

## **M E M O R A N D U M**

**TO:** Renaissance Zone Authority  
**FROM:** Kylie Bagley, Planner  
**DATE:** May 19, 2021  
**RE:** Renaissance Zone Authority Meeting

The next meeting of the Renaissance Zone Authority will be a virtual meeting held on Wednesday, May 26 at 8:00 a.m. in the Commission Chambers at Fargo City Hall. If you are not able to attend, please contact staff at 701.241.1474 or [Planning@FargoND.gov](mailto:Planning@FargoND.gov). Thank you.

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**RENAISSANCE ZONE AUTHORITY**  
**Wednesday, May 26, 2021, 8:00 a.m.**  
**Commission Chambers**  
**AGENDA**

1. Approve Order of Agenda
2. Approve Minutes: Regular Meeting of March 24, 2021 (Attachment 1)
3. Review application from Epic Gateway East Realestate (New Construction) located at 300 Main Avenue (Attachment 2)
4. Other Business and Public Comments
5. Next Meeting – June 23, 2021

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](http://www.FargoND.gov/streaming). They are rebroadcast each Friday at 2:30 p.m. for one month following the meeting.

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

Minutes are available on the City of Fargo Web site at [www.Fargo ND.gov/RenaissanceZoneAuthority](http://www.FargoND.gov/RenaissanceZoneAuthority).

## **RENAISSANCE ZONE AUTHORITY MINUTES**

### **Regular Meeting:**

**Wednesday, March 24, 2021**

The Regular Meeting of the Renaissance Zone Authority of the City of Fargo, North Dakota, was held virtually in the Commission Chambers at City Hall at 8:00 a.m., Wednesday, March 24, 2021.

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

Present: Deb Mathern, Steve Swiontek, Prakash Mathew, Chad Peterson, Commissioner Dave Piepkorn, Commissioner Arlette Preston

Absent: Dr. Dean Bresciani

Chair Mathern called the meeting to order.

#### **Item 1: Approve Order of Agenda**

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

#### **Item 2: Minutes: Regular Meeting of December 22, 2020**

Member Preston moved the minutes of the December 22, 2020 Renaissance Zone Authority meeting be approved. Second by Member Mathew. All Members present voted aye and the motion was declared carried.

#### **Item 3: Review Application from HighRoad Properties, LLC (Rehabilitation) located at 209 and 211 Northern Pacific Avenue: APPROVED**

Planner Kylie Bagley presented the staff report for a proposal to rehabilitate the existing building at 209 and 211 Northern Pacific Avenue. She summarized the details of the proposal noting construction is projected to begin this spring and completed by fall. Ms. Bagley noted applicant Toby Kommer was present for any questions, and stated staff is recommending approval as the proposal meets the guidelines and all required approval criteria.

Addressing questions from Members Prakash and Preston, Ms. Bagley and Planning Coordinator Maegin Elshaug explained staff's lower scoring for criteria number 1 upon final review of the project guidelines.

The Board further discussed the applicant's proposed parking accommodations.

Member Preston moved to recommend to the City Commission approval of the application submitted by HighRoad Properties LLC, and to grant the property tax exemptions and the State income tax exemptions as allowed by the North Dakota Renaissance Zone law, contingent upon completion of the project and verification of

costs. Second by Member Swiontek. On call of the roll Members Piepkorn, Mathew, Swiontek, Peterson, Preston, and Mathern voted aye. Absent and not voting: Member Bresciani. The motion was declared carried.

**Item 4: Review application from 501 Main Ave DevCorp LLC (New Construction) located at 501 Main Avenue: APPROVED**

Ms. Bagley presented the staff report for a new construction project at 501 Main Avenue. She summarized the details of the application noting construction would begin this spring and completed in the spring of 2023. Ms. Bagley stated staff is recommending approval as the proposal meets the guidelines and all required approval criteria.

Applicant Matt Torgerson spoke on behalf of the proposal.

The Board further discussed the details of the project including the parking availability and capacity.

Member Peterson moved to recommend to the City Commission approval of the application submitted by 501 Main Ave DevCorp, and to grant the property tax exemptions and the State income tax exemptions as allowed by the North Dakota Renaissance Zone law, contingent upon completion of the project and verification of costs. Second by Member Mathew. On call of the roll Members Swiontek, Preston, Peterson, Piepkorn, Mathew, and Mathern voted aye. Absent and not voting: Member Bresciani. The motion was declared carried.

**Item 5: Other Business and Public Comments**

Ms. Bagley noted staff will provide further updates at the next meeting regarding the Renaissance Zone Authority's recent appointment to serve as the Board for the Brownfields Advisory Committee for the City of Fargo.

**Item 6: Next Meeting – April 28, 2021**

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



**Renaissance Zone Staff Report for  
Epic Gateway East Real Estate Holdings, LLC (326-F)  
300 Main Avenue**

**Project Evaluation:**

The City of Fargo received a Renaissance Zone application from Epic Gateway East Real Estate Holdings, LLC to construct a mixed-use commercial and residential building at 300 Main Avenue. Pursuant to the application, the intent of the project is to remove the existing underutilized Gateway Mall and construct a new 7-story, 188,310 square foot building with underground and main floor parking, 20,000 square feet of ground floor commercial and office space, and over 108,000 square feet of for sale condominiums.

The construction would begin summer of 2021 with the proposed timeframe of opening in fall of 2022.

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

1. **Renaissance Zone Plan Goals:** Use consistent with the RZ Plan (as per Visions and Goals): As noted in the 2019 Renaissance Zone Development Plan. *(information in item 1 are response from applicant)*
  - a. *Grow as a Neighborhood:* Invest in housing to increase the population living Downtown and maintain Downtown's diversity.  
EPIC Gateway East Building will provide a variety of units ranging from one bedroom to 3 bedroom for individual ownership. The mixed-use concept will create a sense of walkability and opportunity for additional foot traffic in this area. It increases the living downtown by providing another option for people to own property downtown creating opportunity for people to live, work and play in the downtown.
  - b. *Prosper as a Business Center:* Increase the number and types of jobs Downtown.  
This mixed-use building will have approximately 20,000 sf of commercial space providing opportunities for additional businesses (office and work share areas) to be in the downtown area as well as offer employment for people in the area and could have approximately 64 employees that would be working in the downtown area every day, let alone have the option to live above their workplace.
  - c. *Thrive as a Destination:* Create a unique Downtown experience with an activated riverfront and vibrant sidewalks and public spaces that serve as the backdrop of the community's social life.  
Downtown Fargo is currently a destination location with events that take place during the week and weekends attracting all people to the area. This project will enhance the look and feel of the current Main Avenue in a space that has been a parking lot since 1970, creating vibrant sidewalks with easy walkability and activating the riverfront and Island Park where families are well entertained. We want to ensure the landscape, look and feel is similar to what the downtown area has found to be successful with additional business and tenants. The more activity and public spaces we can create, the better we are creating this mixed-use community for all to enjoy.
  - d. *Be a model for Inclusive Growth and Development:* Protect Downtown's diversity and evolve as a model for equitable growth and development.  
We have experience with mixed-use buildings, it seems that this has brought a diverse audience and mix of commercial and residential tenants. The tenants like the live, work, play mentality. This model has proved to work creating equitable growth and continuing to support the model that has been working for the downtown Fargo area. With our ability to control rates we will be one of the few new buildings downtown that can be available to all different economic levels. We want to do what's best for the area and continue the development style that creates equity and growth for home owners.
  - e. *Complete our Streets:* Make complete streets common place and encourage trips by foot, bicycle, and bus, as well as car.

One of our main goals is providing underground parking to ensure that tenants have a place to park their cars and then get out and walk, bike, or bus. We want them to have the ability and freedom to hardly have to start their car and use public transportation, foot traffic and more to support the downtown businesses. We provide bike racks, sidewalk, and extensions of the sidewalks, customer serve type businesses and more to support this idea. We want to increase the productivity of the area by providing multiple services for our diverse target audience. With this currently being an underutilized building, we believe this project will transform this area.

- f. *Park Smart:* Manage parking resources to meet the needs of drivers, while also making room for new development and activity.

We will manage the parking by providing underground parking and main floor parking. The goal would be to take the underutilized space and maximize it the best way we know how and that's to build vertical buildings that provide a better quality of life. We want to keep increasing activity and provide a very active area where young adults, families and seniors feel comfortable coming to spend the day.

- g. *Play with purpose:* Develop a system of connected all-season green spaces designed for people (of a range of ages and interests) and purpose (as infrastructure that absorbs stormwater).

We are working with the City of Fargo and Fargo Housing Authority to ensure we will have adequate green spaces that connect all the spaces together and provide a variety of activities for all ages. We will host activities such as farmers markets, work out classes, game days, family fun nights, and more that continue to drive activity to the area. The mixed-use infrastructure that we will create will be focused on providing the shelter for these green spaces along with protection from the outdoor elements and Mother Nature. The infrastructure is important to enhance the sustainability of the area. Another important part of our green space is embracing the art community and allowing for opportunities of public art to be displayed in these areas.

**(20/20 points)**

2. **Investment Thresholds:** Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in this RZ Plan?

According to the application, the structure accommodates 188,310 square feet, as follows:

- *Proposed Building Total:* approximately 188,310 SF
- *Commercial:* approximately 20,000 SF
- *Residential:* approximately 108,000 SF
- *Parking:* approximately 60,310SF

Overall, the application estimates a total capital investment of \$31,000,000, which calculates to approximately \$164.00 per square foot.

**(10/10 points)**

3. **High Priority Land Use:** The new construction or proposed improvements are representative of “High Priority Land Uses” as defined by this RZ Plan (page 9).

- a. Primary Sector Business:  
N/A

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

- c. Mixed Use Development:  
The proposed uses will include commercial/retail, residential units (for sale condominiums), and underground parking in one building structure.

**(18/20 points)**

4. **Targeted Areas:** Is the investment located in a “Targeted Area” as defined by this RZ Plan? 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.
- a. Parcels that have been vacant or underutilized for an extended period of time:  
This site contains a single story strip mall and surface parking lot for many years.
  - b. Parcels specifically targeted for clearance:  
The RZ Plan identifies Block 29 for residential/mixed use buildings

**(10/10 points)**

5. **Urban Design:** Is the project representative of strong urban design principles?

The project does embody strong urban design principles. The building will be placed close to Main Avenue and will allow for pedestrians to walk directly into the commercial spaces from the sidewalk. The building consists of a variety of materials as well as projections and recessions which creates architectural interest. The project is located within the DMU, Downtown-Mixed Use, zoning district and will have to meet the architectural intent of that zoning district as well.

**(10/10 points)**

6. **Investment Analysis:** Consideration and analysis as to the total actual investment.

As proposed, the redevelopment project and improvement costs significantly exceed both the 50% (true and full value of the building) and \$100 per square foot requirement. As previously noted, the application represents a total estimated investment of \$31,000,000.

**(10/10 points)**

7. **Business Relocation:** 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)**

8. **Street Activation:** Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective?

Main Avenue was recently reconstructed to be more pedestrian friendly as well as slowing vehicular traffic. This project will enhance the area from an architectural perspective. When traveling west on Main Avenue, citizens will see facades with varying degrees of recesses and projections as well as architectural materials. The applicant has also stated that the project will provide a range of activities that will also connect to the green space to the east.

**(10/10 points)**

**Summary:**

This application received a score of 98 on a 100-point scale. The applicant met all required criteria and the use is consistent with the RZ Plan. In addition, the proposed new construction project surpasses the local capital improvement requirement of \$40 per square foot for a commercial rehab and \$100 per square foot for new construction.

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

The amount invested in the project exceeds state and local guidelines. The project does not involve the relocation of commercial businesses from another North Dakota city. The applicant will not be seeking any historic preservation tax credits.

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

**Suggested motion:**

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

Minimum Criteria (New Construction Proposals)			
Criteria:		Staff Rating	Possible Points
1	Use consistent with the plan (as per Vision and Goals)	20	20
2	Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in the RZ Plan?	10	10
3	<p>The new construction or proposed improvements are representative of “High Priority Land Uses” as defined in the RZ Plan:</p> <ul style="list-style-type: none"> <li>• Primary sector business</li> <li>• Active Commercial, Specialty Retail and/or Destination Commercial</li> <li>• Mixed use development (combination of housing, commercial, and/or retail uses in a horizontal or vertical fashion)</li> <li>• Large, upscale residential units</li> </ul>	18	20
4	<p>The investment is located in a ‘Target Area’ as defined by the RZ Plan:</p> <ul style="list-style-type: none"> <li>• Parcels that have been vacant or underutilized for an extended period of time</li> <li>• Parcels specifically targeted for clearance</li> </ul>	10	10
5	Is the project representative of strong urban design principles?	10	10
6	<p>Consideration as to whether the project will include or accommodate the relocation of a business from another North Dakota community:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• 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.</li> </ul>	10	10
7	<p>Consideration and analysis as to the total actual investment in the project: Consideration can be given for the level of capital investment in a project. (i.e., additional consideration can be given for higher levels of investment)</p>	10	10
8	Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective?	10	10
Total Rating (100 possible points)		98	100





MACHINERY ROW AVE N

ALY N

3 ST N

4 ST N

MAIN AVE

Subject Property

MAIN AVE

2 ST N

MAIN AVE

MAIN 2 ST S

1 AVE S

4 ST S

2 ST S







