



City Administration 225 4th Street North Fargo, ND 58102

MEMORANDUM

TO: Fai

Fargo City Commission

FROM:

Jim Gilmour, Director of Strategic Planning and Research

DATE:

June 2, 2025

SUBJECT: Conference/Convention Center Request for Proposals

The Fargo Convention Center Committee has been meeting since February to create a process for selection of a site and developer for the facility. Membership of the Committee includes the Mayor, all four City Commissioners, and 9 other members appointed by the City Commission.

The Committee developed a three-phase process for the selection of the Convention Center site and developer. The first phase requests general information on a site, a conceptual plan and information on the development team. After scoring the initial proposals, up to five groups will be invited to submit a more detailed proposal a part of a second phase. The final phase will be negotiation of an agreement with the group determined to be the best proposal. At each step in the process, the Committee will make recommendations to the City Commission. The City Commission will make decisions at each stage of the review process.

The Committee developed scoring criteria for the first phase of the process. A Request for Proposals has been prepared the includes those criteria, a description of the process, a timeline, and information to be submitted by developers interested in building and/or operating the Convention Center.

The Request for Proposals is attached for your consideration. The Convention Center Committee recommends approval and distribution of the document.

Recommended Motion

Approve the Request for Proposals for the Convention Center project.

Request for Proposals

Fargo Conference/Convention Center

Introduction and Summary:

The city of Fargo, ND, invites written proposals for the development, design, construction, and operation of a convention center and adjacent private development to be located in the city of Fargo. This will be a public-private partnership with city financing the convention center and the private developer financing adjacent private development.

The city of Fargo intends to fund and own the convention center building portion of the project with the proceeds of a 3% (three percent) lodging tax, which was approved by voters in November 2024. The tax will sunset 25 years after it is implemented. It is projected that \$37 million to \$41 million in lodging tax proceeds will be available for land costs, site preparation costs, construction of the convention center building, furniture, fixtures and equipment.

The city is reserving a portion of the sales tax proceeds for potential operating losses, debt service reserves, and future capital expenditures. The projected \$37 million to \$41 million for the projects does not include lodging tax proceeds reserved for potential operating losses, debt service reserves, and future capital improvements.

Proposals are solicited in accordance with the terms, conditions, and instructions as set forth in this Request for Proposals (RFP). The deadline for submitting the response to this RFP is 5 pm August 7, 2025. The preparation and submission of the vendor response shall be made without obligation by the city of Fargo to pay any associated costs of preparing and submitting a proposal.

Proposals must be submitted online through a City of Fargo bidding and procurement system, which can be accessed via this link: The City of Fargo-Bids and Procurement.

All information will be made available to selection committee members, city commissioners, select city staff, and consultants used by the city to review proposals. The proposer must recognize that the city of Fargo is a public entity and, as such, is subject to open records laws and open meeting laws. Proposers are encouraged to familiarize themselves with North Dakota open records laws and open meeting laws. Please note that proposals will be reviewed at meetings that are open to the public. Proposal packets are subject to public review.

Late proposals will not be accepted, nor will mailed, faxed or emailed proposals. The city is not responsible for submissions not properly identified as convention center proposals.

Questions regarding this RFP must be submitted in writing to the city through the online procurement system.

The city reserves the right to reject any or all proposals, and to accept any proposal deemed to be in its best interest. Furthermore, the city shall not be obligated to enter into any contract with any respondent, regardless of the terms or conditions proposed.

First Phase Procurement Schedule:

RFP Issued: June 11, 2025

Questions must be received by: July 11, 2025

Questions answered by: July 18. 2025 RFP Proposals Due: August 7, 2025

Background Information:

Economic and demographic information on the Fargo-Moorhead metro area is available on the websites of Visit Fargo-Moorhead, the Greater Fargo-Moorhead Economic Development Corporation, and The Chamber of Fargo Moorhead West Fargo.

(Insert Links)

• Market Assessment: Surveys of event planners show a desire to host more events in Fargo; however, there is a lack of suitable facilities to accommodate them. Visit Fargo-Moorhead engaged HVS Convention, Sports and Entertainment Facilities Consulting ("HVS") to conduct a market overview and assessment of the market. The HVS study is available here:

(Insert HVS Link)

- Selection Process. This selection process will consist of three phrases:
 - O Phase One: Proposers will submit a proposed site, a preliminary concept, information regarding the ownership of private space and adjacent areas, and detailed information about the project team. The selection committee will review the proposals, which may include some presentations, and recommend no more than five potential developer partners to the city commission for consideration in the second phase of the selection process.
 - O Phase Two: Proposers will provide a detailed concept plan, a development schedule, cost estimates, a pro forma statement of operations, a private financing plan, an ownership plan, and an operations plan. The selection committee will review and rank the proposals and forward the highest-ranked proposal to the city commission for its approval.
 - Phase Three: Provided the city commission accepts the recommendation, it will negotiate a public-private partnership agreement with the development team of the highest-ranked proposer. Should no agreement be reached, the city commission may begin negotiations with the second- or third-ranked proposal.

The city reserves the right to reject any and all proposals.

Selection Committee Goals

Ideally, the proposal would be creative, Fargo-themed, functionally appropriate, and fiscally responsible. The convention center should include these suggested minimums:

- An attached hotel with 150 to 200 rooms and a full-service restaurant and bar.
- Ballroom/exhibit space of 50,000 square feet, preferably together, but divisible by soundproof air walls
- Additional meeting rooms of about 8,800 square feet. Additional meeting space at the hotel is suggested by not required.
- A kitchen with minimum area of 6,000 square feet.
- Pre-function area of 10,000 square feet.

- Storage of 10,000 square feet.
- Three loading docks. One with 15 feet of clearance on ground level. Two docks at truck height, with 13 feet clearance.
- Electrical power access in exhibit hall. 200 amp minimum. Floor access.
- Adequate parking, on site and adjacent parking.

Selection Criteria for the Phase 1 review included in Attachment A

Phase 1 Proposal Requirements:

- Describe the development team and its qualifications:
 - Provide information on the proposed developer, the design team, the hotel group, the convention center manager, the investors, and the construction manager/contractor.
 - Include the development team's primary contact person, the responsibility of each group or member, and the management approach. Please provide email addresses for all team members.
 - Detail the experience and responsibilities of each of the team members specifically related to hotel, hospitality, and convention center projects. Provide specifics on the services each will provide.
 - Outline previous relevant projects undertaken by the developer, the design team, the hotel operator and the convention center operator. Include information on projects of similar size and scope.
 - o Provide references who have firsthand experience with the developers and operators.
 - Detail the strategy for financing the private aspects of the project, including information on planned investor equity.

Site information:

- Provide the site location, including a map of the location within Fargo. Note adjacent properties.
- Specify the site's size, adjacent streets, and access points.
- Indicate the current ownership of the site, status of site control, and site cost.
- o Describe availability of utilities and infrastructure.
- Describe adjacent land uses, including commercial properties, neighborhoods, and potential adjacent development.
- Identify any adjacent noise generators including interstate highways, railways and airports.
- O Describe any need for financial incentives to clear or clean the site.
- Describe areas available for facility expansion or new development on neighboring properties.

Project concept:

- Provide conceptual drawings of the convention center and adjacent hotel. Identify the convention center and any privately owned adjacent space. The conceptual plan should include the location of the ballroom, meeting room, exhibit space, kitchen and support space.
- Describe the hotel, including the number of rooms, and onsite restaurant(s). Identify privately owned space that would support conventions such as meeting rooms or shared kitchen space. Include information on potential hotel brands.
- Parking and Access:
 - Describe adjacent streets and access to the site.
 - Describe pedestrian connections.
 - Specify the on-site parking capacity.
 - Detail any parking available adjacent to the site.
- Adjacent/Nearby Amenities and Services:
 - Hotels including number of rooms.
 - o Restaurants including full-service, casual dining, and fast food.
 - o Bars and entertainment venues.
 - Shopping areas.
 - Visitor attractions.
- Potential for additional private development adjacent to the project:
 - Provide information on adjacent properties and the potential for development or redevelopment, including opportunities for:
 - Hotels
 - Restaurants and bars
 - Shopping
- Proposed Operating Plans:
 - Describe the responsibilities of public and private parties, including scheduling, operation and maintenance.
 - O Detail the proposed operation of convention center.
 - Detail the proposed operation of hotel/restaurant.
 - Outline catering plans.

Phase 2 Proposal Requirements: (Note -- This information should not be submitted with the Phase 1 Proposal. The requirements are being provided to give proposers some advance notice of what will be expected if their proposal is selected for the second phase.)

The following information will be requested in the second phase, but could include additional information.

- Detailed plans for the convention center and full-service hotel.
- Architectural concept drawings.
- Site plan including parking, vehicle access, pedestrian connections, and landscaping.
- Cost Information:
 - Firm land cost
 - o Site demolition and cleanup costs
 - Building construction costs.

- o Site improvement costs, including parking
- o Cost for furniture, fixtures and equipment
- Financial Plan for the Development:
 - Investor equity commitments
 - o Loan commitments
 - o Property Tax Incentives needed
- Pro Forma of Operations:
 - o Plans for catering and liquor licensing
 - o Responsibilities for maintenance and capital improvements
 - o Proposed revenue sharing and responsibilities for operational losses

Proposed integration of sales efforts in collaboration with Visit Fargo Moorhead convention sales staff.

Schedule for development and construction

Appendix A

	Criteria	Weighted Percentage in Each Section	Wälght of Individual Line Item
Site Considerations	Site capacity for building program	15%	6.0%
	Site control/assembly cost	9%	3.6%
	Infrastructure in place or scheduled	4%	1.6%
	Attached hotel(s)	11%	4.4%
	Proximate to existing/planned dining, retail and hotels	9%	3.6%
	Need for incentives from City (tax exemptions or infrastructure)	9%	3.6%
	Potential for building expansion	11%	4.4%
	Compatible with City plans and zoning	7%	2.8%
	Auto access/traffic congestion	10%	4.0%
	Pedestrian access	8%	3.2%
	Parnership/management model beyond construction phase	7%	2.8%
	Weighted Average Site Selection	40%	
Conceptual Plan	Overall concept	12%	3.6%
	Ballroom/Exhibition hall	15%	4.5%
	Additional meeting rooms	11%	3.3%
	Kitchen	9%	2.7%
	Front of House; green room(s), business office, coat check, pre-function etc.	10%	3.0%
	Back of House; loading docks, storage, back of house etc.	9%	2.7%
	Hotel/Restaurant	10%	3.0%
Cor	Planned and existing parking	8%	2.4%
	Unique ND design elements	8%	2.4%
	Internal traffic flow in proximity to all meeting spaces	8%	2.4%
	Weighted Average Conception Plan	30%	
Developme	Experience of the developer/design team/construction & contractors	40%	12.0%
	Experience of the hotel/restaurant operator	30%	9.0%
	Experience of the convention center operator (if different than hotel)	15%	4.5%
	Ability to finance the project (more thorough in Phase II)	15%	4.5%
	Weighted Average Development Team	30%	Sections

Scale	Scoring Description
0	No Information Provided
1	Inadequate
2	Improvement Needed
3	Acceptable
4	Good
5	Excellent