EDIC MEETING
Tuesday, July 28, 2026 – 1:00 p.m.
City Commission Chambers, Fargo City Hall

AGENDA

1. **Approve EDIC Meeting Minutes of 4/28/2026**
   a. April 28, 2026 [Page 1-3]

2. **Valley Process Technologies, LLC Application For Tax Incentives** [Page 4-10]

ECONOMIC AND DEVELOPMENT INCENTIVE COMMITTEE
Fargo, North Dakota

Regular Meeting **Tuesday, April 28, 2026**

The March 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 April 28, 2026.

The committee members present or absent are:

Members Present: Mayor Mahoney, Lucas Paper, John Cosgriff, Robert Wilson, Jon Eisert

Others Present: Jim Gilmour, Jackie Gapp, Michael Splonskowski

Others Absent: Levi Bachmeier, Erik Barner, Matt Schlenvogt, Dave Piepkorn,

Mayor Mahoney called the meeting to order at 1:03 p.m.

Minutes Approved

A motion was made by John Cosgriff to approve the minutes from March 24, 2026. Jon Eisert seconded. Motion carries.

Fargo Housing Authority Property Tax Incentive Application ("144" Project)

- Jim Gilmour introduced the Fargo Housing Authority request for a property tax incentive related to redevelopment of a former public housing site near 17th Street and 25th Avenue South.
- Project overview and funding:
    - The project site is approximately three acres and formerly contained 14 duplex townhomes that were part of the Fargo Housing Authority public housing portfolio.
    - HUD approved demolition of the existing units following a cost-benefit analysis determining that replacement would better serve long-term housing needs.
- The proposed redevelopment includes construction of a 65-unit affordable housing project consisting of:
    - 32 one-bedroom units
    - 20 two-bedroom units
    - 13 three-bedroom units
- The development will be financed through 9% Low-Income Housing Tax Credits along with supplemental state funding.
- All units will utilize project-based vouchers, ensuring affordability for extremely low-income residents.

- Eligibility will be limited to households earning at or below 50% of Area Median Income (AMI), approximately $40,500 annually for a one-person household.
- The Housing Authority requested a 15-year PILOT/property tax incentive corresponding with the tax credit compliance period.
- After the compliance period, ownership would transfer fully to Fargo Housing Authority following the investor's exit from the project.
- Project design and neighborhood considerations:
    - The project will orient toward 17th Street and 25th Avenue South.
    - Vehicle access will be routed through the cul-de-sac rather than collector roadways.
    - The site will include pedestrian and bike trail connectivity.
    - All parking will be surface parking; no garages are proposed.
    - Members noted the project's proximity to the Boys and Girls Club and described the location as beneficial for families.
- Committee discussion:
    - Fargo Housing Authority representatives stated that all current housing projects have waiting lists, with some exceeding 400 applicants.
    - Discussion included the significant community need for deeply affordable housing and the benefit of expanding available units.
    - Staff noted the request appears consistent with updated County incentive policy.
    - Representatives confirmed they would also present the project to the School Board.

A motion was made to approve the Fargo Housing Authority property tax incentive request as presented. John Cosgriff moved. Lucas Paper seconded. Motion carries.

Njaxa Software Property Tax Incentive Application

- Jim Gilmour introduced a property tax incentive request from Njaxa Software related to expansion into the RDO Building downtown.
- Project overview:
    - Njaxa Software is currently operating from downtown Fargo and plans to expand into approximately 7,500 square feet on the 14th floor of the RDO Building.
    - The company currently occupies approximately 2,800 square feet.
    - The business currently employs 11 individuals, including seven full-time and four part-time employees.
    - The company anticipates adding approximately two full-time equivalent positions annually over the next five years.
    - Average salaries associated with the project exceed $81,000 annually
- Developer and company presentation:
    - Ryan Ashine of the Greater Fargo Moorhead EDC discussed the company's growth trajectory and recruitment efforts.

  - Jamie Evenson, founder of Njaxa Software, explained the company develops staffing and workforce management software solutions for clients located primarily outside North Dakota, including major metropolitan markets and Canada.
  - The company originated in Nevada in 2018 before relocating operations to Fargo
  - Njaxa Software initially focused on staffing advisory services and ERP support before transitioning primarily into software development.
  - The company's software platform manages staffing industry "middle office" operations, including time capture, payroll calculations, billing, and related processes.
  - The company plans to require all developers to work from Fargo, resulting in relocation of several remote employees into the community.
  - Representatives noted Fargo's access to emerging software development talent through North Dakota State University and Concordia College.
- Committee discussion:
  - Members discussed the continued growth of Fargo's software industry and the importance of attracting high-paying technology jobs.
  - The Mayor noted Fargo's history of software industry development stemming from Great Plains Software and related spin-off companies.
  - The project received a score of 178 on the City's incentive evaluation matrix, which staff described as exceptionally strong.
  - Committee members expressed support for the project's downtown investment and workforce relocation efforts.

A motion was made to approve the Njaxa Software property tax incentive request as presented. John Cosgriff moved. Jon Eisert seconded. Motion carries.

The meeting was adjourned at 1:20 p.m.

NORTH Dakota | Commerce

Be Legendary.

June 11, 2026

Mike Thummel
Valley Process Technologies LLC
2483 9th St N
Wahpeton, ND 58075

Dear Mike:

Thank you for your application for primary-sector certification by the North Dakota Department of Commerce, Economic Development & Finance Division. We have reviewed your application and determined that ED&F can certify your company, **Valley Process Technologies LLC**, as primary sector and a new wealth creator in the economy of North Dakota. This certification is valid for **four years** (5/29/2026 to 5/29/2030).

Most of North Dakota's economic development programs, tools and incentives are targeted toward primary-sector clients. You may be requested to provide a copy of this primary-sector certification letter when you apply for certain economic development incentive and funding programs.

This certification does not guarantee the receipt of any North Dakota business incentive. For example, there are additional qualification criteria for the Seed Capital Investment and Agricultural Business Investment personal income tax credits, and it is critical that investments **NOT** be made prior to the business receiving certification for these two credits. If you are pursuing certification for investment tax credits and need to know the criteria required for qualification, contact Kevin Sonsalla.

This certification is not the application process for the North Dakota New Jobs Training Program administered by Job Service North Dakota. To apply for the North Dakota New Jobs Training Program, you must contact Job Service North Dakota for the required application forms. Application forms for other programs that require primary sector certification are available from the agency administering the program.

Also, companies and individuals pursuing the investment tax credit incentive are reminded there is a cap on available dollars. Please visit with the ND Office of the Tax Commissioner regarding the remaining balance for investment tax credits. The credits are available on a first-come-first-serve basis until the law-defined cap is met.

North Dakota appreciates your contribution to the citizens and economy of our state. If your company needs additional assistance, please contact us at 701-328-5300.

Sincerely,

Richard Garman

Richard Garman, Director
Economic Development & Finance Division

1600 E Century Avenue, Suite 6 | P.O. Box 2057 | Bismarck, ND 58502

PHONE: 701-328-5300 | TOLL FREE: 1-866-4DAKOTA | ND RELAY TTY: 1-800-366-6888 | VOICE: 1-800-366-6889 |

NDCommerce.com

Application For Property Tax Incentives For New or Expanding Businesses

N.D.C.C. Chapter 40-57.1

Project Operator's Application To City of Fargo
City or County

File with the City Auditor for a project located within a city; County Auditor for locations outside of city limits.

A representative of each affected school district and township is included as a non-voting member in the negotiations and deliberation of this application.

This application is a public record

Identification Of Project Operator

1. Name of project operator of new or expanding business Valley Process Technologies, LLC
2. Address of project 342 42nd St. South

   City Fargo County Cass
3. Mailing address of project operator 2483 9th St N.

   City Wahpeton State ND Zip 58075
4. Type of ownership of project

   ☑ Partnership ☐ Subchapter S corporation ☐ Individual proprietorship
   ☐ Corporation ☐ Cooperative ☑ Limited liability company
5. Federal Identification No. or Social Security No. 88-4353562
6. North Dakota Sales and Use Tax Permit No. 377514 00
7. If a corporation, specify the state and date of incorporation ______
8. Name and title of individual to contact Mike Thummel

   Mailing address 241 12th Ave N

   City, State, Zip Casselton, ND, 58012 Phone No. 701-404-0941

Project Operator's Application For Tax Incentives

9. Indicate the tax incentives applied for and terms. Be specific.

   ☑ **Property Tax Exemption**
   5 Number of years
   100 Percent of exemption

   ☐ **Payments In Lieu of Taxes**
   ______ Beginning year ______ Ending year
   ______ Amount of annual payments (attach schedule if payments will vary)
10. Which of the following would better describe the project for which this application is being made:

    ☑ New business project ☐ Expansion of a existing business project

Description of Project Property

11. Legal description of project real property

Lot: 8 Block: 4 WEST PARK 2ND S 293.57' OF LOT 8 BLK 4 **12-16-96 SPL FR 01-4012-00421-000

12. Will the project property be owned or leased by the project operator? ☑ Owned ☐ Leased

If the answer to 12 is leased, will the benefit of any incentive granted accrue to the project operator?
☐ Yes ☐ No

If the property will be leased, attach a copy of the lease or other agreement establishing the project operator's benefits.

13. Will the project be located in a new structure or an existing facility? ☐ New construction ☑ Existing facility

If existing facility, when was it constructed? 1996

If new construction, complete the following:

a. Estimated date of commencement of construction of the project covered by this application ______

b. Description of project to be constructed including size, type and quality of construction

______

c. Projected number of construction employees during the project construction ______

14. Approximate date of commencement of this project's operations 10/1/2026

15. Estimated market value of the property used <u>for this project</u>:

a. Land.. $ 441,000

b. Existing buildings and structures for which an exemption is claimed......................... $ 3,841,000

c. Newly constructed buildings and structures when completed .... $ ______

d. Total.. $ 4,282,000

e. Machinery and equipment....... $ 2,500,000

16. Estimate taxable valuation of the property eligible for exemption by multiplying the market values by 5 percent:

a. Land (not eligible) .... [redacted]

b. Eligible existing buildings and structures.................................. $ ______

c. Newly constructed buildings and structures when completed................................. $ 192,050

d. Total taxable valuation of property eligible for exemption (Add lines b and c).................... $ 192,050

e. Enter the consolidated mill rate for the appropriate taxing district 289.98

f. Annual amount of the tax exemption (Line d multiplied by line e) .... $ 55,690.66

Description of Project Business

Note: "project" means a newly established business or the expansion portion of an existing business. Do not include any established part of an existing business.

17. Type of business to be engaged in:
- [x] Ag processing
- [x] Manufacturing
- [ ] Retailing
- [ ] Wholesaling
- [ ] Warehousing
- [ ] Services

18. Describe in detail the activities to be engaged in by the project operator, including a description of any products to be manufactured, produced, assembled or stored (attach additional sheets if necessary).

This facility will be using in the Research & Developement and production of value added Ag and Food Processing biotech products that include but not limited to Biologics, Antimicrobials, Yeast, and Enzymes.

19. Indicate the type of machinery and equipment that will be installed

Lab Analytical equipment, Bio-Reactors, Stainless Steel Storage tanks, Food grade production equipment and packaging,

20. For the project only, indicate the projected annual revenue, expense, and net income (before tax) from either the new business or the expansion itself for each year of the requested exemption.

Year *(12 mo. periods)*	New/Expansion Project only Year 1	New/Expansion Project only Year 2	New/Expansion Project only Year 3	New/Expansion Project only Year 4	New/Expansion Project only Year 5
Annual revenue	2000000	4500000	8000000	15000000	25000000
Annual expense	3000000	4000000	7000000	11000000	18000000
Net income	-1000000	500000	1000000	4000000	7000000

21. Projected annual average number of persons to be employed by the project itself at the project location for each year for the first five years and the estimated annual payroll.

Year		Company-wide (before project)	New/ Expansion Project only Year 1	New/ Expansion Project only Year 2	New/ Expansion Project only Year 3	New/ Expansion Project only Year 4	New/ Expansion Project only Year 5
No. of Employees	(1)	12	22	37	51	62	74
	(2)	2	4	4	4	4	4
Estimated payroll	(1)	1300000	1700000	3200000	4800000	6000000	7400000
	(2)	27000	54000	54000	54000	54000	54000

(1) - full time
(2) - part time

Previous Business Activity

22. Is the project operator succeeding someone else in this or a similar business? ☐ Yes ☑ No
23. Has the project operator conducted this business at this or any other location either in or outside of the state?

    ☑ Yes ☐ No
24. Has the project operator or any officers of the project received any prior property tax incentives? ☐ Yes ☑ No

    If the answer to 22, 23, or 24 is yes, give details including locations, dates, and name of former business (attach additional sheets if necessary).

Business Competition

25. Is any similar business being conducted by other operators in the municipality? ☐ Yes ☑ No

    If YES, give name and location of competing business or businesses

Property Tax Liability Disclosure Statement

26. Does the project operator own real property in North Dakota which has delinquent property tax levied against it? ☐ Yes ☑ No
27. Does the project operator own a greater than 50% interest in a business that has delinquent property tax levied against any of its North Dakota real property? ☐ Yes ☑ No

    If the answer to 26 or 27 is Yes, list and explain

Use Only When Reapplying

28. The project operator is reapplying for property tax incentives for the following reason(s):
    - ☐ To present additional facts or circumstances which were not presented at the time of the original application
    - ☐ To request continuation of the present property tax incentives because the project has:
        - ☐ moved to a new location
        - ☐ had a change in project operation or additional capital investment of more than twenty percent
        - ☐ had a change in project operators
    - ☐ To request an additional annual exemption for the year of ______ on structures owned by a governmental entity and leased to the project operator. (See N.D.C.C. § 40-57.1-04.1)

Notice to Competitors of Hearing

Prior to the hearing, the applicant must present to the governing body of the county or city a copy of the affidavit of publication giving notice to competitors unless the municipality has otherwise determined there are no competitors.

I, Mike Thummel, do hereby certify that the answers to the above questions and all of the information contained in this application, including attachments hereto, are true and correct to the best of my knowledge and belief and that no relevant fact pertaining to the ownership or operation of the project has been omitted.

[signature]	Chief Executive Officer	5/29/26
Signature	Title	Date

PRIVACY ACT NOTIFICATION

In compliance with the Privacy Act of 1974, disclosure of a social security number or Federal Employer Identification Number (FEIN) on this form is required under N.D.C.C. §§ 40-57.1-03, 40-57.1-07, and 57-01-15, and will be used for tax reporting, identification, and administration of North Dakota tax laws. Disclosure is mandatory. Failure to provide the social security number or FEIN may delay or prevent the processing of this form.

Certification of Governing Body (To be completed by the Auditor of the City or County)

The municipality shall, after granting any property tax incentives, certify the findings to the State Tax Commissioner and Director of Tax Equalization by submitting a copy of the project operator's application with the attachments. The governing body, on the _____ day of _________________, 20____, granted the following:

☐ **Property Tax Exemption**

_______ Number of years

_______ Percent of exemption

☐ **Payments in lieu of taxes**

_______ Beginning year _______ Ending year

_______ Amount of annual payments (Attach schedule if payments will vary)

____
Auditor

Exemption Evaluation Calculator			**138.0**			**178.0**
Valley Process Technologies LLC			**Points**			**Points**
Project Type Code (Ctrl-C to view)		1	**38.0**		1	**38.0**
Current Number Of Employees	**Year 1**	12		**Year 3**	12	
Hourly Salary Without Benefits	**# Jobs**			**# Jobs**		
Under $13.00						
$13.01-$15.00						
$15.01-$20.00						
$20.01-$28.00		Pts. For # Jobs->	**25.0**		Pts. For # Jobs->	**25.0**
$28.01-$35.00	26	Pts. For $ Jobs->	**35.0**		Pts. For $ Jobs->	**75.0**
Over $35.00				51		
TOTAL # OF JOBS CREATED	**26**			**51**		
% GI w/ Local Competition (not downtown)			**25.0**		0%	**25.0**
Value of Proposed Buildings			**0.0**			**0.0**
Downtown Location (Y/N)		N	**0.0**		N	**0.0**
Startup Firm (Y/N)		Y	**15.0**		Y	**15.0**
Has Const Started or Has Bldg Been Occupied If Existing (Y/N)		N	**0.0**		N	**0.0**
Number of Years (Exemption)		5			5	
Company Safety Experience Rating			**0.0**		0	**0.0**
RECOMMENDATION IS TO		**APPROVE**			**APPROVE**	
Description		Manufacturing			Manufacturing	
Estimated New Annual Payroll		$1,730,560			$3,818,880	
Estimated Annual Real Estate Tax		$55,691			$55,691	
Estimated PV of Exemption		$241,111			$241,111	
Payroll / PV of Exemption		7.2			15.8	
Property Value / # of Jobs		$ 147,731			$ 75,314	
Total Value Of Benefit		$ 278,453			$ 278,453	