

# CITY OF FARGO

## RENAISSANCE ZONE PROJECT APPLICATION INSTRUCTIONS

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### **LEASE**

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***Please note that this application must be approved by all local and state review entities prior to beginning rehabilitation work.***

1. Completion of Application for Renaissance Zone sheet
  - a. Street address, legal description, and Renaissance Zone Block number of proposed project. If the proposed project involves more than one parcel, please provide relevant information for each parcel.
  - b. Current property owner(s), mailing address, phone, email and type of entity (partnership, LLC, S-corporation, etc.).
  - c. Name of applicant(s), mailing address, phone, email and type of entity (partnership, LLC, S-corporation, etc.).
  - d. Current use of property
  - e. Square footage of the lot, the building, and the space leased. List each floor separately and provide a floor plan of the leased space)
  - f. Project Description. Describe the anticipated tenant activities, scope of the activities that the tenant will undertake, and describe and the expected date of occupancy and lease.
  - g. Estimated tax impact of Zone incentives to the applicant: List the current true and full value of the building, the current annual property tax on the building, the estimated value of the building after improvements have been completed, and the estimated five-year impact. Estimate the potential annual income tax savings.
  - h. Signature of property owner(s) and representative(s).
2. Describe how the project enhances the stated Renaissance Zone goals and objectives, being as specific as possible (**Attachment B**)
3. Describe how the project fits under the Zone's development guidelines (**Attachment C**)
4. List of public and private financial commitments. If the project is funded by the Renaissance Zone Fund, describe type of funding and amounts.
5. Provide evidence that the applicant is current on state and local taxes (Certificate of Good Standing from State Tax Commissioner (**Attachment D**))
6. Provide receipt showing proof that local taxes have been paid.
7. Provide a Business Incentive Agreement (**Attachment E**)

## APPLICATION FOR RENAISSANCE ZONE – LEASE

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 <i>(if applicable)</i>
Name <i>(printed)</i> : _____ Address: _____ Primary Phone: _____ Alternative Phone: _____ Email: _____	Name <i>(printed)</i> : _____ Address: _____ Primary Phone: _____ Alternative Phone: _____ Email: _____
Location of property involved in the application decision	
Address or Parcel Number: _____ Legal Description <i>(attach separate sheet if more space is needed)</i> : _____ _____ Renaissance Zone Block Number: _____ Current Use of Property: _____ How will this property affect historical properties: _____ _____	
Square Footage	
Building: _____ sf    Space Leased: _____ sf List Each Floor sf Separately _____ _____	
Project Description	
Expected Date of Lease: _____ Expected Date of Occupancy: _____ Tenant Activities: _____ Scope of Activities the Tenant will Undertake: _____ _____	

Estimated Tax Impact	
Current True and Full Value:	_____
Current Annual Property Tax:	_____
Estimated Value of Building after Improvements:	_____
Estimated Five-Year Impact:	_____

Acknowledgement – We hereby acknowledge that we have familiarized ourselves with the rules and regulations to the preparation of this submittal and that the forgoing information is true and complete to the best of our knowledge.	
Owner ( <i>Signature</i> ): _____	Date: _____
Representative ( <i>Signature</i> ): _____	Date: _____

Office Use Only	
Date Filed: _____	Planning Office Contact: _____

## Attachment A – Minimum Criteria for Project Approval

In order to qualify for consideration as a Renaissance Zone project, a proposal must meet the following criteria, regardless of whether or not the project involves a new purchase (by an individual or a group or investors) or an existing ownership arrangement.<sup>1</sup> Note: In the Fargo Renaissance Zone, a transfer of property ownership does not automatically qualify a transaction as an approved Zone project. The intent of these criteria is to encourage and reward significant levels of investment in Zone properties.

1. Proposals involving **existing buildings** (All local and state review and approvals must be secured prior to construction and/or acquisition).
  - a. Use consistent with the plan, as per “Vision and Goals” and “Redevelopment Strategies” outlined in this document.
  - b. Exterior rehabilitation sufficient to eliminate any and all deteriorated conditions that are visible on the exterior of the building.
  - c. Minimum level of investment
    - i. Commercial. Investment in rehabilitation that totals no less than 50 percent of the current true and full valuation of the building. The application must also prove that the investment totals at least \$40 in capital improvements per square foot<sup>2</sup> (with differentiation between uses in mixed use projects). The Renaissance Zone Authority has the authority to waive the square foot investment requirement for certain projects.
    - ii. Residential. Investment in capital improvements that totals no less than 20 percent of the current true and full valuation of the building. The application must also prove that the investment totals at least \$25 in capital improvements per square foot for residential properties (with differentiation between uses in mixed use projects). The Renaissance Zone Authority has the authority to waive the square foot investment requirement for certain projects.
  - d. Project scope that addresses the interior and exterior of the building in a comprehensive and complete manner.
2. Proposals involving **new construction or additions** (All local and state review and approvals must be secured prior to construction).
  - a. Use consistent with the plan, per the “Vision and Goals” outlined in this document.
  - b. Investment of at least \$100 in capital improvements per square foot.<sup>3</sup>
3. Proposals involving a **commercial lease** (tenancy, not ownership). All required local and state reviews and approvals must be secured prior to execution of the qualifying lease.
  - a. Tenant must be leasing space in a building that has been approved as a Zone project (see above criteria to be eligible for consideration).
    - i. Proposals involving **single-family residences** (All local and state review and approvals must be secured prior to acquisition<sup>1</sup>) Single-family residences include single-family attached and detached homes, twin homes, town homes, and condominiums. The applicant must provide verification that the project location will be their primary place of residence.

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<sup>1</sup> Note: All dollar values included in criteria/guideline statements are assumed to be in 1999 dollars. To account for inflation, the Department of Planning and Development will index these figures on an annual basis, according to the Consumer Price Index.

<sup>2</sup> The Renaissance Zone Plan defines capital expenses as the 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).

<sup>3</sup> The square footage used to calculate required investment levels will be based on the square footage of the entire building (excluding the basement).

## Attachment B – Vision and Goals Project Review Guidelines

No plan can be successful without a collective vision that reflects the many needs and interests of the community. This plan will focus only on the vision and goals that apply to the Renaissance Zone in Fargo. The people and organizations that are involved in the implementation of this plan will develop the exact objectives that accompany the vision and goals over time.<sup>4</sup>

### Vision

Local ideas about downtown revitalization do not appear to be transitory. The vision for the Renaissance Zone is entirely consistent with the vision for downtown that has been articulated in a number of recent planning efforts. The Vision for the Renaissance Zone, as defined by the Renaissance Zone Advisory Committee, follows:

Fargo's Downtown Renaissance Zone is an economically vital, culturally rich mixed-use district where there are well-designed public and private spaces for residents, visitors, employees, and employers, and where an appreciation for the district's historic character and natural amenities is paramount.

### Economic Vitality

Provide an environment that will both strengthen current businesses and attract new commercial enterprises in order to build a sound economic base that is marked by sustainability and diversity.

### Housing Diversity

Encourage sustainability in the downtown residential market by promoting the development of upscale, market-rate housing options, enhancing the sense of community and neighborhood in the downtown area, and in general, increasing the area's attractiveness as a place to live, work and play.

### Vibrant City Center

Make downtown Fargo a desirable destination by creating a physical environment that is aesthetically pleasing and sensitive to the historic significance of the area, while also encouraging programs, activities and investments that will draw visitors and residents downtown.

### Goals

Fargo's Renaissance Zone program goals and those of the State of North Dakota both focus on the need for renewal, investment and redevelopment. The Renaissance Zone Advisory Committee tried to determine what it would take to encourage the type of downtown revitalization that is in keeping with these ideas and with the tenets of the vision statement. The following list of goals helps to define the direction that should be followed as the RZA reviews and approves Renaissance Zone projects.

Above all else, putting vitality back in the downtown means getting people to go there and to use it. It is imperative that we work together to make the downtown Renaissance Zone a place people not only need to go, but a place people want to go.

**Activity Generators.** Develop activity-generating enterprises along the Renaissance Zone's major commercial corridors: Broadway/Roberts Street and NP/1<sup>st</sup> Avenues.

**Walkable Districts.** Create "walkable districts" (10 minute walk from one end to the other) that integrate a wide range of activities and land uses, including cultural attractions; thus encouraging on-street activity and interaction while discouraging unnecessary auto traffic, parking problems, and congestion.

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<sup>4</sup> The terms used to describe the planning process can sometimes be confusing, but the general idea underlying each of them is clear. A "Vision" is a forward-looking statement that describes a desired future -- "What do we want downtown Fargo to be in the future?" Goals state what it is we mean to do, although not yet in detail. They provide general direction and describe the issues that were identified in the vision (the desired future). Objectives are achievable, measurable steps taken to achieve one or more goals. They specify a single key result and explain concisely the "what", "when", "how much" and/or "how many".

**Ground Floor Uses.** Reserve ground floor land uses to those that will encourage streets to come to life -- shops, offices, cafes, restaurants and other "public" facilities.

**Neighborhood Center.** Make "Broadway" Fargo's "Main Street" -- a pedestrian-friendly, mixed-use magnet that anchors downtown neighborhoods. It is a natural neighborhood center because it is a connection between the MeritCare and Island Park areas, as well as between the west side and riverfront districts.

**Transportation Issues.** Manage downtown transportation, accessibility and parking issues in a manner that will allow for further commercial development and will make the entire area more user-friendly.

**Safe Streets – Safe Neighborhoods.** Encourage safe streets and safe neighborhoods by relying on and utilizing the "natural surveillance" of lively and active streets.

- **User Needs.** Encourage projects that consider the needs of their users, in addition to the needs of downtown users in general.

**High Quality Housing.** Stimulate 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.

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

**Downtown Entryways.** Enhance auto entry experiences with landscaping improvements to all major corridors (Broadway/Roberts, 1<sup>st</sup>/NP Avenues, and Main Avenue) and gateway statements at Broadway/Main Avenue, Broadway/6<sup>th</sup> Avenue N, 1<sup>st</sup> Avenue/River, Main Avenue/River, and Main Avenue/10<sup>th</sup> Street.

**The Place to Be.** Make downtown the entertainment/cultural/recreational center of the city: "If you're looking for something to do - downtown is the place to be." Make downtown a key destination for visitors/conventioneers and a key destination for residents.

**A Place Like No Other.** 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.

**Riverfront Open Space.** Provide additional riverfront parks and open spaces for downtown resident and visitor recreation and for riverfront image enhancement.

**Spruce up the area.** Encourage artists to use place-based artwork (i.e. river-themed or historic-themed murals) to spruce up buildings and the entire area in a way that brings a sense of community pride and excitement to downtown Fargo.

**Riverfront as an Asset.** Recognize and utilize the riverfront as one of the city's greatest assets while respecting its role as a powerful and active river. Make the downtown riverfront a source of pride and enjoyment for local residents.

**24 hours a day – 7 days a week – 365 days a year.** 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.

**Connections and Coordination.** Coordinate public and private efforts to ensure that projects enhance, rather than detract from the connectivity of the area. Strong connections between people, places and things to do are vital to creating a strong sense of community.

**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?

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?

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?

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?

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?

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?

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?

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?

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?

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?

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?

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



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?

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?

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?

**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 \_\_\_\_\_ square feet, as follows:
  - a. Lot Size: \_\_\_\_\_ SF
  - b. Proposed Building Total: \_\_\_\_\_ SF
  - c. 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 \$\_\_\_\_\_ per square foot.

## Attachment C – Project Review Guidelines

Each potential Renaissance Zone project (as defined by the previously described minimum criteria) will be evaluated by the locally designated Zone Authority and rated according to a number of factors. The designated review committee will have discretion to recommend that the City Commission award incentives up to a certain level, within the defined guidelines.

Note that compliance with each of the guidelines, as defined below, is not necessary for project approval; the guidelines are simply factors that can be used to evaluate the varied range of projects that are likely to come before the Zone Authority.

1. **High Priority Land Use.** Redevelopment or Reinvestment to a high priority land use
  - a. Primary sector business
  - b. Active Commercial, Specialty Retail and/or Destination Commercial
  - c. Mixed use development (combination of housing, commercial, and/or retail uses in a horizontal or vertical fashion)
  - d. Large, upscale residential units
  - e. Note: Creation of storage, warehousing, adult entertainment facilities or single room apartments is not consistent with the goals outlined in the Renaissance Zone Plan
2. **Targeted Areas.** Redevelopment or Reinvestment in a targeted area
  - a. Parcels that have been vacant or underutilized for an extended period of time
  - b. Parcels specifically targeted for clearance
  - c. Note: Property owned by the railroad will not be eligible to receive incentives unless ownership is transferred from the railroad to a private party
3. **Public Space.** Redevelopment or Reinvestment to create civic space or to strengthen pedestrian corridors
  - a. Incorporation of “civic” or “public” space within a redevelopment proposal will receive additional consideration
  - b. Demonstrated commitment to strengthening pedestrian corridors and issues of “connection”
  - c. Attention to streetscape amenities
4. **Investment.** Amount of actual capital investment in the project
  - a. 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)
5. **Relocation.** Movement of commercial businesses
  - a. Commercial tenants that are relocating within the Downtown Area are not eligible for tax incentives without special approval from the RZA.
  - b. Commercial tenants that are relocated from a North Dakota community (other than Fargo) to the Fargo Renaissance Zone are not eligible for tax incentives without special approval from the RZA.

**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?

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

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

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

**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?

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

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

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

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

**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?

## **Attachment D – Certificate of Good Standing**

In order to obtain a certificate of good standing, complete the application found at:

<http://www.nd.gov/tax/data/upfiles/media/request-for-renaissance-zone-certificate.pdf?20180328090824>.

Once the application is complete submit to:

Individual Income Tax Section  
Office of State Tax Commissioner  
600 East Boulevard Avenue, Dept. 127  
Bismarck, ND 58505-0599

A copy of the Certificate of Good Standing will need to be provided to the Planning Department.

## **Attachment E – Business Incentive Agreement**

The business incentive agreement can be found at:

<https://www.commerce.nd.gov/uploads/4/sfn59686businessincentiveagreement.pdf>

Once the agreement is complete the document will need to be provided to the Planning Department.