

**EDIC MEETING**  
**Tuesday, September 22, 2025 – 1:00 p.m.**  
**City Commission Chambers, Fargo City Hall**

**AGENDA**

- 1. Approve EDIC Meeting Minutes of 8/26/2025**
  - a. August 26, 2025 [Page 1-2]
- 2. Commercial Redevelopment PILOT [Page 3-4]**

**ECONOMIC AND DEVELOPMENT INCENTIVE COMMITTEE**  
**Fargo, North Dakota**

**Regular Meeting**

**Tuesday, August 26, 2025**

The August meeting of the Economic and Development Incentive Committee of the City of Fargo, North Dakota was held in the City Commission Room at City Hall at 1:00 p.m., Tuesday, August 26, 2025.

The committee members present or absent are:

Members Present: Dave Piepkorn, Mayor Mahoney, Lucas Paper, Matt Schlenvogt, John Cosgriff, Jon Eisert

Others Present: Jim Gilmour, Jackie Gapp, Michael Splonskowski

Others Absent: Levi Bachmeier, Erik Barner, Robert Wilson,

Commissioner Piepkorn called the meeting to order at 1:00 p.m.

**Minutes Approved**

A motion was made by John Cosgriff to approve the minutes from July 22, 2025. Lucas Paper seconded. Motion carries.

**Bison Lodge PILOT Request**

- 11<sup>th</sup> Avenue North and 17<sup>th</sup> Street North.
- 6-unit multi-family townhome development targeted toward NDSU students and local families.
  - 3 bedroom and 3 bathroom units. Approximately 1,700 sq ft
  - \$2,800 a month per unit
- Estimated total project costs: \$1,800,000. This project would start March 1, 2026 and finish August 1, 2027.
- Requesting PILOT incentive for 10 years (2026-2036)
  - Years 1-5: 100% exemption on building improvements (land-only taxes paid)
  - Years 6-10: 50% exemption on building improvements
- Wage Bands:
  - 1 employee at \$13.01-\$15.00/hour (part-time)
  - 1 employee at \$20.01-\$28.00/hour (full-time)
- Matt (PFM)
  - Equity would be loan on life insurance policy from parents
  - 4.2% internal rate of return without public assistance
  - 8.5% internal rate of return with public assistance (New policy 7 years 100% PILOT)
  - Looking for something between 10-15%

- Dave Pepkorn would like a flow chart or check list regarding PILOT requests finished before they come before the EDIC committee.

A motion was made to have further discussion about the Bison Lodge PILOT request after this project has been approved by other departments. Matt Schlenvogt approved. Lucas Paper seconded.

### **Commercial Redevelopment PILOT Request**

- Policy for a commercial redevelopment to apply for a PILOT for up to 10 years
- Does not meet current policy but would offer:
  - More desirable land use
  - Create higher density and higher value buildings
  - Mixed use developments with shared parking
  - Opportunities for economic development
  - Improved design and public amenities
- Project will wait for 1 year after the new policy has been revised and the new land development code has been agreed upon.

### **Central at the Horizon**


- Proposal PILOT project.
- Originally asked for a low-income but this would not be low income according to Fargo rent. Would be market rate.
- \$93 million
- 262 units
  - \$1,200 for 1 bedroom
  - \$1,600 for 3 bedroom
- Has not gone through a site plan review process and needs a “but-for” test
- Will be on the Renaissance Zone Authority agenda

Discussion will continue regarding the Central at the Horizon project.

The meeting was adjourned at 1:48 pm.

## MEMORANDUM

**TO:** Economic Development Incentives Committee

**FROM:** Jim Gilmour, Director of Strategic Planning and Research 

**DATE:** September 15, 2025

**SUBJECT:** Commercial Redevelopment PILOT

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I updated the draft of Commercial Redevelopment PILOT Policy which we discussed at the last meeting. It is attached for your consideration.

The new Growth Plan encourages more infill development. Growth on the fringe of the city now dominates the growth of Fargo. This policy would be an affirmative step to implement that Growth Plan.

The proposed policy is general like other City PILOT policies. This is so the City can address projects with unique characteristics.

### Recommended Motion

Recommend adoption of a new PILOT Policy for Commercial Redevelopment

### 3E. Commercial Redevelopment

The purpose of this policy is to establish the City's position relating to the use of the Payment in Lieu of Taxes (PILOT) for encouraging redevelopment of commercial areas with high vacancies and/or economically obsolete buildings. The fundamental purpose is to encourage developers to redevelop commercial or apartment buildings that are on previously developed sites. Projects should create new development that has some of the following characteristics.

- Higher value and higher density buildings – Evaluate the increase in value per square foot of the site and the increase in the floor area ratio of the site.
- Opportunities for economic development – Does the redeveloped site have the potential to attract primary sector businesses and startup businesses?
- Mixed use developments with shared parking – Does the site have multiple land uses that will allow for shared parking?
- Desirable land uses – The proposed land use should be consistent with the Land Development Code and compatible with adjacent land uses.
- Consistent with City Plans – The land use must be consistent with plans approved by the City.
- Improved design and public amenities – The design and form of the building should be of a higher standard and/or include public amenities.

Applications should not provide an unfair competition to existing development and are subject to a “but for” test to evaluate the need for incentives. The maximum incentive is a 100% PILOT property tax incentive for up to 10 years.