



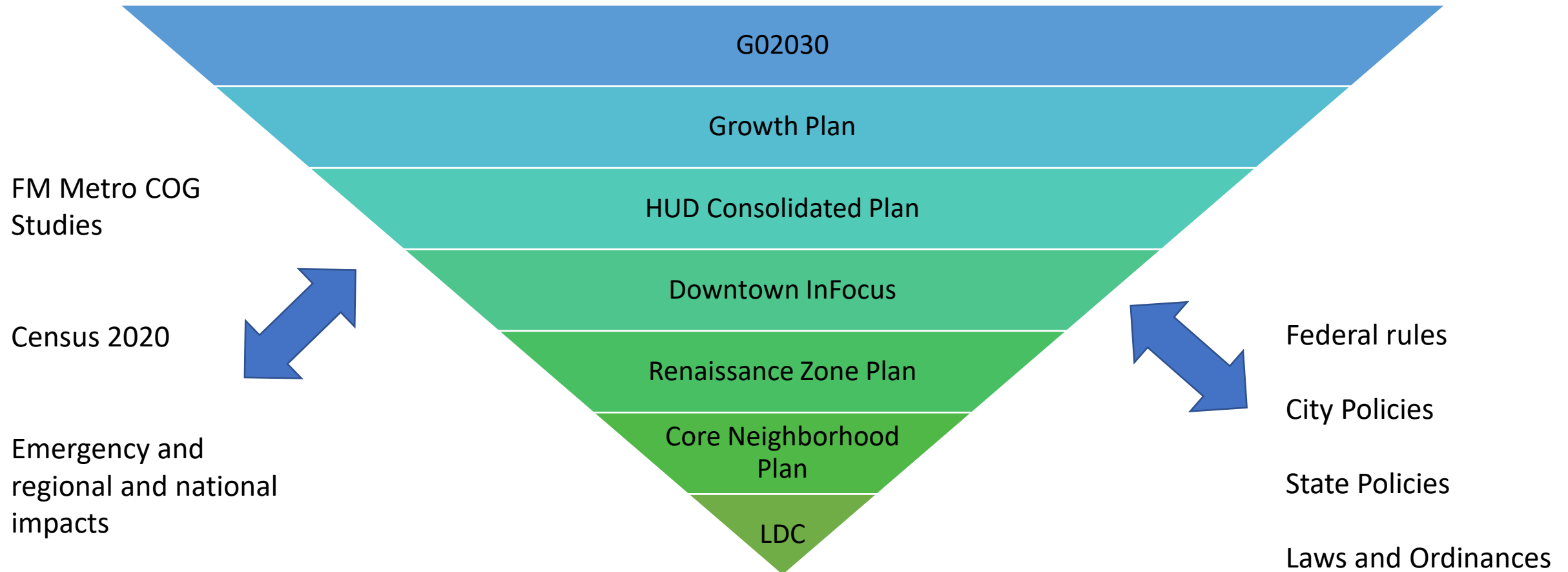
A Land Development Code to Shape Fargo's Future

INCENTIVES UPDATE

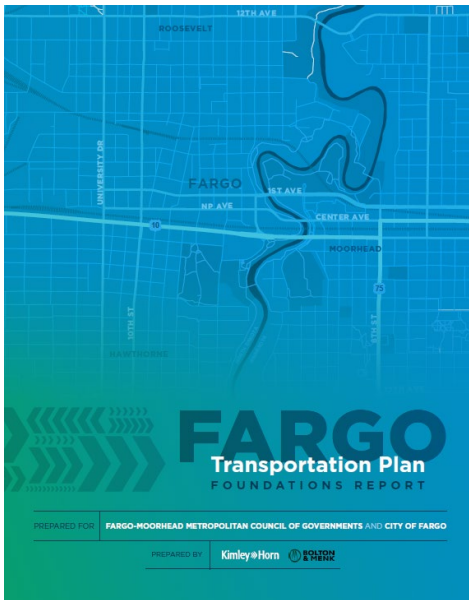
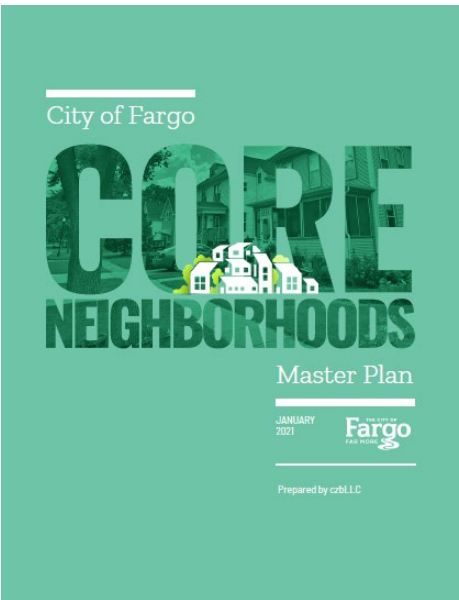
City Commission

July 20, 2026

Fargo's Comprehensive Plans



Strategy Guidance from City Policy



Fargo Growth Plan Process Summary

- Process began in March 2023
- Public engagement during 2023 and early 2024
 - Seven rounds of meetings with Advisory Committee
 - Two rounds of public open houses (June and October '23)
 - Two online surveys (June-July and October-November '23)
- Preferred Growth Scenario released for public review and comment in December 2023
- Adopted in August 2024

Community Engagement

Stakeholders

- Advisory Committee (40 Community and Development Stakeholders)
- Technical Committee (28 Utility, Infrastructure and Department Leaders)
- Planning and City Commission updates

Outreach

- Kitchen Table Conversations
- Stakeholder Interviews
- Presentations
- Open Houses
- Online Surveys



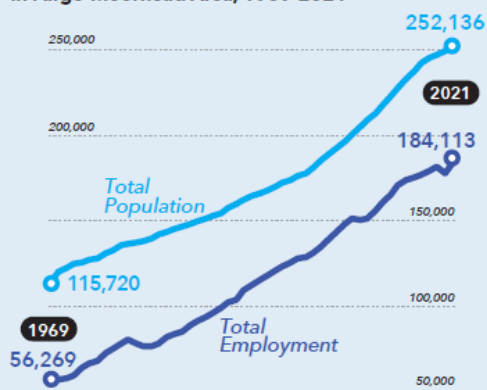


PART 1

Fargo's Growth History

Part 1 establishes a shared understanding of historical and recent growth patterns, the forces and systems that have shaped those patterns, and the implications of remaining on or deviating from Fargo's current path.

Steady Employment and Population Growth in Fargo-Moorhead Area, 1969-2021



Key Takeaways

- Fargo is planning for the future from a position of genuine strength
- Growth patterns have improved over the past 10-15 years
- Implementation of growth-related goals has been constrained by missing or outdated tools
- The FM Diversion creates urgency to "get it right," especially in the south
- Opportunities to be proactive about redevelopment will be important to seize



PART 2

Intentions for Future Growth

Part 2 defines the growth intentions that emerged during the planning process and that serve as the basis for the development of tools, policies, and processes to implement those intentions.

Fargo's intentions for growth are grounded by a commitment to *Practical Growth*, which will be echoed in decisions that demonstrate:

- Far-sightedness
- Fiscal responsibility
- Good stewardship
- Entrepreneurialism

Fargo's Preferred Growth Scenario reflects its application of principles for practical growth

Where Fargo Will Grow

66% No more than two-thirds of Fargo's growth should be absorbed by greenfield areas, a sharp reduction from previous periods of growth



33% At least one-third of Fargo's growth should be accommodated by downtown, core neighborhoods, and other developed areas



How Fargo Will Grow

No matter where growth is happening, it will be notably different from the late 1900s and early 2000s for having:

Substantially better form and design in neighborhoods and along commercial corridors

Greater mixing of different land uses and amenities

Greater integration of different housing types

Better connections between neighborhoods

An urban form that expands the range of travel options for Fargo residents



PART 3

Framework for Practical Growth Management

Part 3 lays out a policy framework that will shift Fargo in the direction of its intentions for growth by clearly expressing what Fargo can say "yes" to. The models within the framework all emphasize growth patterns that are more urban in character—more intensity, greater mixing—than recent patterns.

Practical Growth Management Components

Context-Sensitive Expectations

Fargo's growth intentions, and how those intentions relate to specific settings in existing parts of Fargo and on its edges, are communicated through four interconnected models for growth:

- Fargo's Transect
- Place Types
- Growth Grid
- Growth Centers



By-Right Development

A commitment to a streamlined system of by-right approvals ensures that projects that align with Fargo's growth intentions—and its clearly communicated expectations—receive the predictability and transparency of automatic administrative approvals.



Optimal Growth

Projects eligible for by-right approval are not automatically eligible for assistance or incentives. Only projects that represent "optimal" growth under the Framework for Practical Growth Management are actively helped by the City of Fargo as a way to encourage and promote developments that best express Fargo's intentions.



PART 4

Implementation Steps

Part 4 calls attention to the tools, policies, and processes that will need to be modified to successfully implement the Framework for Practical Growth Management. It recognizes that while the growth intentions described in Part 2 are not substantially different from the visions described by plans of the past 20 years, critical pivots to Fargo's growth systems are necessary to bring them into fuller alignment with Fargo's goals.

Tools, Policies, and Practices in Need of Attention



A New Land Development Code



Changes to Financial and Economic Development Practices



Enhanced Coordination of Public Infrastructure and Facilities

Outcomes to Measure and Monitor

At a basic level, Fargo will know if the Framework for Practical Growth Management is working—or if it needs adjustments over time—by measuring and tracking just a few key metrics.

- Is the distribution of growth outlined in Part 2 (66% in greenfield areas / 33% in already developed areas) being achieved?
- Are at least 95% of projects approved under a revamped LDC receiving by-right approval?
- Is the full market value of real estate growing at levels that reflect healthy value generation?

Implementation Steps



**A New Land
Development
Code**



**Changes to
Financial and
Economic
Development
Practices**



**Enhanced
Coordination
of Public
Infrastructure
and Facilities**



Action Steps

Activating the Framework for Practical Growth Management by making the changes outlined in this Implementation Plan will require a near-term focus on policy modifications and systems-building. The first 12 months after the adoption of this Growth Plan will, as this timeline shows, be a period of initiating regulatory overhauls and instituting new or more formalized processes—work that will continue into the second and third years of implementation.

The capacity and resourcing of City departments to undertake the patient work of the first three years—and to take true ownership of plan interpretation—will be the key to consistent, plan-aligned decision-making in the years that follow.

Regulatory and Policy Steps

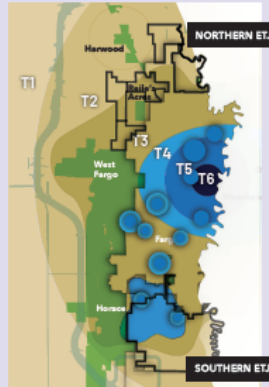
	WHAT	First 12 months	Months 13-36	Year 4-6	Years 7-10	WHO
Regulatory and Policy Steps	LDC Update	Initiate LDC update; start process with small area planning to test recommendations and refine place types	Complete LDC update, including updates to administrative procedures	Begin bi-annual LDC tune-ups	Continue bi-annual LDC tune-ups	Planning & Development
	Growth Grid Activation	Confirm or revise Growth Grid sequencing in the northern and southern ETJ to inform LDC update process	Finalize and confirm Growth Grid procedures; activate Growth Grid model	Apply Growth Grid model; confirm build-out percentages of current Growth Grids on an annual basis; make preparations for next-in-sequence Growth Grids as needed	Confirm build-out percentages of current Growth Grids on an annual basis; make preparations for next-in-sequence Growth Grids as needed	Planning & Development, with Engineering and Public Works
	Growth Centers Activation	Initiate Growth Center selection and phasing to inform preparations for Growth Center small area plans	Confirm selection and phasing of Growth Centers; initiate first group of Growth Center small area plans	Amend LDC and other policies, as needed, to reflect first group of Growth Center plans; initiate infrastructure projects outlined in plans; confirm Growth Center selections/phasing and begin second round of plans if needed	Monitor Growth Center development; make additional LDC and other policy changes as needed; continue infrastructure improvements outlined in plans; initiate additional rounds of Growth Center plans as needed	Planning & Development, with Engineering and Public Works
	Economic Development Policy Updates	Initiate update to development incentive policies to support the Growth Plan and inform LDC updates; confirm definition of Optimal Growth and select context-sensitive public benefits as a basis for "optimal" designation	Finalize incentive policy updates to support optimal growth; put new policies into practice	Perform bi-annual review of development incentive policies and the degree to which they are promoting optimal growth outcomes; use review to inform amendments	Continue bi-annual review of development incentive policies	City Administration
Internal Planning and Review Steps	Financial Planning	Develop 10-year financial plan for City of Fargo	Maintain and update 10-year financial plan	Maintain and update 10-year financial plan	Maintain and update 10-year financial plan	Finance Office
	Capital Improvement Planning	Begin transition to four-year capital improvement plans (CIPs)	Complete and maintain the transition to four-year capital improvement plans (CIPs)	Maintain four-year capital improvement plans (CIPs)	Maintain four-year capital improvement plans (CIPs)	Engineering
	Consolidated Plan Review	Formalize consolidated planning review within Fargo City Hall	Continue consolidated planning review within Fargo City Hall; assess process to identify potential improvements	Continue consolidated planning review	Continue consolidated planning review	City Administration
	Neighborhood Improvement Plans	Begin development of model for internal Neighborhood Improvement Plans to guide investments and activities across departments in targeted areas	Expand and refine model for internal Neighborhood Improvement Plans	Continue development and maintenance of Neighborhood Improvement Plans	Continue development and maintenance of Neighborhood Improvement Plans	Engineering
	Growth Plan Review	Identify process for annual review of Growth Plan implementation progress and preview of upcoming work	Maintain annual review/preview process	Maintain annual review/preview process; during Year 5, conduct a full evaluation to identify and make any necessary updates	Maintain annual review/preview process; during Year 10, conduct a full evaluation to identify and make any necessary updates	Planning & Development
Regional Planning Steps	Coordination of Regional Growth Planning	Convene Regional Growth Planning Task Force to clarify growth intentions across municipalities and coordinate infrastructure and facilities planning; include Fargo-specific sub-group of relevant agencies and authorities for multi-agency coordination	Maintain Regional Growth Planning Task Force	Maintain Regional Growth Planning Task Force	Maintain Regional Growth Planning Task Force	Planning & Development, with Cass County Planning Office and Metro COG

Putting it All Together: Proposal Review Checklist

Step 1

Identify the proposed project on the Transect to ensure compliance with the desired growth pattern for Fargo

Using the Transect as a broad-spectrum classification that categorizes development patterns into six general zones of rising intensity from the Rural Edge to the Urban Core (downtown), new development should be compatible with the rural to urban context zones detailed on p.65 and geographically mapped on the Transect Map on page 67.



Step 2

Confirm the proposed project adheres to the Place Type indicated on the Place Type maps

The Place Types outlined on pages 68 - 75 provide a more detailed classification that describes the general character of places that currently exist in Fargo and, more importantly, of places that Fargo intends to nurture and develop as it grows. These Place Types charts include the primary and secondary uses that are most common to each designation as well anticipated densities and transit and infrastructure needs.

The Place Type map for projects located within the city is on page 109 and page 111 for projects located outside the existing Fargo boundary but within the southern or northern ETJ.

Place Type



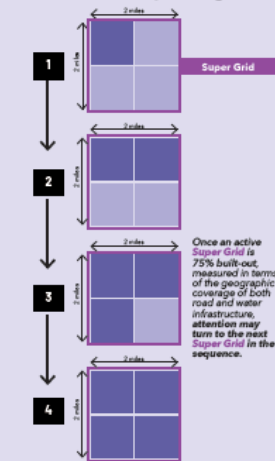
Step 3

If the proposed project is in the ETJ, confirm the project is located within the Super Grid currently under development and that it generally follows the Growth Grid Sequencing

The Growth Grids, depicted on pages 80 - 81, represent a typical section (an area equal to one mile by one mile) and establish a sequenced, well-organized, and practical manner for growth in the ETJ.

Pages 82 - 85 describe a recommended mix of Place Types applied to a typical Super Grid (made up of four contiguous Growth Grids) to ensure higher intensity mixed-use commercial development (in the form of a Growth Center) is established in each Super Grid.

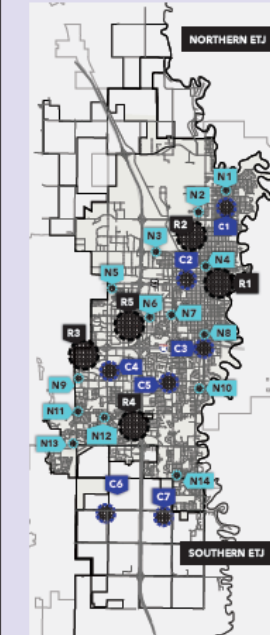
Growth Grid Sequencing



Step 4

If the proposed project is in an identified Growth Center, evaluate the project's capacity to advance well-connected mixed-use development patterns at higher densities

The Growth Centers represent distinct geographic areas that include multiple Place Types that typically exist in the more urban zones of Fargo's transect. These Growth Centers are identified on page 94 in locations within the City of Fargo that can and should support increased density and mixed-use development as well as in locations within the Growth Grids and Super Grids (in the ETJ) where future development should be intensified.



Step 5

Assess the proposed project to determine whether it provides the required public benefits to be considered "optimal growth"

Once the four models to guide future growth have been fully assessed and the proposed project meets or exceeds the levels of context-sensitivity required to achieve growth patterns that are more urban and more inwardly focused, the project shall qualify for "by-right" approval as outlined on pages 96 - 97.

If the proposed development is requesting any form of incentive, special assessment, or subsidy, the final step is to assess the project to determine whether it provides the required public benefits to be considered "optimal growth" as outlined on pages 98 - 99.

TEST 1



TEST 2

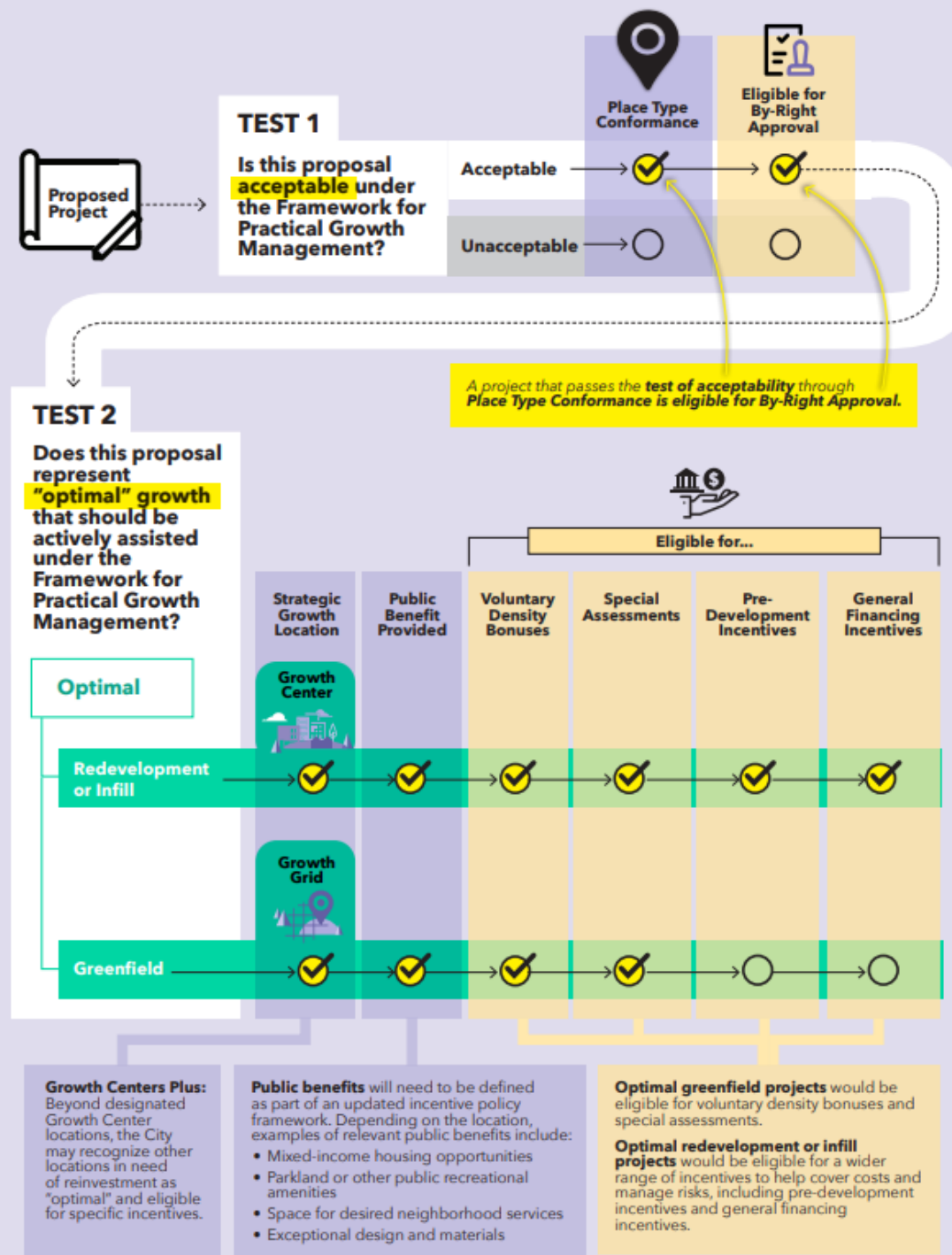
Optimal Growth



Optimal Growth



A two-part test to allow acceptable growth and actively promote optimal growth



The three areas are:



**A New Land
Development
Code**



**Changes to
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Practices**



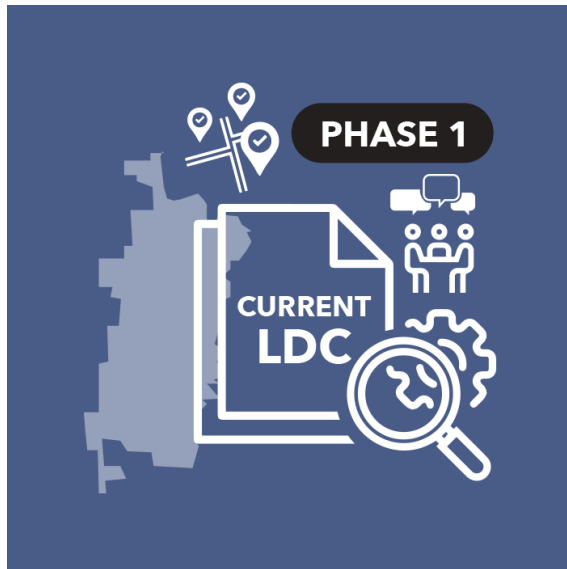
**Enhanced
Coordination
of Public
Infrastructure
and Facilities**

Action Steps and Timeline



Implementation will occur over the course of decades. But a lot will be determined by the tone set in the first few years, which will require a rapid but careful sequencing of actions to move the three areas of proposed changes forward. It will also require the navigation of the period in between the adoption of this plan and the build-out of new implementation systems, such as the new LDC.

LDC Project Phases and Timeline



Code Analysis and Testing

December 2024-August 2025



Code Drafting and Development

April 2026 – November 2026



Code Finalization, Adoption, and Training

June 2026 – December 2026

Growth Planning and Process Collaborations Across Departments and Divisions

Administration

Planning & Zoning

Engineering

Water, Wastewater Reclamation, and
Solid Waste

Public Works

Police and Fire

Growth Planning and Process Collaborations Across Agencies and Authorities

Fargo Public Schools and West Fargo
Public Schools

Fargo Park District

Cass County

Fargo-Moorhead Metro COG

MATBUS

Metro Flood Diversion Authority

State of North Dakota

NDSU

Fargo and neighboring municipalities

1

Take fiscal costs and benefits into consideration when making land use decisions

Land uses and land use patterns have major implications for the City's long term fiscal health. Consequently, some type of fiscal assessment system should be established to ensure that each major development project is a use and development form that meets the City's long-term goals. These goals should be broader than the project's fiscal benefits and should encompass a project's conformance with the place type of its location. But at the same time, the project should be able to demonstrate that it will contribute to the City's overall assessed valuation over the long run, and that the project meets general market demand or community objectives.

This assessment process should also address a process for assessing the benefits of land use proposals from large institutional users who are exempt from paying property taxes. While these uses may be important to the community, the proposed location may require extensive infrastructure investment and an increase in public safety costs that are not adequately addressed by the fees the user will pay. If the location appears inappropriate, this may present an opportunity to identify a more productive or fiscally sound location.

2

Prepare a 10-year financial plan consistent with the Growth Plan

A long-range financial plan for the City of Fargo should be an integrated document that considers 10-year revenues and costs for ongoing City operations—including both general services and capital improvements—but also anticipates major new infrastructure projects that could be required to support future growth where there are no current sources of offsetting revenues. These new infrastructure costs could include major upgrades to arterial streets and new interchanges.

Some of these costs, such as new interchanges, may be paid for by other governmental entities, such as NDDOT, but the City may still need to contribute to build out local "betterments" such as bicycle facilities, that the state will not fund.

Public safety expansions in relation to future growth also needs to be studied as part of this effort. This analysis should establish performance standards for both police and fire responses and then plan any necessary capital improvements needed to meet response time standards in response to future growth patterns.

3

Prepare four-year capital improvement plans consistent with the Growth Plan

Capital Improvement Plans (CIP) are currently completed annually. However, many projects included in the CIP require multi-year funding. Having a longer term for CIPs allows for greater certainty and efficiency in planning and executing projects, as well as creating greater consistency for any property owners subject to special assessments required to fund these projects.

As part of this process, assessments could also be tied to an inflation index so that rates are increased some amount each year just to reflect inflation.

Next Steps & Timeline:

LDC:

1. Mid August: Informational Meeting #1 & 80% Draft
2. Late August: Joint Planning Commission & City Commission & Focus Groups
3. September: Identify consensus building topics
4. October: Zoning map development
5. November: Begin public hearing processes

INCENTIVES & “OPTIMAL DEVELOPMENT” DEFINITIONS:

1. Mid August: Informational Meeting #1
2. Late August: Joint Planning Commission & City Commission & Focus Groups
3. September: Round tables with developers and partners
4. October: Combining EDIC & RZ Authority
5. New policy development or refinements: Early 2027

Meanwhile....Messy in-between stages