interest Letter / Notification	Opportunity for property owners to inform the City of any planned future investments or intentions	March, 2019
Request Letters of Support	Reach out to Cass County and Fargo Public School districts for letters of support	March, 2019
Tour	Renaissance Zone Authority tour of existing blocks, potential transitional blocks and opportunity areas	April, 2019
Property Owner Notification and Public Hearing	Notification to blocks to be added and removed and opportunity to comment on draft Development Plan	May/June, 2019
Draft RZ Development Plan to RZA for Recommendation		June, 2019
City Commission Review		September, 2019
Submittal to State	Updated Plan and Application for RZ Extension	October, 2019