

RESPONSE TO RFP25187 FARGO CONVENTION CENTER

A vision for Regional Growth, Connectivity, and Economic Impact



This proposal outlines a public-private development concept for a new convention center in Fargo, connected to the Delta Hotels by Marriott. It details two potential site plans, key partners, project rationale, financial readiness, and the anticipated economic and community benefits of the project.

Submitted: August 7, 2025

CONFIDENTIAL SUMMARY

1635 42nd St. SW Fargo, ND, 58103



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Executive Summary

Located at the vibrant intersection of 42nd Street and 17th Avenue S—just steps from West Acres Mall and within walking distance of dozens of restaurants, hotels, and retail outlets—the Delta Hotels by Marriott Fargo (Delta Marriott) is uniquely positioned to serve as the foundation for Fargo’s next major convention center. Its central location offers convenience, visibility, access and egress, and immediate access to one of the city’s most active commercial corridors, making it an ideal site for attracting both regional events and out-of-town visitors.

Our proposal seamlessly integrates the new Fargo Convention Center with the Delta Marriott, Fargo’s premier full-service hotel, offering a full restaurant and bar, extensive meeting and event space, an indoor pool, a 6,000-square-foot commercial kitchen, and a well-equipped fitness center. The proposal includes all items requested in the RFP, including loading docks, audiovisual capabilities, a backup generator, storage space, conference and breakout rooms. As an already operational and well-established hotel with a long-standing reputation for quality, the Delta Marriott offers unmatched readiness and efficiency, minimizing lead time and maximizing return on public investment.

Just as important, this will serve as an economic engine, not only for the city, but also for the entire surrounding hospitality and retail districts. With over a dozen hotels and a wide variety of restaurants and shops within walking distance, the convention center’s activity would ripple outward, supporting local businesses and enriching the entire area.

Backed by a locally-based development and operations team with decades of proven experience, this proposal represents a partnership grounded in deep community roots and a shared vision for smart, sustainable growth. Built in Fargo, for Fargo, this project is more than a facility, it is a unique opportunity to deliver a legacy investment in the city’s most connected location. With unmatched proximity to hotels, retail, and interstate access, and significant cost advantages by building on an already active hotel site, this development offers the most strategic, cost-effective solution to deliver a high-performing convention center ready to serve the region for decades to come.

Site Description

The proposed site for the Fargo Convention Center development is the Delta Hotels by Marriott Fargo, located at 1635 42nd Street SW, Fargo, ND 58103. This highly visible and accessible location sits at the intersection of 42nd Street SW and 17th Avenue South – two well-established commercial corridors – and lies just minutes from the intersection of Interstates 29 and 94. The parcel extends west to 43rd Street South, placing the site at the very heart of one of Fargo’s most active, dynamic, and well-connected commercial districts, a thriving hub of retail, lodging, and dining activity.

The property site is privately owned by Paramount Hotel Limited Partnership (PHLP), and no additional land acquisition is anticipated for the proposed development. What truly differentiates this site from any other in the region is the extraordinary density of complementary amenities within immediate proximity. The Delta Marriott sits at the epicenter of Fargo’s primary hospitality corridor, surrounded by a dense concentration of hotels, restaurants, and major retail destinations, all of which reinforce the site’s viability and convenience for hosting large-scale events.

Within a half-mile radius of the Delta Marriott, at least six hotels are offering over 1,100 additional guest rooms. When expanded to a one-mile radius, the numbers increase to more than twelve hotels with 1,600+ rooms. These properties span a wide range of brands, price points, and accommodation types, giving meeting planners unparalleled flexibility for group room blocks and event overflow. Rather than competing with these properties, the convention center will function as a demand generator, driving compression across the market and strengthening the economic ecosystem for all.

The dining landscape is equally as rich. Over 20 restaurants lie within one mile of the site, including 12+ full-service sit-down options within just half a mile. Guests can walk to Granite City Food & Brewery, Lucky’s 13 Pub, LongHorn Steakhouse, Urban 42, Porter Creek Hardwood Grill, and many more. This variety gives attendees and event organizers tremendous flexibility for catering partnerships, VIP dinners, off-site banquets, and casual outings, all without requiring transportation.

Retail amenities are anchored by West Acres Mall, the region’s largest shopping center with over 120 stores, alongside a host of national and local brands such as Target and Best Buy. Just half a mile away, Scheels stands out as one of the region’s most prominent retail destinations, known for its experiential shopping environment and strong community presence. The surrounding area includes numerous service-based businesses, fitness centers, coffee shops, and entertainment options, all of which reinforce the district’s ability to meet attendees' needs before, during, and after conventions.

The area is designed for both convenience and connectivity. The site holds a Walk Score of 70, ranked “Very Walkable” by Walkscore.com, meaning most errands and activities can be accomplished on foot. Sidewalks, crossings, and nearby transit make it easy for attendees to access nearby restaurants, hotels, and retail without a car, while immediate access to I-29 and I-94 ensures smooth regional traffic flow for visitors and event organizers. Additionally, the area is well-served by public transportation, with MATBUS stops located on 17th Avenue South, 42nd Street, and at the West Acres Transit Hub, less than half a mile away. These routes provide seamless connectivity across the metro and reinforce the district’s convenience for both locals and out-of-town guests.

Site Advantages at a Glance

- Existing hotel infrastructure with banquet space, meeting space, and high-capacity kitchen
- Highly visible corner parcel with strong street presence
- Located along two arterial roadways with smooth ingress/egress (42nd St, 43rd St, 17th Ave S), and two major interstates (I29 and I94)
- Immediate walkability to West Acres Mall, over 20 restaurants, and 12 hotels
- No known zoning or entitlement constraints; utilities fully in place
- Over 650 total parking spaces, including the proposed 4-story garage
- First level of garage to accommodate buses, shuttles, and motor coach loading/unloading
- Potential for valet and overflow bus parking plan across 42nd Street
- Strong municipal alignment with growth goals for this core commercial zone

The site is primed for long-term success, with no major development constraints and full infrastructure already in place. Its location offers not just support but catalytic energy — making it one of the most compelling convention center sites in the region.

Radius	Hotels	Hotel Rooms	Sit-Down Restaurants	Key Retail and Attractions		
0.5 miles	6 hotels	1,100+ rooms	12+		 SCHEELS	
1 mile	12+ hotels	1,600+ rooms	20+		 TJ-MAXX   SCHEELS arena	
2 miles	20+ hotels	2,500+ rooms	35+	  		



The Delta Marriott currently sits within a well-connected square bordered by 15th Ave S, 42nd St S, 17th Ave S, and 43rd St S. The property is accessible from three of these four sides, with active entry and exit points along 43rd St S, 42nd St S, and 17th Ave S.

With the proposed addition of a parking ramp on the north lot of the Delta Marriott, exit flow will be further optimized. Under this plan, primary egress would be routed toward 43rd St S, a lower traffic corridor, which would help reduce congestion compared to 42nd St and 17th Ave. This strategic adjustment ensures smoother event entry and exit and better traffic flow during peak hours.

From a pedestrian perspective, the site excels in walkability. The Delta Marriott connects easily to nearby crosswalks and pedestrian pathways that lead directly to West Acres Mall, multiple dining establishments, and other key businesses. Several MATBUS transit stops are located along 15th Ave S, 42nd St S, and 17th Ave S, offering convenient public transportation options for both visitors and locals.

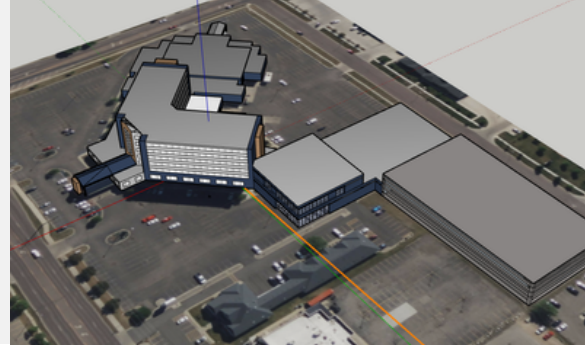
Importantly, the walkable nature of the area reduces the need for rental vehicles, particularly for convention attendees flying in via Hector International Airport. With multiple hotels, dining options, and entertainment venues within walking distance, guests can comfortably navigate the area on foot, minimizing traffic and easing parking demand during large events.



Project Concept

Scenario A

North Wing Convention Center Location



Scenario A proposes constructing the new Fargo Convention Center as a direct extension of the Delta Marriott's north wing. The facility will encompass approximately 41,000 total square feet, strategically placing the hotel, including its guest rooms, main lobby, restaurant, and event services, as the central hub between the convention center and the preexisting Crystal Ballroom. The result is a highly integrated event campus that delivers seamless transitions for attendees, guests, and event organizers alike.

Strategic Site Flow and Centralized Guest Experience

By positioning the convention center to the north of the hotel, Scenario A creates a natural and efficient flow between all components of the property. Visitors entering the hotel from either side, the new parking structure or the existing south entrance, can easily navigate between the Crystal Ballroom and the new convention center, with the hotel's core services acting as the central connective tissue. This layout maximizes operational flexibility and enhances the guest experience by keeping everything conveniently interconnected.

Protected Connectivity to Parking Structure

A key advantage of Scenario A is its direct physical link between the convention center and the planned four-story parking structure. This connection ensures that event guests and vendors can enter the facility without stepping outside, a significant benefit during Fargo's cold winter months. The protected entryway improves accessibility and elevates the overall arrival experience, particularly for large-scale trade shows and corporate events.

Optimized Event Logistics and Vendor Access

This site plan allows for convenient placement and access of semi-truck loading docks and vendor staging areas. The broader footprint and relative openness of the site's northern edge provide logistical versatility for back-of-house operations, making this layout especially attractive for exhibitions, product showcases, and other events with heavy load-in and load-out requirements. This results in reduced disruption to hotel guests and a more streamlined experience for event coordinators.

Scenario A

Phase-Driven Expansion for Long-Term Growth

The development will be delivered in phases. The Delta Marriott already offers 23,000 square feet of existing meeting and banquet space, and the addition of the convention center will significantly expand the property's capacity to host large-scale events. Phase One will include the primary convention hall on the ground level, featuring flexible floor plans for events ranging from banquets and expos to public markets and large meetings. Phase Two will introduce a second story, accessible via elevators and escalators, which can serve as additional event space, breakout rooms, or hospitality suites. This phased approach supports scalability and demand-driven growth.

Food & Beverage Integration

The convention center will be supported by the Delta's existing 6,000 square foot commercial kitchen, with an added 3,000–4,000 square foot kitchen constructed within the new footprint. These kitchens will function as a dual-engine culinary operation, servicing simultaneous events or large-scale functions with efficiency and professionalism. Portable bars and beverage stations will be available throughout the facility for customizable service based on event needs.

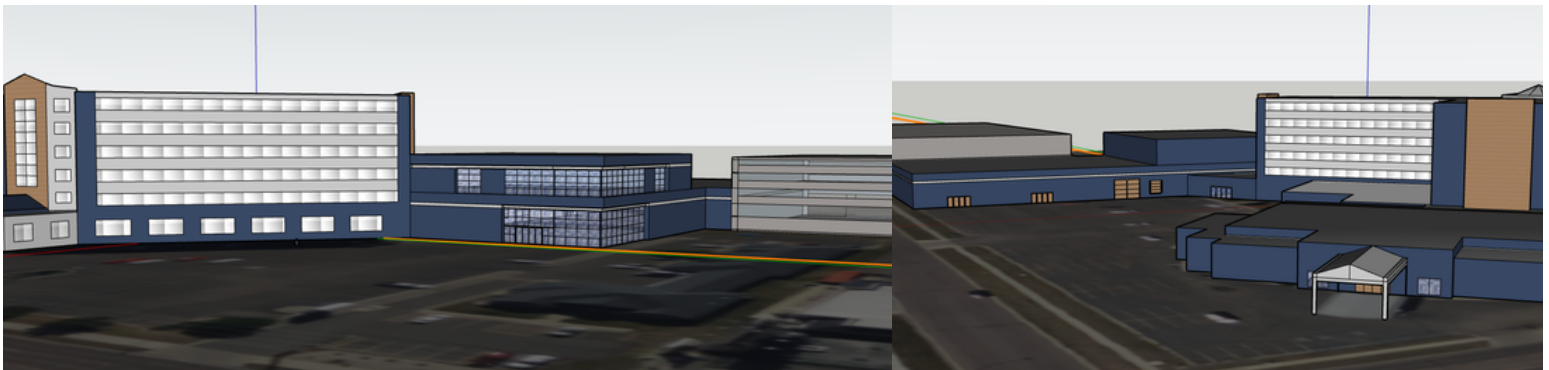
Modern Architectural Appeal

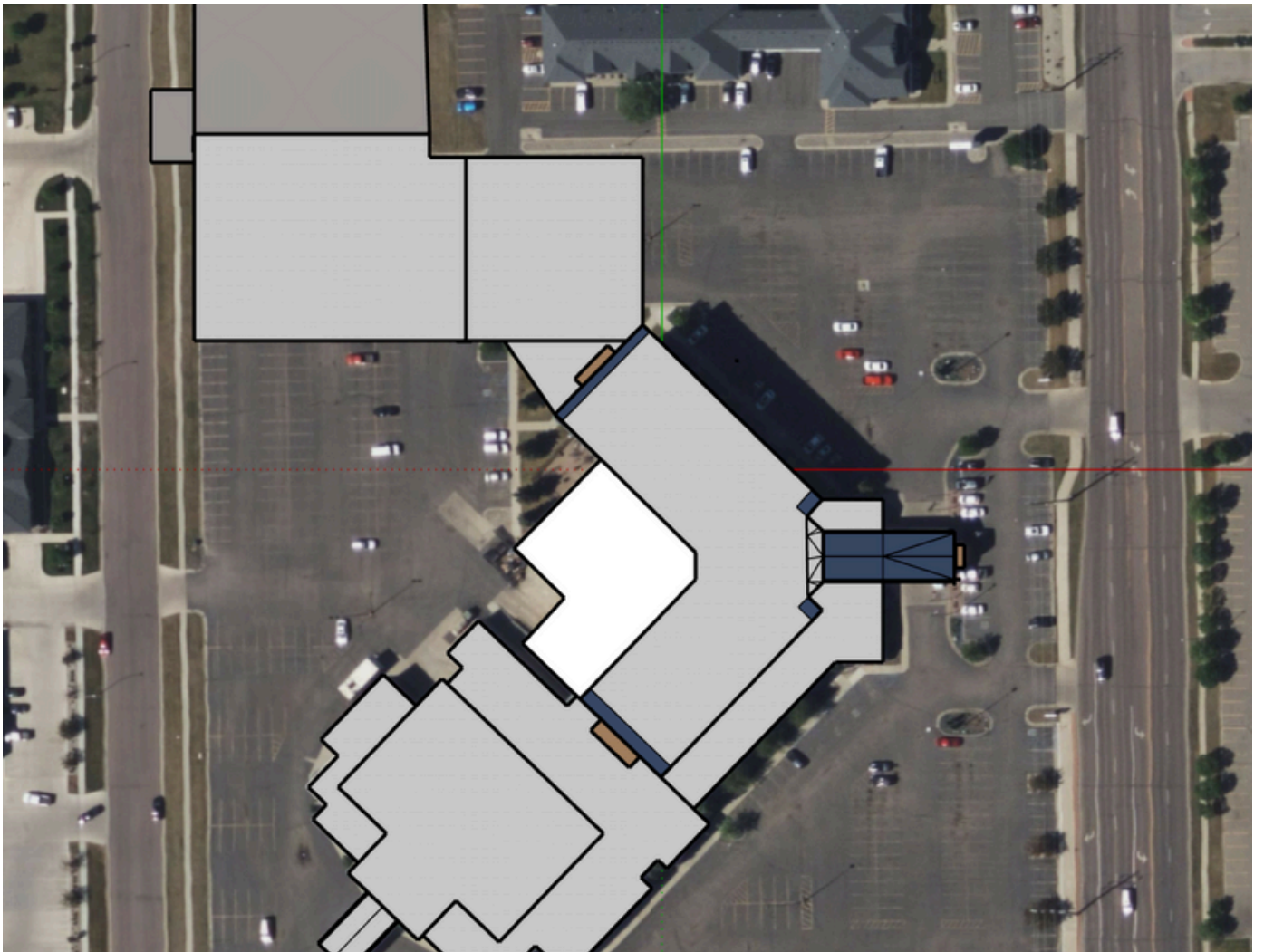
Design elements will include floor-to-ceiling windows, natural materials like wood and stone, and finishes that echo the Delta Marriott's current design while bringing a refreshed, elevated look to the overall site. The interior will feature warm lighting, high ceilings, and modern touches that provide both a sense of grandeur and a versatile backdrop for every kind of gathering.

Future Enhancement Opportunities

Scenario A also opens the door to future development phases. In addition to the second-level convention center expansion, the site plan supports the long-term addition of a community pavilion or green space for outdoor events.

In all, this scenario creates a highly integrated, guest-focused event campus that connects the new Fargo Convention Center to the Delta's core, offering seamless flow, all-weather access, and long-term scalability.

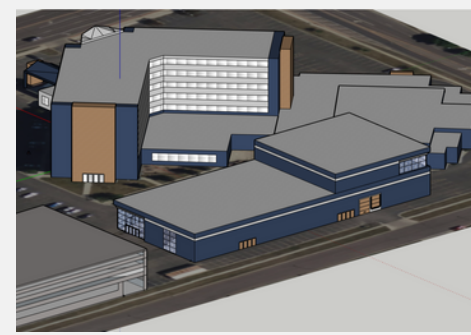




Access to 3D modeling is available upon request.

Project Concept

Scenario B



Convention Center Expansion from the Crystal Ballroom Common Area

In Scenario B, the proposed Fargo Convention Center will be constructed as a new, purpose-built addition extending from the common area outside the existing Crystal Ballroom at the Delta Marriott. The expansion will encompass approximately 38,000 square feet, leveraging the hotel's current event infrastructure while delivering a transformative addition designed to meet the scale, flexibility, and aesthetic standards of a premier regional convention destination.

Integrated Access and Event Flow

Visitors will access the Convention Center through the prominent grand entry doors located at the hotel's common area, just outside the Crystal Ballroom. Upon entering, guests will be guided left into the main convention space. This entry sequence separates convention activity from the main hotel lobby, preserving guest flow for both leisure and group travelers while providing a designated, prestigious arrival experience for event attendees. The existing Crystal Ballroom will remain fully operational and independent for standalone events, but a movable dividing wall will offer flexible integration with the new convention center to accommodate larger functions.

Phase-Based Expansion Plan

The development will be delivered in two phases. Phase One will include a spacious ground-level convention floor with modern design, natural light, and multi-use capacity for banquets, expos, and trade shows. Phase Two will add a second level to the facility, accessed via grand escalators and elevators from the main hall. The upper level is envisioned to house breakout rooms, VIP lounges, or additional event space, offering vertical versatility to the venue and allowing it to host multiple events simultaneously.

Food and Beverage Infrastructure

To ensure high-volume food and beverage service, the project will maintain the Delta's existing 6,000 square foot commercial kitchen and construct an additional 3,000–4,000 square foot kitchen within the new convention center. These kitchens will work in tandem, allowing for seamless banquet and catering operations. Additionally, the convention center will include rentable portable bar units to provide flexible beverage service across the venue.

Scenario B

Logistics and Accessibility

Scenario B includes a designated semi-truck loading zone to support trade show and expo logistics. While slightly more constrained than Scenario A in terms of back-of-house maneuverability, this layout still accommodates vendor and production needs effectively. Attendees using the proposed four-story parking structure will walk less than 100 feet to reach the main convention entrance, or around 150 feet if entering through the hotel's north wing. The development team is evaluating covered walkway options to improve guest experience during inclement weather.

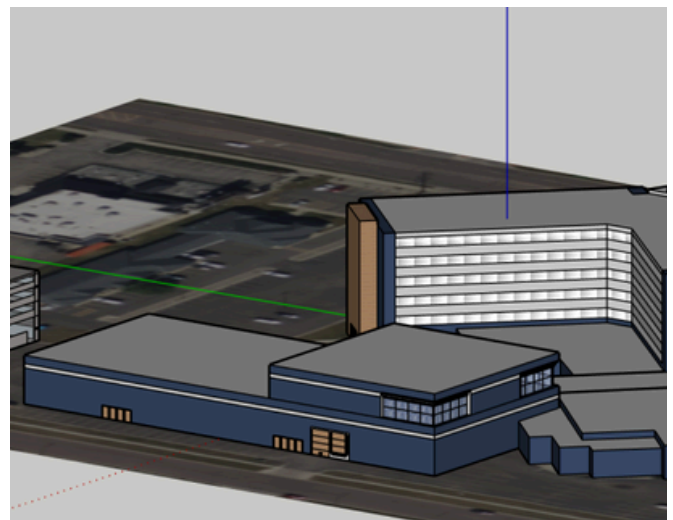
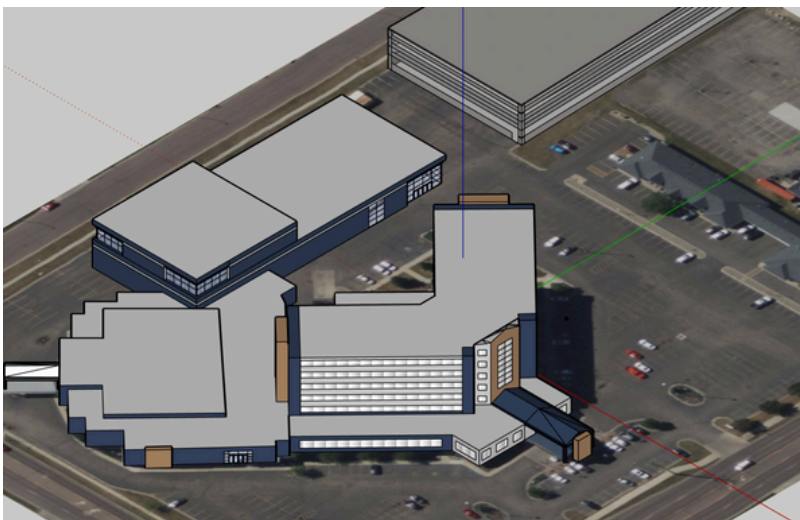
Design and Atmosphere

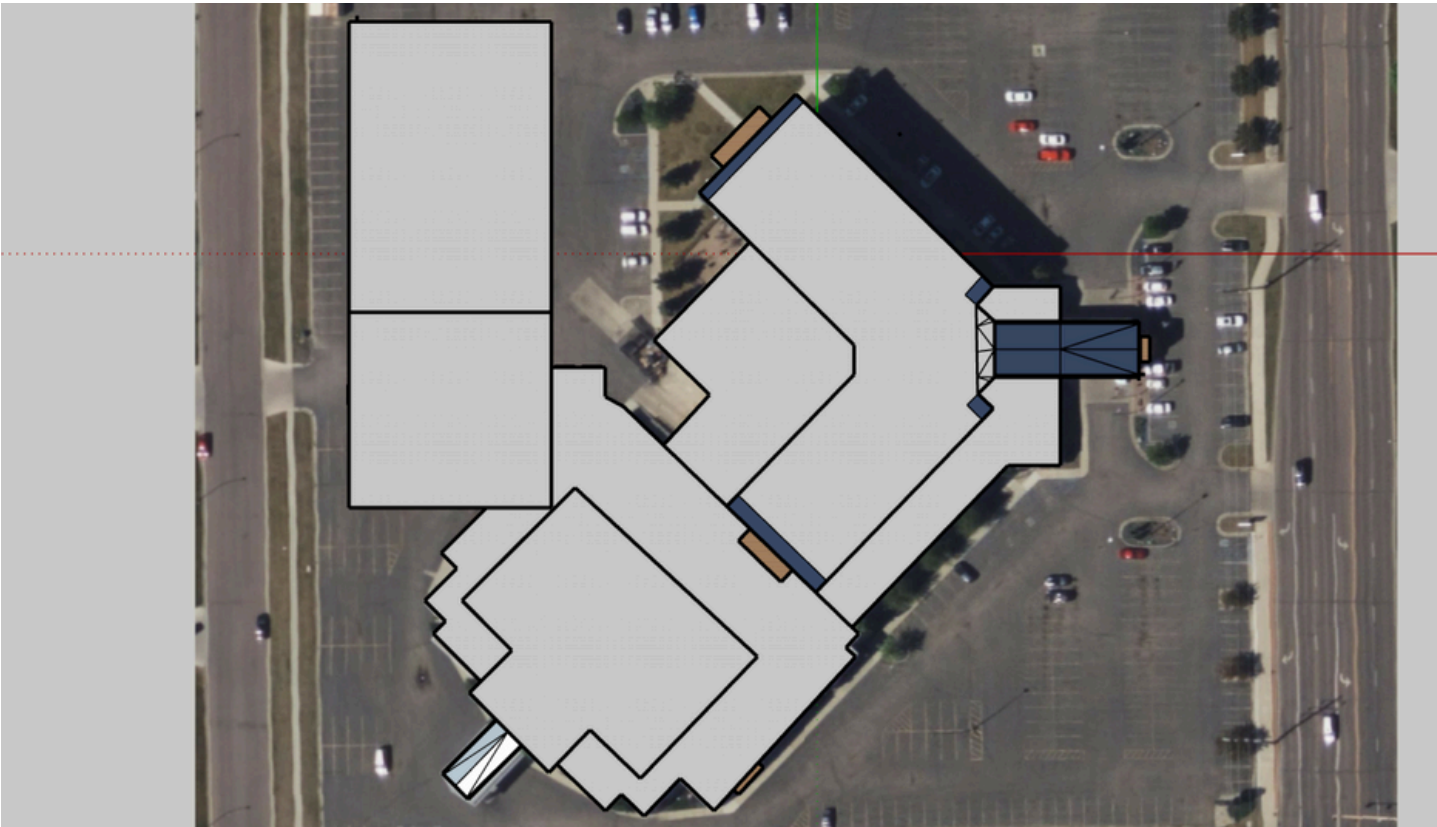
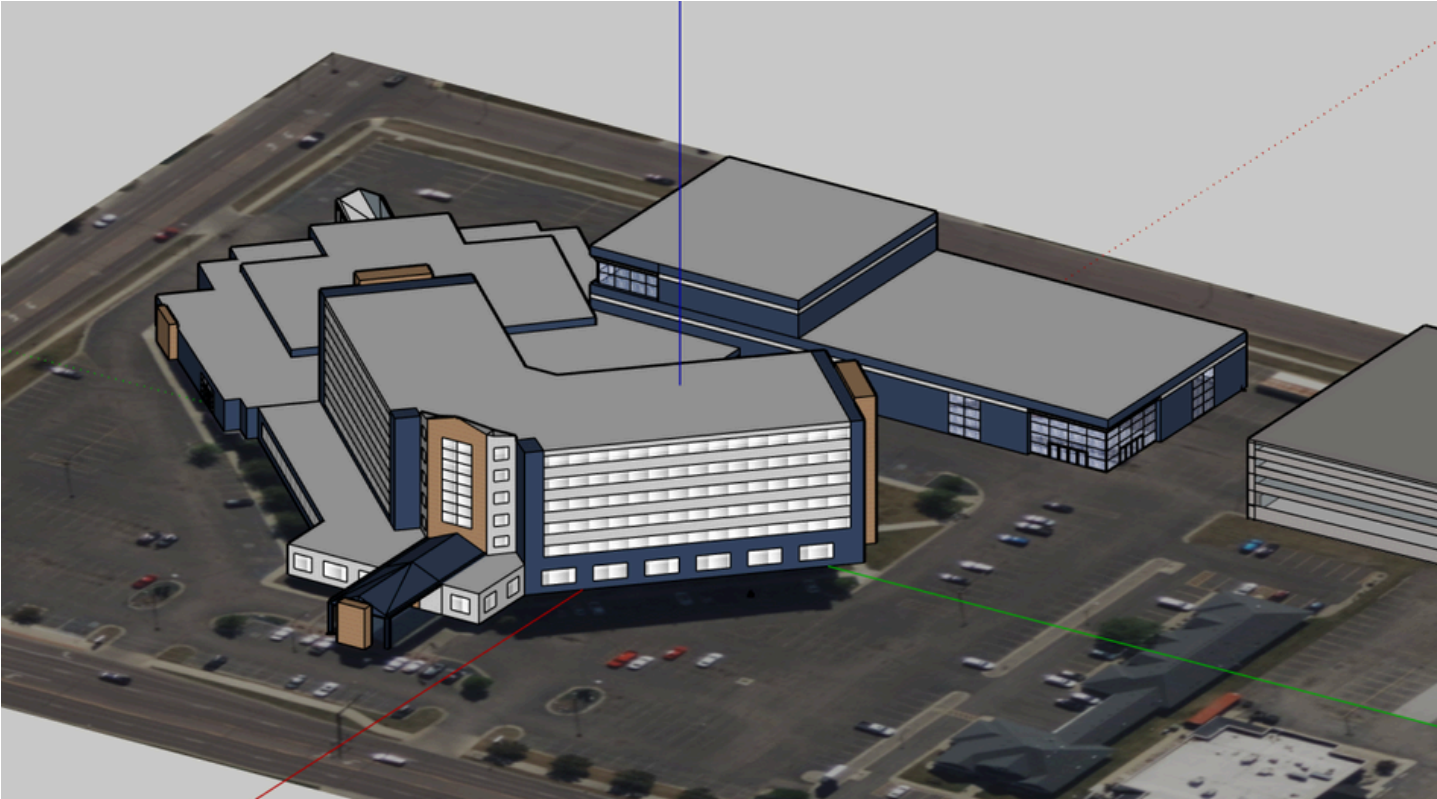
Architecturally, the convention center will blend with the Delta's existing character while elevating the site with a modern, inviting presence. The design will feature clean lines, warm wood accents, and floor-to-ceiling windows to bring in ample natural light. Interior finishes will reflect a neutral but upscale palette, allowing customization for a wide variety of events, from regional trade shows and industry expos to weddings and galas. A focus on flexibility, acoustics, and visual impact will make this a highly functional and aesthetically distinctive space.

Future Potential

Scenario B allows for future expansion beyond the initial two phases. A Phase three vision may include the addition of a community pavilion or green space, offering an outdoor venue for seasonal events and gatherings.

In all, Scenario B presents a balanced and forward-looking plan that activates the existing event footprint of the Delta Hotels Fargo while creating a destination that is flexible, scalable, and well-suited to Fargo's growing need for convention infrastructure.





Access to 3D modeling is available upon request.

Public-Private Partnership Structure

This proposal is structured as a collaborative public-private partnership between the City of Fargo and the development team anchored by Paramount Hotel Limited Partnership (PHLP) and National Hospitality Services (NHS). The structure aligns closely with the framework outlined in the City's RFP, while offering several efficiency, cost, and execution advantages through the integration of existing high-performing assets.

Owner Commitments

PHLP, the owner of the existing Delta Marriott, will serve as the lead private partner and contribute the following to the partnership:

- Smooth integration of the convention center with the existing hotel.
- Operational management of the Delta Marriott hotel and, through NHS, the proposed convention center.
- Coordination with the City on project delivery, branding, and integration of guest services between the hotel and convention facility.

City Commitments

The City of Fargo would serve as the public sponsor and funder of the convention infrastructure, with anticipated commitments including:

- Full funding and ownership of the convention center, with construction to be coordinated in conjunction with the hotel expansion.
- Ownership, construction, and operation of a structured parking facility to be located on the northeast portion of the site, serving hotel and convention guests.
- Incentives and support to enhance project feasibility, including but not limited to:
 - Tax Increment Financing (TIF)
 - Property tax abatements
 - Eligibility for state-level support such as the ND Development or Land Grant (subject to confirmation and application)
 - Alternative funding sources

Ownership and Operations

Hotel: The Delta Marriott, including the new north wing, will remain privately owned by PHLP and operated by NHS.

Convention Center: The facility will be owned by the City and operated by NHS under a management agreement, ensuring alignment between event programming and hotel operations. While final terms are subject to negotiation, NHS will receive an agreed-upon annual management fee from the City.

NHS has a proven track record of managing hotels and conference centers at scale, and is well equipped to operate this facility at the highest standard. Additionally, we are open to engaging a third-party firm specializing in convention center management to oversee operations, should the City prefer that model.

Shared Success and Flexibility

We recognize that public-private partnerships succeed best when incentives are aligned. To that end, we are open to creative structures, including:

- Shared revenue or performance-based management incentives
- Naming rights partnerships that could benefit both the City and the Delta Marriott
- Collaboration with Visit Fargo-Moorhead to optimize event programming and facility utilization

This structure is designed to be flexible, allowing the City and our team to finalize the most mutually beneficial terms in future phases of negotiation. Our goal is to build a high-functioning, sustainable, and community-serving venue that elevates Fargo's reputation as a convention destination.

The **Alerus Center** in Grand Forks, ND, offers a compelling example of how a purpose-built convention and event facility can invigorate the surrounding commercial landscape. Attached to the existing Canad Inns hotel, the Alerus became a regional hub for conventions, sports, concerts, and large-scale gatherings, drawing consistent foot traffic and visitor spending into the area. Its development helped elevate occupancy and rate performance for nearby hotels, while also delivering significant benefits to restaurants, retailers, and service businesses within a 1–2 mile radius. The influx of year-round visitors supported job growth, extended business hours, and positioned Grand Forks as a go-to destination for events across North Dakota and beyond.

Deal Points and Partnership Structure

To bring the Fargo Convention Center vision to life in a way that balances public investment with private contribution, the development team proposes the following deal points. These terms are designed to be straightforward, cost-effective, and mutually beneficial, leveraging existing private infrastructure and land while ensuring the City of Fargo maintains ownership and long-term oversight of the convention facility.

1. Parking Garage Land Sale

The proposed site of the four-story parking garage is located on the northwest corner of the Delta Marriott property, currently owned by PHLP. In support of the project, PHLP is prepared to sell this parcel to the City of Fargo for approximately \$850,000, a price that reflects the development team's commitment to making the convention center feasible and cost-effective. This strategic location provides the ideal footprint for a 400+ stall structure with first-level bus and shuttle access.

2. Convention Center Land Lease

Rather than requiring the City to acquire the land outright, PHLP proposes a long-term ground lease for the land beneath the convention center footprint. This would be structured as a triple-net lease, with the City paying approximately \$80,000 per year. This approach minimizes upfront public capital outlay while preserving flexibility and control for the City over the long term. It also ensures seamless integration between the hotel and convention center — a key factor for operational efficiency and guest experience.

3. Food & Beverage Revenue Share

As the anchor hotel and food service provider, the Delta Marriott proposes a revenue-sharing structure for in-house catering and beverage sales associated with convention center events. This ensures strong alignment between the hotel operator and the success of the new facility, incentivizing exceptional service, staffing support, and brand alignment across both venues.

4. Optional Third-Party Venue Management

While NHS is well-equipped to manage both the Delta Marriott and the new Fargo Convention Center, the development team is open to engaging a third-party venue management firm should the City prefer this structure. This flexibility ensures the project can meet evolving operational goals while maintaining local ownership and accountability.

Operating Strategy

The success of this development hinges not only on quality construction but on thoughtful, efficient, and guest-centric operations. As such, our proposal ensures that both the hotel and convention center will be operated under the experienced management of NHS, creating a cohesive service experience, operational alignment, and significant economies of scale.

Hotel Operations

The Delta Marriott is currently operated by NHS, a Fargo-based hospitality management firm established with a national presence. NHS brings deep experience in hotel operations, food and beverage management, sales strategy, staffing, and event execution. As the Delta Marriott is an existing, high-performing asset, its operational systems and team are already well-established, giving the City a strong operating base from day one.

The hotel will retain all existing conference spaces, preserving valuable mid-sized event capacity alongside the new convention facility. NHS's proven ability to manage full-service assets with active banquet operations ensures continuity and readiness to support larger events upon completion of the new development.

In addition to the Delta Marriott, NHS also operates the Staybridge Suites and Candlewood Suites located within a mile of the project site, managing a combined 176 additional guest rooms. This local footprint offers significant advantages for event planners and the City, allowing for overflow accommodations, coordinated group bookings, and flexible guest movement across properties during high-demand periods.

NHS has a proven track record of driving guest satisfaction, operational efficiency, and top-line growth across its portfolio of full-service, extended stay, and select-service hotels. This continuity of management ensures that the hotel side of the development remains consistent and financially sound throughout construction and beyond.



Convention Center Management Plan

The proposed convention center will be owned by the City of Fargo and operated by NHS under a professional management agreement. While the convention center will not carry the Marriott brand, it will be physically and operationally integrated with the Delta property. This allows for seamless service coordination across guest stays, meetings, banquets, and large-scale events.

NHS will oversee all day-to-day management responsibilities for the convention center, including:

- Sales and event booking (in partnership with Visit Fargo-Moorhead)
- Facility staffing and training
- Event logistics and coordination
- Maintenance and janitorial operations
- Financial reporting, forecasting, and client satisfaction

NHS will continue to grow its capabilities in convention center management by adopting industry best practices, technology tools, and staffing models drawn from successful public-private facilities nationwide. The team welcomes collaboration with the City and Visit Fargo-Moorhead to ensure programming, service standards, and marketing strategy are aligned with community goals and tourism impact.

Integrated Staffing and Service Model

NHS's management of both the hotel and convention center allows for significant operational efficiencies and service enhancements, including:

- Cross-trained teams across departments (events, culinary, Audio-Visual, housekeeping, maintenance)
- Coordinated group sales and event scheduling
- Shared inventory, tech systems, and culinary resources
- Unified service experience for guests and event planners

These efficiencies reduce duplication, optimize resources, and ensure the highest level of guest service, key for attracting repeat event business and driving return on investment for the City.

NHS Management Fee

NHS proposes a flat management fee equal to 3% of gross operating revenue generated by the convention center. This fee structure is aligned with industry best practices and ensures transparency, budget predictability, and mutual performance incentives. NHS is open to discussing additional incentive structures tied to performance benchmarks if the City desires.

Ownership and Governance

Paramount Hotel Limited Partnership

Owner – Delta Hotels by Marriott Fargo

The Delta Marriott is owned by Paramount Hotel Limited Partnership (PHLP), a Fargo-based ownership group established in 1992 composed primarily of North Dakota partners with long-standing ties to the community. This group has worked alongside city leaders, private developers, and civic organizations for decades to help shape Fargo into the vibrant commercial and hospitality hub it is today.

With a strong track record of investment, reinvestment, and long-term ownership, PHLP takes a proactive and intentional approach to development. Their stewardship of the Delta Marriott has consistently emphasized quality, guest satisfaction, and alignment with the city's evolving needs. The proposed convention center is a natural extension of their commitment to Fargo's continued growth and their vision for a thriving regional events ecosystem.

Royce Blackstone Development Corporation of America

General Partner – Paramount Hotel Limited Partnership

Royce Blackstone Development Corporation of America (RBDCA) was established in 1992 as the general partner of Paramount Hotel Limited Partnership (PHLP). RBDCA provides governance and long-term strategic leadership for PHLP's investments, including the Delta Hotels by Marriott Fargo. **Norman Leslie**, who will be formally appointed **CEO** of RBDCA, brings decades of experience in hospitality and real estate to the role — ensuring experienced oversight and alignment with the project's long-term goals.

Together, PHLP and RBDCA represent a highly experienced and committed ownership platform with the leadership, vision, and financial capacity to deliver long-term value for the City of Fargo. Their sustained presence in the region, combined with a proactive investment philosophy and alignment with Fargo's growth priorities, make them uniquely suited to anchor a transformative public-private partnership. With governance rooted in community stewardship and strategic leadership from RBDCA, the ownership team offers both institutional credibility and local insight — a balance critical to the long-term success of this convention center development.

Strategic Partners



The development and operation of the Fargo Convention Center will be led by a partnership between the locally owned Delta Marriott and two experienced, Fargo-based organizations: National Hospitality Services, LLC (NHS) and Bridge Hospitality, LLC. Together, these partners bring decades of expertise in hotel operations, construction, and development.

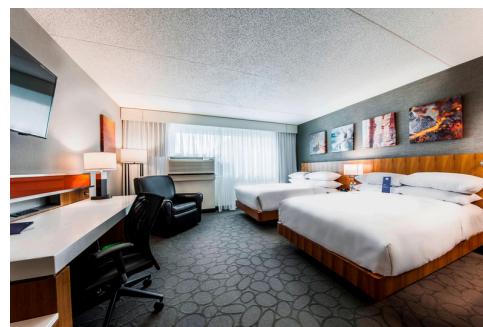
Delta Hotel by Marriott Fargo

Anchor Hotel

As one of the region's most established full-service hotels, the Delta Marriott will serve as the anchor property and host site for the new convention center. The hotel currently offers 186 guest rooms, 23,000 sq ft of flexible meeting and banquet space, and an established reputation for delivering exceptional guest experiences. Its central location, proximity to major interstates, and walkable access to retail, dining, and entertainment make it an ideal foundation for a new convention campus. The ownership group, Paramount Hotel Limited Partnership, has deep roots in the community and is committed to long-term reinvestment in the property and the surrounding area.



Carol Johnson, VP of Community Relations – With over 40 years of experience in hospitality, Carol is a cornerstone of Fargo's tourism and hotel community. Her leadership in hotel management, staff training, marketing, and sales has played a vital role in the continued success and community presence of the Delta Marriott Fargo.





National Hospitality Services, LLC

Operations Partner – Hotel and Convention Center

National Hospitality Services (NHS), based in Fargo, will serve as the operator of both the Delta Marriott and the new convention center under a formal management agreement. NHS is a nationally recognized hotel management company that manages 44 properties across 16 states. The company works with the world's most recognized hotel brands, including Marriott®, Hilton®, IHG®, Hyatt®, Wyndham®, and Choice Hotels®.

NHS is known for its performance-driven, entrepreneurial approach to hotel management, combining operational discipline with a passion for innovation, hospitality, and financial results. NHS has extensive experience managing full-service and extended stay hotels, high-volume banquet and meeting facilities, and multi-brand regional portfolios. Their leadership team brings decades of experience across hotel operations, real estate, finance, sales, and guest experience.

- **Hotel Operations** – staffing, training, guest service, asset management, and revenue optimization
- **Sales and Marketing** – group sales, event booking, digital campaigns, and brand strategy
- **Food and Beverage Services** - Catering and guest services for the execution of large-scale events
- **Accounting and Finance** – real-time reporting, budget control, and financial transparency
- **Convention Center Management** – venue oversight, event coordination, and long-term strategic planning

In 2022, NHS entered a strategic partnership with Hotel Equities, an Atlanta-based hospitality management firm that ranks among the top third-party operators in the country. This partnership gives NHS access to enhanced infrastructure, additional training and technology platforms, national support systems, and economies of scale, all while retaining local leadership, autonomy, and accountability. For the City of Fargo and the proposed convention center, this means the best of both worlds: a deeply embedded local operator with national reach and operational horsepower.

Executive Leadership:



Norman Leslie, Chief Executive Officer – A nationally recognized hotelier with over 32 years of experience in real estate and hospitality. Mr. Leslie has served as Chair of the IHG Owners Association Global Board and has been a key leader in regional and national hotel governance.



Sarah Koustrup, President – With previous leadership roles at Citi, Microsoft, and Midco, Ms. Koustrup leads all day-to-day operations at NHS and was named one of the most influential women in hospitality by Hotel Management Magazine in 2023.

Bridge Hospitality, LLC

Development Partner



Bridge Hospitality, LLC is a Fargo-based hospitality construction and development company with a strong track record of executing high-quality hotel and commercial projects. Led by **Dave Ekman**, a seasoned project management professional with over 20 years of industry experience, Bridge has successfully delivered numerous hotel developments across the region. Their expertise in design coordination, construction logistics, and value engineering will ensure efficient delivery of the new convention center.

Development and Construction Execution

This team is in conversations with several highly capable construction and development firms that are well-suited for a project of this scale. Based on our strong industry relationships and deep roots in the region, we are confident in our ability to assemble a top-tier development team that meets the City's standards for quality, experience, and execution. Securing a qualified and experienced construction partner will not be a barrier to this project's success.

Financial Readiness

The development team also brings a clear and reliable pathway to financing. The project is backed by ownership with the financial capacity and ability to support the development, and NHS's in-house affiliate, NHS Capital Services, will support financing execution in partnership with local lending institutions. This structure ensures that, if needed, all capital requirements can be efficiently sourced, secured, and deployed to keep the project on schedule and aligned with local investment priorities.



Proven Development Leadership

Mr. Leslie and Mr. Ekman have worked together on several large-scale development projects across Fargo, North Dakota, with a strong focus on hospitality and commercial real estate. Their joint efforts include the development of the Staybridge Suites Fargo, Delta Hotels by Marriott, and Candlewood Suites Fargo South properties that have become well-established assets in the local market and reflect their ability to deliver high-performing hospitality investments.

Over the past 25 years, Mr. Leslie has bought and sold more than 44 hotels totaling over \$500 million in value, demonstrating a strong track record in hospitality acquisitions, operations, and successful exits.

In addition to these hospitality ventures, Mr. Leslie has played a significant role in shaping the city's broader real estate landscape. As the founder of Heritage Homes, he led the development of landmark residential and mixed-use communities including 45th Street Colonnade, the Great American Building, Capital Square, South City Plaza, Woodbury Park, Gates of Madison Square, and Lakewood Estates. He also served as the past Chair of the IHG Owners Association, reflecting his national influence in the hospitality sector.

Mr. Leslie and Mr. Ekman also partnered on the development of major commercial properties such as the Pepsi America Building and the Multiband/Perficient tower, a 131,000 square-foot office building that remains a significant fixture in Fargo's commercial corridor. Mr. Leslie was also responsible for constructing the F-M-WF Chamber of Commerce building, further underscoring his long-standing contributions to Fargo's physical and economic development.

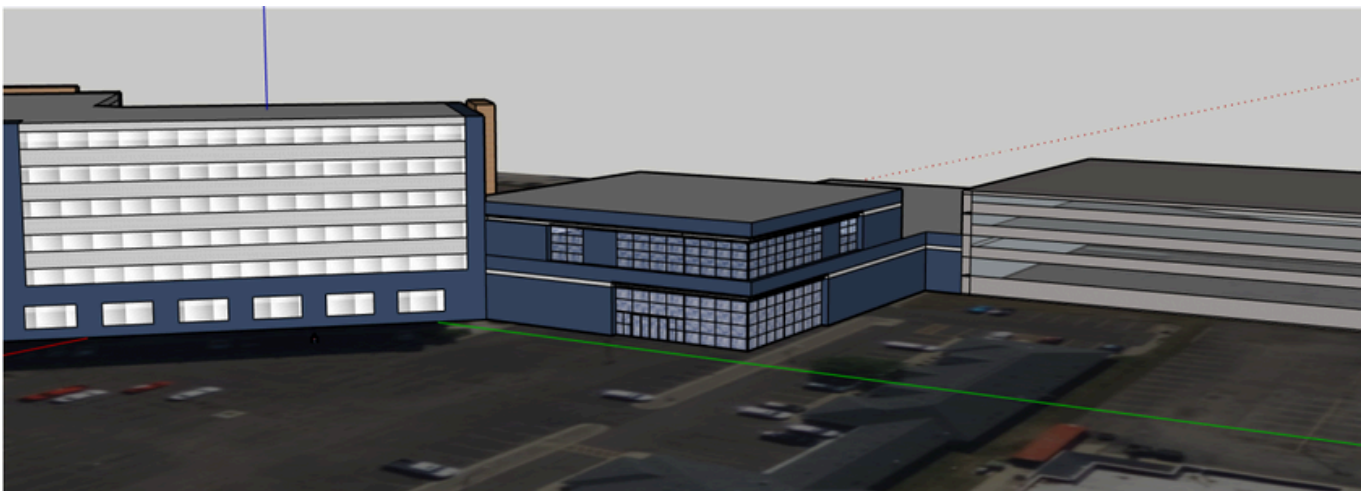


Financial Information

This preliminary development estimate for the proposed Fargo Convention Center expansion at the Delta Marriott reflects revised estimates based on updated inputs. The projected building footprint remains between 38,000 and 41,000 square feet, and a conservative 42,000 square foot threshold has been used for budgeting purposes. The total projected cost is \$42,000,000 which includes all major development components such as hard construction, furniture, fixtures and equipment (FF&E), land-related costs, soft costs, financing, and a 5% contingency.

The construction cost is currently projected at \$26.25 million, which aligns with current market pricing for high-quality, public-facing event space. Additional hard costs include \$600,000 for impact fees, permitting, and builder's risk insurance and land related costs. As part of the broader site plan, we project the City of Fargo will purchase the most northern parcel for \$850,000. The parcel is intended to support a future public parking ramp, improving accessibility and infrastructure for event attendees. The parking ramp, estimated at \$14.7 million, will require a separate government funding source, as it is not included in the \$42 million convention center development budget.

Under the proposed ownership structure, we project the City will own the new convention center, while the underlying land will remain under Delta Marriott ownership. To facilitate this structure, we project the City will lease the land from Delta at an annual rate of approximately \$80,000. This arrangement offers a fiscally responsible approach, allowing the City to secure full ownership of the facility without the upfront cost of land acquisition. It also ensures long-term operational integration between the convention center and the existing Delta by Marriott Fargo, enabling shared infrastructure, seamless event coordination, and enhanced guest experience.



The cost estimate for FF&E is projected at \$6.3 million. This allocation supports a modern, flexible interior designed for a wide range of civic, private, and corporate events. The FF&E scope will include durable finishes, configurable banquet and expo layouts, and integrated audio-visual systems that align with regional standards.

Soft costs are projected at \$6 million and include legal and professional services, architectural and engineering design, title work, survey, appraisal, financing, and development fees. A 5 percent contingency of \$2 million is included to address design adjustments, inflation, or unforeseen conditions that may arise during the development process.

These estimates are further reinforced by current construction indices and cost benchmarks drawn from comparable civic developments. The Turner Building Cost Index for Q1 2025 reports a national index of 1459, reflecting a 26 percent increase since 2019, which supports the projected construction cost of \$625 per square foot. Additionally, recent CSL feasibility studies, including those prepared for Lincoln, Nebraska (2022), Columbia, Missouri (2025), and Wichita, Kansas (2022), outline development models for modern, flexible convention spaces. Notably, the CSL study for Wichita projects total development costs between \$1,000 and \$1,200 per square foot. While our estimate of approximately \$1,000 per square foot falls within that range, it reflects a more efficient model tailored to Fargo's market. Unlike the Wichita proposal, which requires full-scale standalone infrastructure including back-of-house systems and utility integration, the Fargo convention center benefits from its connection to the existing Delta Marriott. This approach reduces duplicative infrastructure and allows for shared access to restrooms, kitchens, loading zones, and mechanical systems. As a result, the project delivers a high-quality civic venue with long-term flexibility while maintaining cost efficiency through thoughtful design and partnership.

Cost Estimate

Construction	\$	26,250,000
Impact Fees/Permit/Builders Risk	\$	600,000
Land	\$	850,000
FF&E - Furniture, Fixtures & Equipment	\$	6,300,000
Soft Costs	\$	6,000,000
SUB TOTAL	\$	40,000,000
Contingency 5%	\$	2,000,000
TOTAL CONVENTION CENTER COST	\$	42,000,000
Parking Ramp (alternative government funding source)	\$	14,000,000
Contingency 5%	\$	700,000
TOTAL PARKING RAMP COST	\$	14,700,000

Sources

Source: CSL Phase II Convention Center Feasibility Study – Lincoln, Nebraska.
Prepared by Conventions, Sports & Leisure International (CSL), February 2022.
Used to benchmark construction cost per square foot for convention center-scale event facilities, particularly for vertically stacked or multi-phase builds.

Source: “What Is the Average Cost to Build a Commercial Building?”
Blog post on EB3 Construction. (Retrieved from <https://blog.eb3construction.com/construction/project-management/average-cost-build-commercial-building/>)
Used to validate general commercial hard cost ranges and support market-aligned land and construction budget assumptions.

Source: Global Office Fit-Out Cost Guide 2024 – Costing Guide.
Published by CBRE. (Retrieved from <https://www.cbre.com/insights/books/global-office-fit-out-cost-guide-2024/costing-guide>)
Used to estimate office and administrative area fit-out costs within the convention center project, including finishes, partitions, and IT/AV infrastructure.

Source: Convention Center Feasibility Study – Columbia, Missouri.
Prepared by Conventions, Sports & Leisure International (CSL), March 2025.
Used to support cost benchmarking, market-supported square footage, and development options for a new convention center project, based on similar assumptions and Midwest regional data.

Source: HVS Convention Center Market Study – Appendix A.
Published by HVS Global Hospitality Services.
Used to support construction cost per square foot assumptions by space type (ballroom, meeting room, exhibit hall) and overall convention center facility mix.

Source: Wichita Convention Center Feasibility Study – Final Report.
Prepared by Conventions, Sports & Leisure International (CSL), January 2022.
Used to reinforce construction and programming benchmarks for modern event centers, including square footage allocations, escalation trends, and public-private partnership structures.

Source: Northwest Indiana Convention Center Feasibility Study – Final Report.
Prepared by Conventions, Sports & Leisure International (CSL), May 2022.
Used to support cost and design assumptions for midsize convention centers, including escalation-adjusted benchmarks and operating structure models.

Source: Fargo Parking Ramp Site Evaluation – Executive Summary.
Prepared by Helenske Design Group and Carl Walker Inc., April 2015.
Used to support localized structured parking cost assumptions of \$20,000–\$25,000 per stall and to inform analysis of site feasibility, mixed-use potential, and anticipated economic development impacts in downtown Fargo. While the study was completed in 2015, we have accounted for industry-standard cost escalation to reflect 2025 construction market conditions.