



PLANNING AND DEVELOPMENT
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MEMORANDUM

TO: Renaissance Zone Authority
FROM: Barrett Voigt, Assistant Planner
DATE: April 25, 2018
RE: Renaissance Zone Authority Meeting

RENAISSANCE ZONE AUTHORITY
Wednesday, April 25, 2018 at 8 a.m. (City Commission Room)
Agenda

1. Approve Order of Agenda
2. Approve Minutes: Regular Meeting of November 15, 2017 (Attachment I)
3. Review application from Ruby Rules, LLC (Rehabilitation) located at 321 4th Street North (Attachment 2)
4. Other Business

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
Informational Meeting

Project Tour Meeting: Wednesday: November 15, 2017:

A Project Tour Meeting of the Renaissance Zone Authority of the City of Fargo, North Dakota, was held on Wednesday, November 15, 2017 at 8:00 o'clock a.m.

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

Present: Dr. Dean Bresciani, Bruce Furness, Cari Luchau, Deb Mathern,
 Chad Peterson, Steve Swiontek

Absent: Commissioner Dave Piepkorn, Commissioner Tony Grindberg

Item 1: Renaissance Zone Authority Project Tour Schedule

8:00 a.m.

- Historic Union
 - 1026 NP Avenue
 - Park in the east lot of Historic Union

8:45 a.m.

- Stable Building
 - 1213 NP Avenue
 - Walk or park in the Prairie Roots Co-op lot

9:30 a.m.

- Investments on Main
 - 614 Main Avenue
 - Parking on-street options include Main Avenue, 8th Street South, or South Broadway

10:00 a.m.

- Roberts Commons, Black Building, DFI BG LLC (above Subway & Teaberry) and DFI BE LLC (former MetroDrug)
 - Downtown Core (Broadway & 2nd Avenue North)
 - Park in Roberts Commons Ramp (first 2-hours free) or on-street

No motions were made and the meeting was adjourned at 10:30 o'clock a.m.



**Staff Report
Renaissance Zone Application for
Ruby Rules, LLC (269-F)
321 4th St N**

Project Evaluation:

The City of Fargo received a Renaissance Zone application from Ruby Rules, LLC to rehabilitate the existing commercial office building at 321 4th Street North. Pursuant to the application, the intent of the project is to complete an interior renovation to the current City of Fargo Assessor building to accommodate for a future dental office and yoga studio. The building is 1 level and occupies 5,781 square feet. The rehabilitation would renovate and update the building with significant capital costs relating to minor exterior structural alterations, interior concrete floors, window replacements, roof replacement, and a replacement of HVAC, plumbing, and electrical systems.

The construction would begin in the summer of 2018 with the goal of completion in the fall of 2018.

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

Lines 1: 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 Block 8 is identified as: *clearance and redevelopment*. 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 near Renaissance Zone's major commercial corridors: Broadway North and 2nd Avenue North.

The provision of a dental office and yoga studio would create additional activity along 4th Street North and 4th Avenue North, only 2-3 blocks from the main corridors of Broadway North and 2nd Avenue North.

2. *Walkable Districts [goal]:* Create "walkable districts" that integrate a wide range of activities and land uses; thus encouraging on-street activity.

The proposed project would contribute additional destinations for commercial services that can be accessed by the means of walking.

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 proposed project, in addition to land uses provided in the ground floor area of the building, would utilize the surface parking lot in the back of the building for community activities.

4. *Neighborhood Center [goal]:* Make "Broadway" Fargo's "Main Street" – a pedestrian-friendly, mixed-use magnet that anchors downtown neighborhoods.

The proposed project would contribute as a pedestrian friendly amenity by offering services with high demand in close proximity to Broadway North and the downtown neighborhoods.

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 proposed project would include strong urban design principles by incorporating exterior landscape designs.

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 property offers off-street parking facilities to mitigate auto-oriented transportation impacts.

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 would add pedestrian activity to the area and increase the number of persons to provide surveillance of the area.

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.
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 proposed project will revitalize an under utilized property.

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

The project would generate a destination for commercial services that are not found elsewhere in the downtown area and provide community activities.

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 proposed project would restore the exterior of the Chamber building.

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 dental practice would offer services during conventional business hours of the week and the proposed yoga studio would offer services during the evenings and weekends.

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

The proposed dental clinic will provide for a core community need for professional health care and the proposed yoga studio tenant has proposed to host community-wide events for the community.

Line 2: Will exterior rehabilitation or the proposed improvements be sufficient to eliminate any and all deteriorated conditions that are visible on the exterior of the building? Does the project scope address the interior and exterior of the building in a comprehensive manner?:

The applicant proposes to maintain the historic character of the building and to repair any deteriorating conditions on the exterior of the building. The application addresses the interior and exterior of the building in a comprehensive manner by offering both interior and exterior improvements to update the building to modern use.

(10/ 10 points)

Line 3: Does the investment comply with the minimum State standard that requires an investment of no less than 50% of the current true and full valuation of the building?:

The property building is currently assessed \$485,000. The applicant has proposed a total rehabilitation investment of \$669,602 which exceeds the required 50% investment guideline. These improvements will result in \$115 per SF (RZ minimum is \$25 per SF for residential and \$40 per SF for commercial) being invested into the existing space.

(10 / 10 points)

Line 4: Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in the RZ Plan?:

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

According to the application, the structure accommodates 5,781 square feet. The application estimates a total capital investment of \$669,602, which calculates to approximately \$115 per SF.

(10 / 10 points)

Line 5: Sub-Total: The sub-total of lines 1–4 equals 40 points.

~~Line 6: Use consistent with the RZ Plan (as per Visions and Goals)?:~~

~~Line 7: Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in the RZ Plan?~~

~~Line 8: Tenant must be leasing space in a building that has been approved as a Zone project: NA~~

Line 9: The new construction or proposed improvements are representative of “High Priority Land Uses” as defined in the RZ Plan: These criteria are defined by four sub-categories, as follows:

Primary Sector Business: N/A

Active Commercial, Specialty Retail or Destination Commercial: The proposed project will offer commercial services with high demand in the downtown area.

Mixed Use Development: N/A

(4 / 10 points)

Line 10: The investment is located in a ‘Target Area’ as defined by the RZ Plan:

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

The proposed project will provide investment in a property that is soon to be vacated by the city. The renovation of the building will provide opportunities for several more intense uses.

(5/5 points)

- 2) Parcels specifically targeted for clearance:

The RZ Plan designates Block 8 as being appropriate for clearance and redevelopment. The proposed project meets these objectives by redeveloping an existing building for future commercial uses.

(5/5 points)

(10 / 10 points)

Line 11: 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 contribute to street level activation by adding more residents to the downtown area.

(9 / 10 points)

Line 12: Consideration and analysis as to the total actual investment in the project:

As proposed, the rehabilitation project and improvement costs exceed both the 50% (true and full value of the building) and \$40 per square foot requirement. As previously noted, the application represents a total estimated investment of \$669,602.

(10 / 10 points)

Line 13: 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)

Line 14: 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 outside the boundary of the Downtown Historic District. The proposed rehabilitation project will contribute to enhancing the aesthetics of the area.

(8 / 10 points)

Summary:

This application received a score of 90 on a 100-point scale. The applicant met all required criteria and the use is consistent with the RZ Plan. In addition, the proposed rehabilitation project surpasses the local capital improvement requirement of \$40 per square foot capital improvement for commercial rehabilitation. New construction must meet \$100 per square foot capital investment threshold.

This project is consistent with the RZ Plan as activity generators and walkable districts are important initiatives highlighted in the plan. The proposal will increase activity and contribute to the vitality of the downtown area along 4th Street North.

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 is not seeking historic preservation tax credits.

This project will make use of a structure 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 Ruby Rules, 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.

**Renaissance Zone Scorecard
Minimum Criteria (Rehabilitation Project)**

		Possible Rating	Staff Rating
1	Use consistent with the plan (as per Vision and Goals)	10	9
2	Exterior rehabilitation sufficient to eliminate any and all deteriorated conditions that are visible on the exterior of the building	10	10
3	Re-investment that totals no less than 50 percent of the current true and full valuation of the building	10	10
4	The investment totals at least \$40 in capital improvements per square foot for commercial properties or \$25 in capital improvements per square foot for residential properties (The authority may waive the square foot investment requirement for certain projects)	10	10
Minimum Criteria (Proposals involving new construction or additions)			
6	Use consistent with the plan (as per Vision and Goals)	N/A	NA
7	Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in the RZ Plan?	N/A	NA
8	Tenant must be leasing space in a building that has been approved as a Zone project	NA	NA
Project Review Guidelines			
9	The new construction or proposed improvements are representative of "High Priority Land Uses" as defined in the RZ Plan: <ul style="list-style-type: none"> • 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 	10	4
10	The investment is located in a 'Target Area' as defined by the RZ Plan: <ul style="list-style-type: none"> • Parcels that have been vacant or underutilized for an extended period of time • Parcels specifically targeted for clearance 	10	10
11	The project will create civic space or public space and/or will enhance pedestrian connectivity, streetscape amenities or will contribute to street level activation: <ul style="list-style-type: none"> • 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	9
12	Consideration and analysis as to the total actual investment in the project: <ul style="list-style-type: none"> • 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
13	Consideration as to whether the project will include or accommodate the relocation of a business from another North Dakota community: <ul style="list-style-type: none"> • 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
14	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? <ul style="list-style-type: none"> • 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	8
Total Rating (100 possible points)		100	90



6 AVE N

5 ST N

3 ST N

5 ST N

4 AVE N

BURRELL CT N

3 ST N

2 ST N

Subject Properties

4 ST N

3 AVE N

2 AVE N

3 ST N

APPLICATION FOR RENAISSANCE ZONE

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.

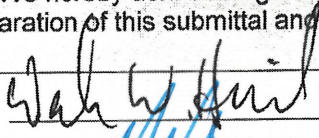

Contact Information
Name (<i>printed</i>): <u>Derek Harnish</u>
Address: <u>1118 7th St S, Fargo ND</u>
Primary Phone: <u>701-893-5285</u>
Alternative Phone: <u>701-235-6075</u>
Email: <u>dwharnish@gmail.com</u>

Representation Information (<i>if applicable</i>)
Name (<i>printed</i>): <u>Mike Wickham</u>
Address: <u>2754 Brandt Dr. S, Fargo ND</u>
Primary Phone: <u>701-281-5641</u>
Alternative Phone: <u>701-541-7321</u>
Email: <u>mikew@starionbank.com</u>

Location of property involved in the application decision
Address or Parcel Number: <u>321 4th St N, Fargo, ND 58102</u>
Legal Description (<i>attach separate sheet if more space is needed</i>): <u>Lot:1 Block:2 ND Urban Renewal</u> <u>#1 Lot 1 Blk 2</u>

Application Type (Please place "X" next to corresponding application type requested)
New Construction <input type="checkbox"/>
Rehabilitation <input checked="" type="checkbox"/>
Residential Purchase <input type="checkbox"/>
Lease <input type="checkbox"/>

Project Description (<i>Brief project summary</i>)
<u>Ruby Rules LLC plans to purchase and renovate the existing structure which will then be occupied by Riverview Family Dental PC and Ecce Yoga.</u>

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>): <u></u>	Date: <u>3/27/18</u>
Representative (<i>Signature</i>): <u></u>	Date: <u>4/5/18</u>

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

FARGO RENAISSANCE ZONE APPLICATION

GENERAL INFORMATION:

GENERAL DESCRIPTION OF A RENAISSANCE ZONE

- The Renaissance Zone was created by North Dakota's Legislature in 1999 under NDCC chapter 40-63 and amended in 2001 and 2003. It is an innovative way to spur development and increase investor confidence in Downtown Fargo. Approved development and investment activity that takes place in a designated "Renaissance Zone" will become eligible for a variety of tax exemptions and/or credits.
- To create a Renaissance Zone, the City must develop a plan to describe the overall redevelopment strategy for the proposed Renaissance Zone and submit it to the Division of Community Services (DSC) for review.
- The City may designate a Renaissance Zone Authority (RZA) to promote, develop, and manage the zone.
- Each project must be approved by a majority of the Renaissance Zone Authority (RZA) and the Fargo City Commission in order to be eligible for the incentives outlined in this Act.
- This Act is effective as of January 1, 1999 and consequently does not apply to investments or activities that occurred prior to that date.

DEFINITION OF A ZONE BOUNDARY

- Boundary of zone must be adopted by City Commission and DCS
- All blocks in zone must be contiguous
- Zone boundary must be continuous
- Land usage must include both commercial and residential property

VISION FOR DOWNTOWN

Downtown Fargo 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.

RENAISSANCE ZONE AUTHORITY (RZA)

The Renaissance Zone Authority (RZA) is charged with three primary responsibilities: Economic Development, Promotion of the Zone, and Administration of the Zone Incentives. The City Commission has appointed the RZA to coordinate the process and to review all proposed projects. All RZA decisions that have budgetary implications will go to the City Commission for final approval. The RZA will carry out its duties with the assistance of the following agencies and organizations:

- *Fargo-Cass County Economic Development* - Primary sector economic development and management of the Renaissance Fund Corporation
- *Downtown Community Partnership* - Zone promotion and Non-primary sector economic development assistance
- *Tax Exempt Review Committee* - Individual project review for incentives

- *Department of Planning and Development* - Project planning, administration, and coordination

INCENTIVES: TAX EXEMPTIONS AND CREDITS

- The city's Renaissance Zone Plan establishes standards that each project must meet in order to be eligible to receive incentives.
- Exemptions transfer to the new owner if a property is sold during the 5-year exemption period (exemption is pro-rated based on use of property).
- If a pass-through entity (partnership, S-corporation, limited partnership, LLC, etc.) is eligible for an exemption or credit, the amount must be determined at the pass-through entity level and distributed to partners, shareholders or members in proportion to their respective interests in the pass-through entity.
- The secrecy provisions of the income tax code do not apply when a local zone authority inquires about exemptions or credits claimed in its renaissance zone.

Income Tax Exemption

- An individual taxpayer that purchases a single-family residence as primary residence may qualify for an exemption of up to \$10,000 in income tax liability for 5 taxable years, starting with date of occupancy. Single-family residence includes detached single-family detached homes, single unit in a duplex, townhouse, and condominium.
- Any taxpayer that purchases, leases, or rehabilitates residential or commercial property for any business or investment purpose, as a zone project, is exempt from any tax on income derived from the business or investment locations within the zone for five taxable years, beginning with the date of purchase, lease, or completion of rehabilitation.
- The exemptions provided in this program do not eliminate any duty to file a return or to report income as required under chapter 57-35.3 or 57-38.

Property Tax Exemption

- A municipality may grant a partial or complete exemption from ad valorem taxation of single-family residential property, exclusive of the land on which it is situated, if the property was purchased or rehabilitated by an individual for the individual's primary place of residence as a zone project.
- A municipality may grant a partial or complete exemption from ad valorem taxation on buildings, structures, fixtures, and improvements purchased or rehabilitated as a zone project for any business or investment purpose.
- All exemptions are determined by the municipality and may be partial or complete. Maximum length of exemption is 5 years from date of investment.

Historic Preservation and Renovation Tax Credit

- A state credit of 25% of an investment is allowed for the preservation and renovation of eligible historic property that is part of a zone project up to a maximum of \$250,000.
- A historic property is defined as property that is:
 - listed on the National Register of Historic Places;
 - a contributing structure within a National Register Historic District or a certified state or local historic district; or
 - eligible for listing in the National Historic Register of Historic Places.

- Excess credit may be carried forward for a period of up to 5 taxable years from date of investment and may be applied to an applicant's total state income tax liability (not limited to liability incurred at the zone property).

Renaissance Fund Corporation (Dakota Renaissance Venture Corporation)

- Renaissance Fund Corporation is a for-profit corporation, organized and managed by the Fargo Cass County Economic Development Corporation. A Board of Directors will govern the Fund Corporation.
- The purpose of the Corporation is to raise funds to be used to make investments in zone projects and to make investments in businesses within the Renaissance Zone to encourage capital investment and residency in downtowns and central cities.

What can the fund invest in?

- Corporation may invest in any residential, commercial or infrastructure project in the zone.
- Financing of zone projects may include any combination of equity investments, loans, guarantees and commitments for financing.
- Amount of financing per project is not limited by the legislation.
- Each petition for investment of Corporation funds must include a plan for sale or refinancing that results in proceeds equal to or in excess of the proportional investment made by the corporation.

Tax Credit to Investors in the Fund

- Credit against state tax liability is allowed for investments in the Corporation.
- Value of tax credit is 50% of investment made in taxable year; excess credit may be carried forward for up to 5 taxable years.
- Total credits allows in ND may not exceed \$2.5 million (total fund investment of \$5 million).
- If an investor in the corporation wishes to redeem his or her investment within 10 years of the initial investment, that investor will not be eligible for the tax credit that is allowed in this section and will be responsible for repaying any past credits received.

For a complete explanation of the Renaissance Zone Fund organization and administration, refer to the North Dakota Renaissance Zone Program (<http://www.state.nd.us/dcs/>).

CITY OF FARGO
RENAISSANCE ZONE PROJECT APPLICATION INSTRUCTIONS

REHABILITATION OR PURCHASE (NEW CONSTRUCTION)

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

1. Completion of Cover Sheet
2. 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.
321 4th St N, Fargo, ND 58102
Lot: 1 Block: 2 ND Urban Renewal #1 Lot 1 Blk 2
Renaissance Zone Block #8
3. Current property owner(s).
DFI Commerce, LLC
4. Name of applicant(s), mailing address, phone, email and type of entity (partnership, LLC, S-corporation, etc.).
Ruby Rules, LLC
Derek Harnish and Brenda Weiler
1118th St S
Fargo, ND 58103
701-893-5285
5. Current use of property
Commercial Office – City of Fargo
6. Square footage of the lot and of the building (list each floor separately)
15,000 sq. ft. – Lot
5,781 sq. ft. - Building
7. Describe the impact this project has on any historical properties
The project will provide a complete renovation to the interior of the building and will be occupied by Riverview Family Dental and Ecce Yoga. The building tenants have a strong reputation in the community and the transition into this property will continue to vitalize downtown Fargo. The project will have minimal impact to the exterior of the building which will maintain the historic feel along with restoring any deteriorated conditions.
8. Type of project (purchase, rehabilitation, lease, purchase with major improvements, historic preservation and renovation, or a combination).
Purchase with major improvements.
9. Project Description. Describe scope of work, including a detailed cost estimate of the work to be completed, and justification that the improvements will meet the State's 50% investment criteria.
Capital improvements are estimated to exceed the City's investment guidelines. The guideline would require a capital improvements of \$231,240 based on the size of the building. The preliminary cost sheet shows capital investments of \$669,602.50.

Please provide a break out of “capital improvements”, as defined in **Attachment A**, and justification that the project will meet the City’s investment guidelines.

Also, describe anticipated tenant mix and the expected date of occupancy, completion, lease, or rehabilitation.

The property will be occupied by Riverview Family Dental PC (Dr. Derek Harnish) and Ecce Yoga (Brenda Weiler). Dr. Harnish has been a practicing dentist in the Fargo community for 10+ years and has a strong client base. His current office is located about 5 blocks south of this property. Brenda has been providing Yoga classes in downtown Fargo for several years. Riverview Family Dental and Ecce Yoga will occupy the space approximately 6-8 months after the purchase.

If this is a residential purchase project, will this be your primary residence?

10. Describe how the project enhances the stated Renaissance Zone goals and objectives, being as specific as possible (**Attachment B**)
11. Extent of the exterior rehabilitation (demonstrated improvement to “public” face of building) – include plans and/or renderings, if available

The exterior rehabilitation will maintain the historic design and repair any deteriorating conditions.

12. Describe how the project fits under the Zone’s development guidelines (**Attachment C**)

High Priority Land Use: Active Commercial, Specialty Retail and/or Destination Commercial – The building will be occupied by Riverview Family Dental and Ecce Yoga which will create retail/commercial activity in downtown Fargo. The dental practice and yoga/wellness studio will provide an increase in economic vitality that will serve the downtown community and beyond.

Targeted Area: The property will be vacant in the upcoming months when the City of Fargo no longer needs the space. The property will then become owner occupied if/when the dental practice and yoga studio move in. Since the property will be owner occupied the chances of having a long term tenant are much greater especially when considering the investment the applicant is making to the property.

Investment: Applicant is making a significant investment into the project. It is estimated that over \$690,000 in capital expenditures and a total investment of over \$1,400,000. The project significantly exceeds the minimum investment threshold.

Relocation: Riverview Family Dental PC currently leases space at 100 4th St S in Fargo. The applicant, Ruby Rules, LLC currently does not have any real estate holdings and is a new business entity. The relocation of the business will provide more space and greater visibility for his practice.

13. List of public and private financial commitments. If the project is funded by the Renaissance Zone Fund, describe type of funding and amounts.

Starion Bank and Small Business Administration intend on financing the project for the applicant. The credit file is currently in underwriting.

14. 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.

True and Full Value (2018): \$680,000

Annual Property Tax (2017): \$7,824.24

Estimated Value: \$2,200,000

5-Yr Property Tax Impact: Approximately \$157,000

15. Provide evidence that the applicant is current on state and local taxes (Certificate of Good Standing from State Tax Commissioner (**Attachment D**) and receipt showing proof that local taxes have been paid.

Request for Renaissance Zone Certificate of Good Standing or State Tax Clearance Record has been completed and will be submitted within 24 hours. The applicant business entity was filed on 3/6/2018 so there will be no tax record 2017 or prior years.

Submit Project Proposals to:

Department of Planning and Development, 200 N 3rd Street, Fargo, ND 58102
Phone 701-241-1474

CITY OF FARGO

RENAISSANCE ZONE PROJECT APPLICATION INSTRUCTIONS

RESIDENTIAL PURCHASE

Please note that this application must be approved by all local and state review entities prior to purchase.

1. Completion of Cover Sheet
2. 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.
3. Current property owner(s).
4. Name of applicant(s), mailing address, phone, and email.
5. Current use of property
6. Square footage of the lot, the building, and the dwelling unit.
7. Describe the impact this project has on any historical properties
8. Type of project (purchase of residential property).
9. Project Description. What is the expected date of purchase and occupancy? Will this be your primary place of residence?
10. Describe how the project enhances the stated Renaissance Zone goals and objectives, being as specific as possible (**Attachment B**)
11. Describe how the project fits under the Zone's development guidelines (**Attachment C**)
12. List of public and private financial commitments. If the project is funded by the Renaissance Zone Fund, describe type of funding and amounts.
13. 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.
14. Provide evidence that the applicant is current on state and local taxes (Certificate of Good Standing from State Tax Commissioner (**Attachment D**) and receipt showing proof that local taxes have been paid.

Submit Project Proposals to:

Department of Planning and Development, 200 N 3rd Street, Fargo, ND 58102
Phone 701-241-1474

CITY OF FARGO

RENAISSANCE ZONE PROJECT APPLICATION INSTRUCTIONS

LEASE

Please note that this application must be approved by all local and state review entities prior to executing a lease.

1. Completion of Cover Sheet
2. 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.
3. Current property owner(s).
4. Name of applicant(s), mailing address, phone, email, and type of entity (partnership, LLC, S-corporation, etc.).
5. Current use of property.
6. Square footage of the lot, the building, and the space leased. List each floor separately and provide a floor plan of the leased space)
7. 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.
8. Describe how the project enhances the stated Renaissance Zone goals and objectives, being as specific as possible. Describe how this project addresses the needs and interests of the community (**Attachment B**).
9. Describe how the project fits under the Zone's development guidelines (**Attachment C**).
10. List of public and private financial commitments. If the project is funded by the Renaissance Zone Fund, describe type of funding and amounts.
11. Estimated tax impact of Zone incentives to the applicant: Estimate the potential annual income tax savings.
12. Provide evidence that the applicant is current on state and local taxes (Certificate of Good Standing from State Tax Commissioner (**Attachment D**) and receipt showing proof that local taxes have been paid.

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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 of investors) or an existing ownership arrangement.¹ 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 foot² (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.³
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 acquisition¹) 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.

¹ 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.

² 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).

³ 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.⁴

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/1st 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.

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.

⁴ 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".

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, 1st/NP Avenues, and Main Avenue) and gateway statements at Broadway/Main Avenue, Broadway/6th Avenue N, 1st Avenue/River, Main Avenue/River, and Main Avenue/10th 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/conventioners 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 #8** 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 proposed project will create additional activity along 4th St and 4th Ave in downtown Fargo. This project coupled with the new Fargo City Hall and City Centre Lofts will create a significant amount of activity between Broadway and the Red River. The project is located within 2-3 blocks of the two main corridors(Broadway & NP). The building will be open and serving the public 7 days a week- mornings, afternoons and evenings.

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 project will increase the ‘livability’ and ‘walkability’ of downtown by bringing services that are needed to an area that is losing these types of businesses to the rapid development of other areas of the city. Helping enhance downtown as more that the place to be for entertainment, but also a fully realized walkable community. A place where people can walk to attain full body, whole health wellness as well as shop, dine and live.

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 parking lot in the back of the building could serve as an outdoor meeting area for community-wide cultural and social justice gatherings which would be facilitated primarily by Ecce Yoga.

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?
The project will not have a direct impact on Broadway but will continue to revitalize the surrounding artery streets that feed into Broadway and improve the overall sense of community. The project will be pedestrian friendly and be a long term anchor to 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 project is currently in the preliminary design phases but the applicant intends to maintain much of the design elements to maintain the historic feel along with eliminating any deteriorating exterior conditions. The project will respect the past design elements with modern updates.

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?
Due to off street parking availability allowing access to these resources there will be minimal impact on downtown transportation issues.

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 applicant will focus on creating a safe area for their clients, customer and employees. .
The location of the project is near the local police station and near the new city hall. The project will also create lively pedestrian traffic due to offering yoga classes throughout the evening and on weekends
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?
Proposed project will not include any residential housing.
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 proposed project will not have an impact on infill but will rather improve the pedestrian activity and revitalized an underutilized property in downtown Fargo.
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?
Project is not providing housing.
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 project will improve the landscape of the property but is not located at any of the major corridors.
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?
The continued revitalization of properties in downtown Fargo contribute to making it a destination and “The Place to Be”.
Residents and non-residents will view Riverview Family Dental and Ecce Yoga as a destination. Riverview Family Dental will bring a modern, state of the art facility to downtown, serving patients who live downtown and beyond with oral health as well as systematic wellness. Healthcare professionals are decreasing in numbers in the downtown area and we aim to create a facility that will remain in the downtown community for many years to come.
Ecce Yoga will serve the downtown community (as well as the surrounding area and visitors) by creating and maintaining health and wellness through yoga/meditation/dance classes as well as by hosting community-wide cultural and social justice gatherings.
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 ‘Chamber’ building will be brought back to its aesthetic & architectural glory, respecting the original historic design, updating it for modern use as well as improving the exterior landscaping design and maintenance.

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 dental practice will have ‘normal’ business hours while the yoga studio will have varying hours of operation which will include 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?

Riverview Family Dental and Ecce Yoga will have significant involvement in the community which will create strong connections between people and businesses in downtown Fargo.

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 **5,781** square feet, as follows:

a. **Lot Size: 15,000 SF**

b. **Proposed Building Total: 5,781 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 \$669,602.50, which calculates to approximately \$115.83 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?
No

2. Is this an Active Commercial, Specialty Retail or Destination? If true, how?
The project will contain two active commercial tenants. A dental practice and a yoga studio.

3. Is this a Mixed-Use Development? If true, how?
No

4. Does this development include large, upscale residential units? If true, how?
No

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?
The property is currently under a short term lease with the City of Fargo until the new city hall is completed. The current owner of the property plans to divest the property from their real estate portfolio. Sale and revitalization of the property would fully utilize the parcel of land.

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

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

Ecce Yoga will serve the downtown community (as well as the surrounding area and visitors) by creating and maintaining health and wellness through yoga/meditation/dance classes as well as by hosting community-wide cultural and social justice gatherings.

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

Yes, project is expected to exceed the minimum investment criteria by having capital expenditures of approximately \$115 per square foot which is nearly 3 times the required amount.

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

No, Riverview Family Dental is a Fargo based business and will be moving from a leased space south of Main Ave in Fargo to the proposed location.

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?

Unknown – The project will maintain the original historic design.

Attachment D – Certificate of Good Standing

(<http://www.nd.gov/tax/genforms/rzrequestingcertificategoodstanding.pdf?2013031410113>)



STATE OF NORTH DAKOTA
OFFICE OF STATE TAX COMMISSIONER
RYAN RAUSCHENBERGER, COMMISSIONER

March 29, 2018

Ref: L1131467520

DEREK W HARNISH
RUBY RULES LLC
1118 7TH ST S
FARGO ND 58103-2712

RE: Renaissance Zone Certificate Of Good Standing, State Income And Sales Taxes Only

This letter is evidence of good standing as required by the North Dakota Division of Community Services for purposes of obtaining final approval of a renaissance zone project.

As of the date of this letter, the records in the North Dakota Office of State Tax Commissioner do not show probable cause to believe that any income taxes (including income tax withheld from wages) or sales and use taxes are due and owing to the State of North Dakota by the following taxpayer:

Taxpayer's Name: RUBY RULES LLC
SSN or FEIN: 82-4778659

The enclosed copy of this letter must be submitted (as part of the zone project application) to the local zone authority for the renaissance zone in which the proposed zone project will be located. Please keep this original letter for your records.

/s/ Lorie Bowker

Lorie Bowker
Supervisor, Individual Income Tax and Withholding
Phone: (701) 328-1296
Email: lbowker@nd.gov

Enc.



SCHEMATIC DESIGN ESTIMATE

Date: 2.19.2018
Job: HARNISH DDS
Job #: 1798
Estimate Drawings: 2.7.2018 Floor Plan and Elevation

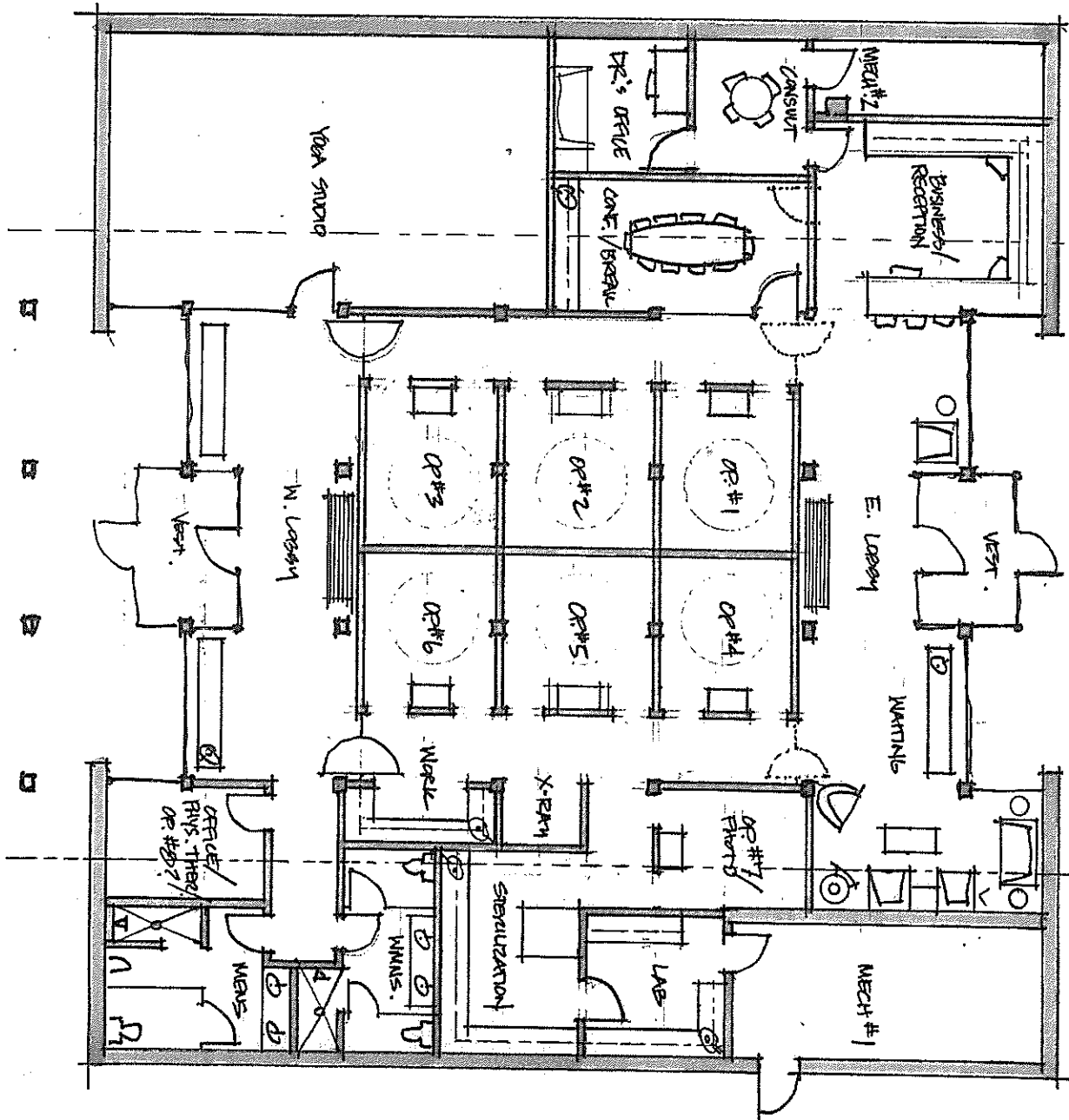
1	General Requirements	\$55,000.00
2	Demolition	\$33,600.00
2.82	Asbestos Removal Allowance	\$52,000.00
3	Concrete & Floor Preparation	\$24,000.00
5	Ornamental Metals	\$0.00
6.1	Framing, Insulation and Gypsum Work	\$61,165.00
6.2	Finish Carpentry Labor	\$32,000.00
6.21	Architectural Woodwork, Interior Doors & Hardware	\$44,200.00
6.4	Cabinetry and Countertop Allowance	\$50,000.00
7.2	Sealants and Specialty Insulation	\$17,000.00
7.5	Replace Ballasted Roof	\$60,750.00
8.8	Glazing Allowance	\$42,500.00
9.3	Tile Flooring and Walls	\$40,425.00
9.51	Acoustic Ceiling Tile	\$8,000.00
9.64	Carpet & Resilient Flooring	\$17,100.00
9.9	Painting	\$31,500.00
10.1	Visual Displays & Signage Allowance	\$20,500.00
10.5	Fire Protection & Postal Specialties	\$1,150.00
10.8	Toilet & Bath Specialties	\$6,950.00
11.45	Appliances Allowance	\$4,500.00



12	Furnishings, Equipment, Window Treatments, etc.	\$0.00
22	Plumbing	\$75,000.00
23	Heating, Venting & Air Conditioning	\$205,000.00
26	Electrical	\$128,500.00
27.4	Audio Video Allowance	\$25,000.00
28	Alarm System Allowance	\$5,500.00
32.9	Landscaping & Exterior Improvements Allowance	\$12,500.00
<hr/>		
	SUBTOTAL	\$1,053,840.00
	CM FEE	20% \$210,768.00
	ESTIMATED CONSTRUCTION SUBTOTAL	\$1,264,608.00
	ARCHITECTURE AND CONSULTANT FEE ALLOWANCE	\$104,625.00
	FURNITURE, FIXTURES & EQUIPMENT <i>(excluding dental equipment)</i>	\$48,100.00
	ESTIMATED CONSTRUCTION TOTAL	\$1,417,333.00

Estimate Qualifications:

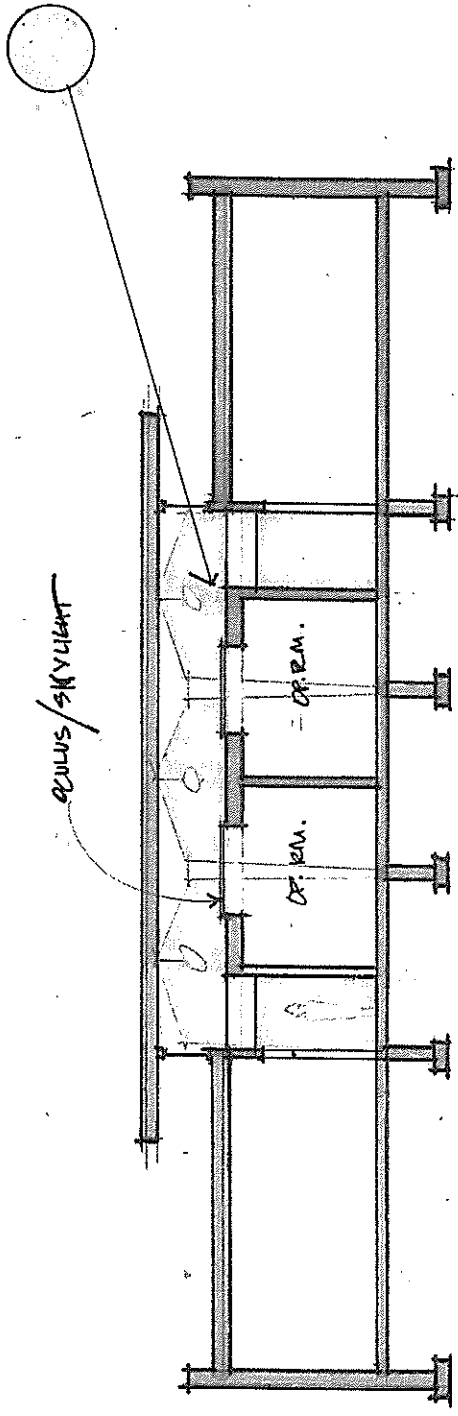
- 1 This estimate is based upon historical cost information/square foot costs, and labor and material take offs based upon the drawings and specifications listed.
- 2 The estimate is contingent upon market conditions and material costs.
- 3 Allowances are developed to assist with budget maintenance until final design decisions are completed.
- 4 This estimate is based upon Construction Manager as Adviser delivery.
- 5 This estimate does not include design costs or other consultant fees.
- 6 A contingency of 15% is to be added to the Estimated Construction Total after reception of bids.
- 7 This estimate does not include speciality equipment, artwork or FF&E unless noted above.



HARNISH/WEILER 1/8" = 1'-00"

CHRIS HAWLEY ARCHITECTS
 2534 UNIVERSITY DR. S SUITE #3
 FARGO, ND 58103

(701) 478-4600
 CH@CHRISHAWLEYARCHITECTS.COM



HARVEY/WEILER 1/8" = 1'-00"

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