

FARGO CITY COMMISSION AGENDA
Monday, July 31, 2017 - 5:00 p.m.

City Commission meetings are broadcast live on TV Fargo Channel 56 and online at FargoND.gov/streaming. They are rebroadcast Mondays at 5:00 p.m., Thursdays at 7:00 p.m. and Saturdays at 8:00 a.m.; and are also included in our video archive at FargoND.gov/citycommission.

- A. Pledge of Allegiance.
- B. Roll Call.
- C. Approve Order of Agenda.
- D. Minutes (Regular Meeting, July 17, 2017).

CONSENT AGENDA – APPROVE THE FOLLOWING:

- 1. 2nd reading, waive reading and final adoption of the following Ordinances:
 - a. Rezoning Certain Parcels of Land Lying in Pantzke Addition.
 - b. Amending Section 20-1005 of Article 20-10 of Chapter 20 of the Fargo Municipal Code (Land Development Code) relating to Nonconformities.
- 2. Applications for property tax exemptions for improvements made to buildings:
 - a. Leslie and Oleg Rusakov, 3010 20th Street South (3 year)
 - b. Kathleen M. Beeson, 1229 3rd Street North (5 year).
 - c. Gary L. and Diane M. Roeder, 410 22nd Avenue North (5 year).
 - d. Kim M. and Beverly A. Colwell, 3520 Longfellow Road North (5 year).
- 3. Site Authorization for Sts. Anne & Joachim Catholic Church at Sts. Anne & Joachim Catholic Church.
- 4. Applications for Games of Chance:
 - a. Fargo North High School for a calendar raffle from 8/22/17 to 5/22/18.
 - b. Fargo North High School for a calendar raffle from 8/22/17 to 5/22/18.
 - c. Fargo Davies High School for a calendar raffle from 8/26/17 to 5/15/18.
 - d. Fargo Davies High School for a calendar raffle from 11/21/17 to 2/17/18.
 - e. Holy Spirit Catholic Church for bingo, raffle and calendar raffle from 10/1/17 to 10/29/17.
 - f. Friendship Inc. for a raffle on 11/3/17.
 - g. CHI Riverview for a raffle on 10/8/17.
 - h. ND Section of American Water Works Association for a raffle from 10/17/17 to 10/19/17.
 - i. Bethany Auxiliary for a raffle on 8/3/17.
- 5. Six-month extension of the Class "A" Alcoholic Beverage License for the Ground Round.
- 6. Authorization to Draw from Loan Agreement dated as of 7/1/17 with Wells Fargo Bank, N.A.
- 7. Purchase Agreement and Quitclaim Deed to Arnold Berg Jr. for the sale of property located in Tyler's Addition in the amount of \$16,500.00.

8. Contract Agreement with Patrick J.E. Thoenke to support the implementation of healthy concession stand options.
9. Bus Service Agreement with Roers Development Inc.
10. Amendment to Joint Powers Agreement for Transit Support, Agreement for Transit Services and Bus Advertising Wrap Agreement Advertising Agreement No. 17-F09 all with NDSU.
11. Task Order No. 5 with AE2S in the amount of \$52,000.00 for The Fargo Project.
12. Contract Amendment with Interface Studio LLC in the amount of up to \$54,000.00 for the Downtown Master Plan.
13. Change Orders for the Roberts Commons Parking Garage:
 - a. No. 3 for an increase of \$5,187.65.
 - b. No. 4 for an increase of \$1,478.81.
 - c. No. 5 for an increase of \$18,037.49.
 - d. No. 6 for an increase of \$472.80.
 - e. No. 7 for an increase of \$2,832.50.
14. Submission of the 2016 Consolidated Annual Performance Evaluation Report for the City's Community Development Programs to HUD.
15. Awarding of the 2018 tree order (RFP17218).
16. Change Order No. 10 for an increase of \$43,831.00 for the general construction contract of Project No. WA1301.
17. Sole Source Procurement of chlorine feed equipment from Hawkins, Inc. in an amount of up to \$166,991.00 for Project No. WA1301.
18. Task Order No. 96 with AE2S in the amount of \$328,650.00 for Project No. WA1510.
19. Change Order No. 3 for an increase of \$3,600.00 for Project No. WA1601.
20. 60-day time extension for Project No. SW17-02, Cell No. 14, 16, 17 Phase II and partial closure project at the Landfill.
21. Final Balancing Change Order No. 1 for an increase of \$3,850.00 for Project No. SW16-02.
22. Agreement for Engineering Technician I with Matthew Licht.
23. Purchase Agreement for property at 602 Hackberry Drive South (Project No. MS-15-K0).
24. Amendment to the CIP to include Project No. UR-17-F.
25. Bid advertisements for Project Nos. FM-14-63 and UR-17-F.
26. Time Extension to 8/29/17 for Project No. FM-17-A1.
27. Early Building Permit for Border States Electric at 2400 38th Street South.
28. Setback Waiver Request for property at 301 3rd Avenue North.

29. Extension of the 2016/2017 highway deicing salt contract with Compass Minerals America, Inc. for the 2017/2018 snow season at a price of \$93.34 per ton.
30. Extension of the Public Works Master Services Agreement with Kadrmas, Lee & Jackson, Inc. for an additional two years with no change in pricing.
31. Proposal from Iowa Rotocast Plastics, Inc. in the amount of \$35,347.50 for fourteen condiment carts at the FARGODOME.
32. Proposal from Scenic Sign Corp. in the amount of \$27,895.00 to retrofit the east side exterior sign at the FARGODOME to LED lighting.
33. Contract and bond for Project No. SN-17-A1.
34. Bills.
35. Final Balancing Change Orders for the following Improvement Districts:
 - a. No. 1 for a decrease of \$30,096.98 for No. FM-14-12.
 - b. No. 2 for an increase of \$77.96 for No. BR-15-A1.
 - c. No. 2 for a decrease of \$7,058.60 for No. PN-15-N1.
 - d. No. 2 for a decrease of \$65,679.81 for No. PN-15-M1.
 - e. No. 3 for an increase of \$53,848.03 for No. UR-16-A1.
 - f. No. 4 for a decrease of \$47,352.46 for No. BN-15-N1.
 - g. No. 4 for a decrease of \$108,198.92 for No. PR-14-01.
 - h. No. 4 for a decrease of \$21,219.79 for No. BN-15-K1.
 - i. No. 6 for a decrease of \$45,585.64 for No. FM-15-B1.
36. Amended Engineer's Report for Improvement District No. BN-17-G.
37. Bid awards for Improvement District Nos. BN-17-A1 (delayed from 7/17/17 Regular Meeting), BN-17-G1, SL-17-E1, SL-17-F1, SL-17-G1 and UN-15-B1.
38. Creation of Improvement District No. BN-17-H1 to support an infrastructure request for the 2017/2018 construction season.
39. Create Improvement District No. BN-17-H.
40. Contracts and bonds for Improvement District Nos. AN-17-A1, BN-17-A1 and TN-16-F1.

REGULAR AGENDA:

41. Update on the Cass Clay Food Commission and the restructuring of the Cass Clay Food Partners.
42. Commissioner Piepkorn would like to have a discussion regarding Broadway Parking Islands.
43. Public Hearings - 5:15 pm:
 - a. Osgood Townsite Sixth Addition (4575 45th Street South); approval recommended by the Planning Commission on 7/6/17:
 1. Zoning Change from MR-1, Multi-Dwelling Residential to P/I, Public and Institutional with a C-O, Conditional Overlay on Lot 3, Block 1.
 2. 1st reading of rezoning Ordinance.

- b. Osgood Townsite Fifteenth Addition (5050 47th Street South); approval recommended by the Planning Commission on 7/6/17:
 - 1. Zoning Change from LC, Limited Commercial to LC, Limited Commercial, with a PUD, Planned Unit Development Overlay.
 - 2. 1st reading of rezoning Ordinance.
 - 3. Planned Unit Development Master Land Use Plan.
- c. Dewitts Addition (308 9th Avenue North); approval recommended by the Planning Commission on 7/6/17:
 - 1. Zoning Change from MR-2, Multi-Dwelling Residential to SR-5, Single-Dwelling Residential with a PUD, Planned Unit Development Overlay.
 - 2. 1st reading of rezoning Ordinance.
 - 3. Planned Unit Development Master Land Use Plan.
- d. Section 5307 Federal Transportation Administration Grant Preliminary Program of Projects for 2017.
- e. Application filed by BNG Holdings, Inc. for a property tax exemption for an expansion project located at 3285 47th Street South which the applicant will use in the operation of merchant services including processing, payment gateway integration software, point of sale technology and website design.
- f. Application filed by 1023 Flats for a payment in lieu of tax exemption (PILOT) for a project located at 1023 1st Avenue South which the applicant will use in the operation of a rental property.
- g. Transfer of a Class "FA" Alcoholic Beverage License from Lone Star Steakhouse d/b/a Lone Star Steakhouse at 1535 University Drive South to David Schlossman d/b/a David Schlossman; denial recommended by the Liquor Control Board on 7/19/17.
 - 1. Consider a six-month extension of the Class "FA" Alcoholic Beverage License for the Lone Star Steakhouse.
- h. Application filed by R & R LLC d/b/a Reese Riley Bistro for a Class "GH" Alcoholic Beverage License at 2653 45th Street South; denial recommended by the Liquor Control Board on 7/19/17.
- i. Resolution Providing for the Issuance of Revenue Bonds by the Colorado Health Facilities on Behalf of the Evangelical Lutheran Good Samaritan Society; continued from the 7/17/17 Regular Meeting.
- 44. Resolution Authorizing the Issuance of Refunding Improvement Bonds, Series 2017C and Refunding Improvement Bonds, Series 2017D.
- 45. Update from the Human Relations Commission on hate speech and crimes.

People with disabilities who plan to attend the meeting and need special accommodations should contact the Commission Office at 241-1310. Please contact us at least 48 hours before the meeting to give our staff adequate time to make arrangements.

Minutes are available on the City of Fargo web site at FargoND.gov/citycommission.



Fargo-Moorhead Metropolitan Council of Governments

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Email: metrocof@fmmetrocog.org

<http://www.fmmetrocog.org>

To: Board of City Commissioners of the City of Fargo

From: Kim Lipetzky – Fargo Cass Public Health
Megan Myrdal – Cass Clay Food Commission
Adam Altenburg – Metro COG

Date: July 21, 2017

Subject: Cass Clay Food Commission Update and Cass Clay Food Partners Restructure

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Cass Clay Food Commission Update. Since March 2015, the Cass Clay Food Commission (formerly the Cass Clay Food Systems Advisory Commission) has worked to advise elected officials, policy makers, and city and county staff on ways of increasing access to safe, nutritious, and affordable food in the Fargo-Moorhead metropolitan area. During much of this time, the Commission has focused on the broad area of urban agriculture and has developed a number of policy blueprints examining the technical, practical, and financial considerations for different practices. Each blueprint includes background information on an urban agriculture issue, a framework for evaluating benefits and concerns, and model codes and example ordinances from other jurisdictions in the region and throughout the country. The intended purpose of these blueprints is to provide policy guidance and education to city and county officials, planning departments, and other interested parties should a community decide to address an urban agriculture issue. Each blueprint is available to download on the Fargo Cass Public Health website.

Cass Clay Food Partners Restructure. The Cass Clay Food Systems Initiative was formed in 2010 in response to a growing local interest in healthy food access and opportunities to produce and consume locally grown food. As part of its work, the Initiative worked closely with Metro COG to develop the Metropolitan Food Systems Plan and a Joint Powers Agreement creating the Cass Clay Food Commission.

During this time, the Fargo-Moorhead food system has transformed significantly. New farms, businesses, and markets have emerged, and there are increasing opportunities to grow, buy, and sell local food. New organizations are working to provide community gardens, to teach food skills, and to build relationships with fellow community members around growing, cooking, and sharing local food. More groups are working to address issues related to hunger, waste, and community food resilience.

As the local food system has evolved and as community food systems grow, there is an opportunity to restructure the Cass Clay Food Systems Initiative to better serve the needs of the community. The goal of this restructure is to help individuals better understand what is happening in the community and to highlight ways for people to become active and involved. Additionally, with the significant growth experienced in the local food system, there is a need for more collaboration and partnerships to increase access to safe, nutritious and affordable food in the area.

The Cass Clay Food Systems Initiative will be becoming the **Cass Clay Food Partners**. The Cass Clay Food Partners will include the **Cass Clay Food Partners Steering Committee** (advisory committee of key government agencies and local food systems experts), the **Cass Clay Food Commission** (local policy board representing jurisdictions in the Fargo-Moorhead metropolitan area), and the **Cass Clay Food Action Network** (a network of community organizations and individuals working together to accelerate food system progress).

Cass Clay Food Commission Blueprints

Blueprints are documents developed by the Cass Clay Food Commission to assist local governments interested in addressing food system issues through policy and interventions. The documents are available for use by jurisdictions interested in moving a particular food system topic forward in their community.

The blueprint documents highlight background information and needs within our local food system, benefits and concerns as they relate to an evaluation framework (health, environment, economic and social perspectives), and examples of policies and ordinances in other jurisdictions in the region (i.e. Sioux Falls, Lincoln, Duluth) and throughout the United States.

Blueprints developed to date include:

Community Gardens

Residential Gardening

Farmer's Markets

Cottage Food Laws

Backyard Season Extenders

Backyard Composting

Municipal Composting

Backyard Chicken Keeping

Beekeeping

Gleaning (draft)

To access the blueprints visit www.cassclayfoodpartners.com, click "Resources" on the left, then "Blueprints". For a manual of all current blueprints contact Adam Altenburg, Metro COG at (701) 232-3242.



CASS CLAY
FOOD
PARTNERS

(43a)

| City of Fargo Staff Report | | | |
|---------------------------------------|---|-----------------------|---------------|
| Title: | Osgood Townsite Sixth Addition | Date: | 06/07/17 |
| | | Update: | 07/24/17 |
| Location: | 4575 45th Street South | Staff Contact: | Barrett Voigt |
| Legal Description: | Lot 3, Block 1, Osgood Townsite Sixth Addition | | |
| Owner(s)/Applicant: | Calvary United Methodist Church/Bill Kranzler | Engineer: | None |
| Entitlements Requested: | Zoning Change (from MR-1, Multi-Dwelling Residential to P/I, Public and Institutional with a C-O, Conditional Overlay) | | |
| Status: | City Commission Public Hearing: July 31, 2017 | | |

| Existing | Proposed |
|--|--|
| Land Use: Religious Institutional | Land Use: No Change |
| Zoning: MR-1, Multi-Dwelling Residential | Zoning: P/I, Public and Institutional with a C-O, Conditional Overlay |
| Uses Allowed: Allows detached houses, attached houses, duplexes, multi-dwelling structures, daycare centers up to 12 children, group living, parks and open space, religious institutions, safety services, schools, and basic utilities. | Uses Allowed: Allows colleges, community service, daycare centers of unlimited size, detention facilities, health care facilities, parks and open space, religious institutions, safety services, schools, offices, commercial parking, outdoor recreation and entertainment, industrial service, manufacturing and production, warehouse and freight movement, waste related use, agriculture, aviation, surface transportation, and major entertainment events. Conditional Overlay: See attached draft C-O for additional information |
| Maximum Density Allowed: 16 units per acre | Maximum Density Allowed: No maximum |

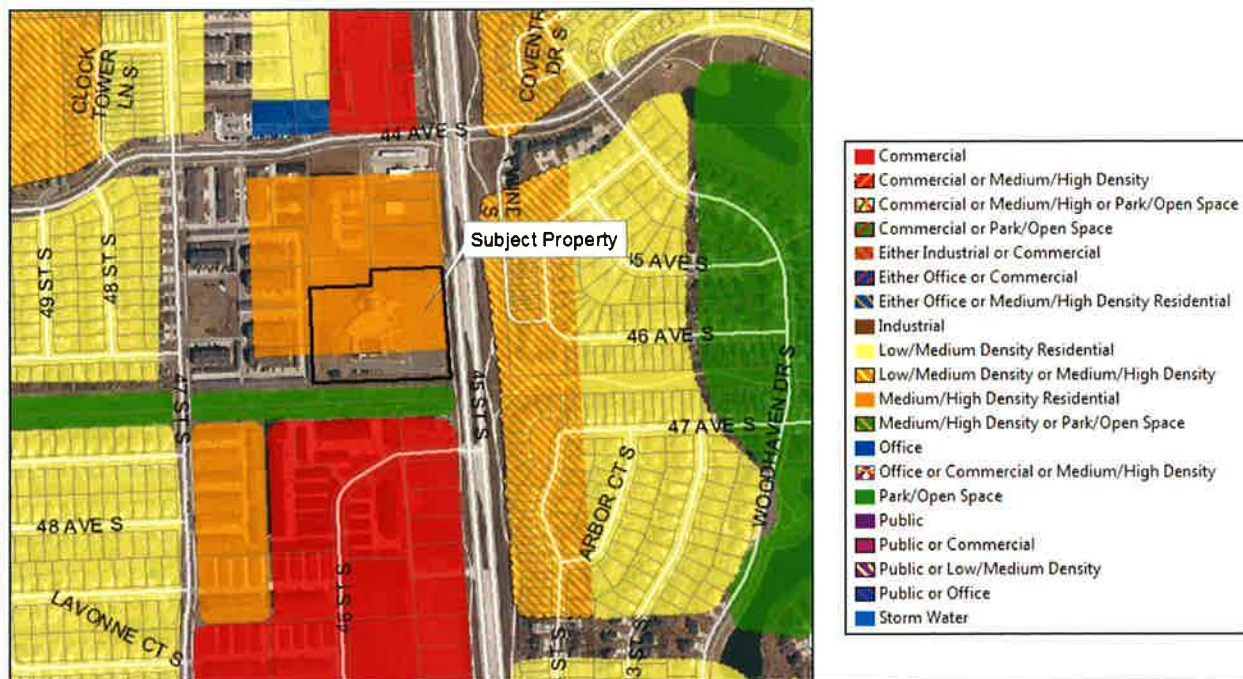
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| Proposal: |
| <p>The applicant is seeking approval of a zoning change from MR-1, Multi-Dwelling Residential to P/I, Public and Institutional with a C-O, Conditional Overlay, on part of Lot 3, Block 1, Osgood Townsite Sixth Addition. The subject property encompasses approximately 7.62 acres.</p> <p>According to the applicant, the proposed zoning map amendment is being requested in order to accommodate a new electronic messaging center along 45th Street South in the northeast corner of the property. The current MR-1 zoning district does not allow for electronic messaging center signs. However, P/I, Public and Institutional zones allow for electronic messaging centers of up to 200 square feet in size. Because the property fronts only one public street, the zoning change would allow for the potential to add electronic messaging centers every 300 linear feet of the property for the maximum of two (2).</p> <p>Although the petitioner has no stated plans of changing the current use of the property, the P/I zoning district would allow many uses that could potentially affect the surrounding residential neighborhood. Therefore, staff has proposed with the agreement of the applicant, the creation of a C-O, Conditional Overlay, zoning district for the subject property. The purpose of the Conditional Overlay would be to ensure compatibility between the subject property and surrounding residential uses by restricting more-intensive uses.</p> <p>This project was reviewed by the City's Planning and Development, Engineering, Public Works, and Fire Departments ("staff"), whose comments are included in this report.</p> |

Surrounding Land Uses and Zoning Districts:

- North: MR-1, Multi-Dwelling Residential and LC, Limited Commercial with a multi-dwelling and vacant land uses
- East: Across 45th Street South, P/I, Public and Institutional with park and utility easement use
- South: MR-1, Multi-Dwelling Residential and MR-2, Multi-Dwelling Residential with vacant land use
- West: MR-2, Multi-Dwelling Residential with a multi-dwelling land use

Area Plans:

This proposal is consistent with the 2001 Growth Plan. The plan specifically states that P/I, Public and Institutional zoning with religious institutional uses should occur in areas demarcated in the plan as "Medium/High Density Residential" areas.

**Schools and Parks:**

Schools: The subject property is located within the West Fargo School District and is served by Independence Elementary, Liberty Middle, and Sheyenne High schools.

Parks: Woodhaven North Park & Fishing Pond (4406 44th Avenue S) is located approximately 150 feet east of the subject property and provides ADA fishing ramp, fishing, picnic table, playground, recreational trails, and soccer amenities.

Pedestrian / Bicycle: There is an off-road bike facility located along 45th Street South. This bike facility is a component of the metro area bikeways system.

Staff Analysis:**Zoning**

Section 20-906. F (1-4) of the LDC stipulates the following criteria be met before a zone change can be approved:

1. **Is the requested zoning change justified by a change in conditions since the previous zoning classification was established or by an error in the zoning map?**

Staff is unaware of any error in the zoning map as it relates to this property. Staff finds that the requested zone change is justified by a change in conditions since the previous zoning classification was established.

Since the existing zoning was established, the applicant discovered that similar religious institutional uses around the city have been permitted to have electronic messaging centers and that the subject property would not be able to because the current zoning does not allow for it. In addition, the applicant feels that a P/I, Public and Institutional zoning would be more appropriate and more closely align with the use of the property.

(Criteria Satisfied)

2. Are the City and other agencies able to provide the necessary public services, facilities, and programs to serve the development allowed by the new zoning classifications at the time the property is developed?

City staff and other applicable review agencies have reviewed this proposal. Staff finds no deficiencies in the ability to provide all of the necessary services to the site. The subject property fronts on existing developed public right-of-way, which provide access and public utilities to serve the development.

(Criteria Satisfied)

3. Will the approval of the zoning change adversely affect the condition or value of the property in the vicinity?

Staff has no documentation or evidence to suggest that the approval of this zoning change would adversely affect the condition or value of the property in the vicinity. In accordance with Section 20-0901.F of the LDC, notices of the proposed use were sent out to property owners within 300 feet of the subject property. To date, staff has received no communication from the surrounding owners.

(Criteria Satisfied)

4. Is the proposed amendment consistent with the purpose of this LDC, the Growth Plan, and other adopted policies of the City?

This proposed amendment is consistent with the 2001 Growth Plan in that the property is located in an area designated in the plan as "Medium/High Density Residential." The plan specifically states that P/I, Public and Institutional zoning with religious institutional uses should occur in areas demarcated in the plan as "Medium/High Density Residential".

(Criteria Satisfied)

Conditional Overlay:

Staff is recommending that a Conditional Overlay be placed on this property in order to protect abutting MR-1 and MR-2 zoned properties from some of the higher intensity land uses allowed within P/I zoning districts. The proposed Conditional Overlay will place the following conditions on the underlying P/I zoning district:

1) The following use(s) are prohibited

- Detention Facilities
- Industrial Service
- Manufacturing and Production
- Warehouse and Freight Movement
- Waste Related Use
- Agriculture
- Aviation
- Surface Transportation
- Major Entertainment Events

Planning Commission Recommendation: July 6, 2017

On July 6, 2017, with a 8-0 vote, the Planning Commission accepted the findings and recommendations of staff to recommend approval to the City Commission of the proposed zoning change from MR-1, Multi-Dwelling Residential to P/I, Public and Institutional Commercial with a C-O, Conditional Overlay, on the basis that it satisfactorily complies with the Go2030 Fargo Comprehensive Plan, Standards of Section 20-0906.F (1-4) and all other applicable requirements of the LDC."

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| Staff Recommendation: |
| Suggested Motion: To accept the findings and recommendations of staff and the Planning Commission, and hereby waive the requirement to receive the Ordinance one week prior to first reading and place the rezoning Ordinance on first reading, and move to approve the proposed zoning change from MR-1, Multi-Dwelling Residential to P/I, Public and Institutional Commercial with a C-O, Conditional Overlay, on the basis that it satisfactorily complies with the Go2030 Fargo Comprehensive Plan, Standards of Section 20-0906.F (1-4) and all other applicable requirements of the LDC." |
| Attachments: |
| <ol style="list-style-type: none">1. Zoning Map2. Location Map3. Site Plan4. Draft Conditional Overlay |

Zone Change (MR-1 to P/I with a C-O)

Osgood Townsite Sixth Addition

4575 45th Street South



Legend

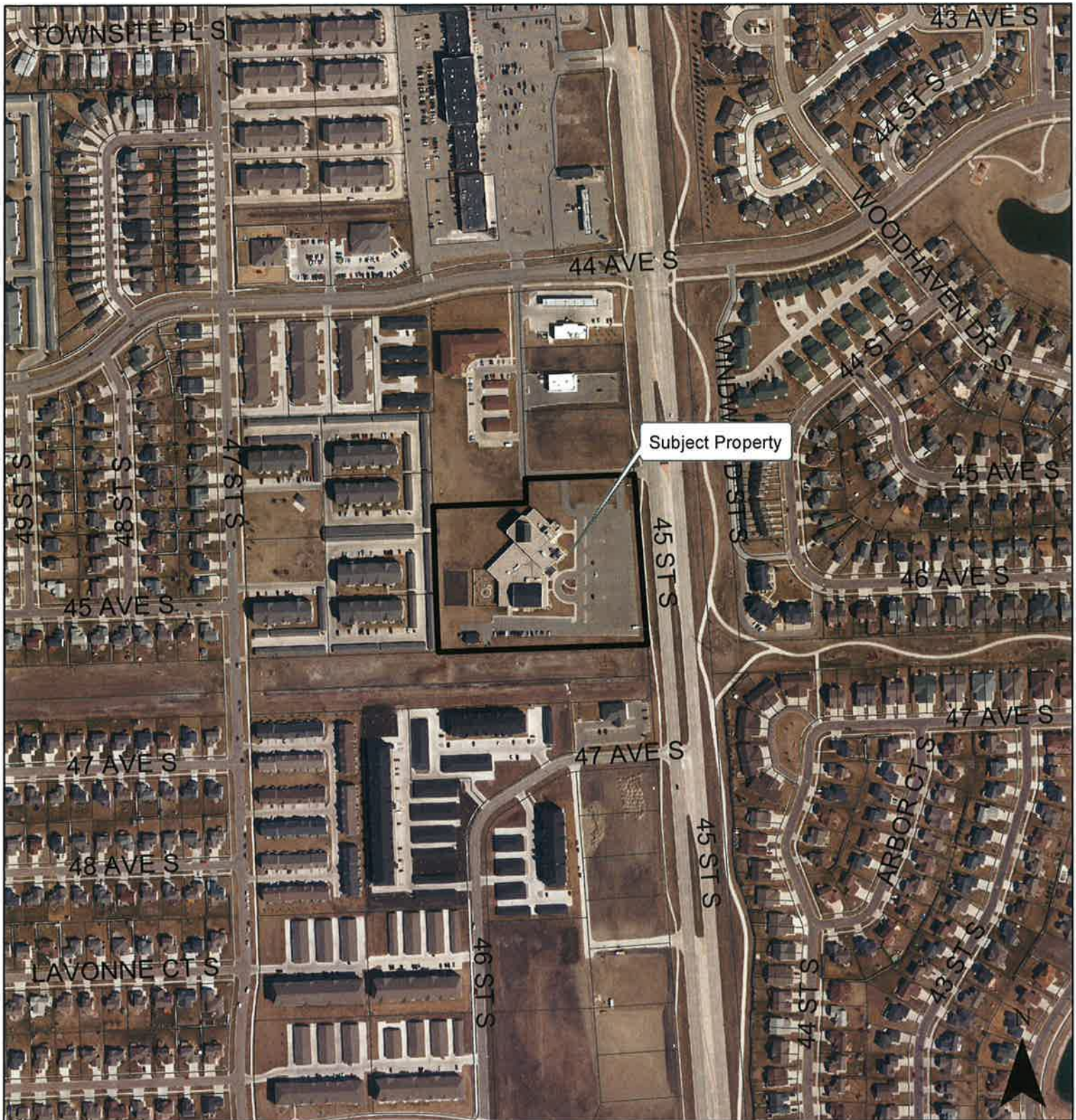
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|-----|------|-----|------|
| AG | LC | MHP | SR-1 |
| DMU | LI | NCI | SR-2 |
| GC | MR-1 | NO | SR-3 |
| GI | MR-2 | P/I | SR-4 |
| GO | MR-3 | UMU | SR-5 |

300
Feet

Zone Change (MR-1 to P/I with a C-O)

Osgood Townsite Sixth Addition

4575 45th Street South



OFFICE OF THE CITY ATTORNEY
FARGO, NORTH DAKOTA

43a-2

ORDINANCE NO. _____

AN ORDINANCE REZONING CERTAIN PARCELS OF LAND
LYING IN OSGOOD SIXTH ADDITION,
FARGO, CASS COUNTY, NORTH DAKOTA

WHEREAS, the Fargo Planning Commission and the Board of City Commissioners of the City of Fargo have held hearings pursuant to published notice to consider the rezoning of certain parcels of land lying in Osgood Townsite Sixth Addition, Fargo, Cass County, North Dakota; and,

WHEREAS, the Fargo Planning Commission recommended approval of the rezoning request on July 6, 2017; and,

WHEREAS, the rezoning changes were approved by the City Commission on July 31, 2017,

NOW, THEREFORE,

Be It Ordained by the Board of City Commissioners of the City of Fargo:

Section 1. The following described property:

Lot Three (3), Block One (1), Osgood Townsite Sixth Addition to the city of Fargo, Cass County, North Dakota,

is hereby rezoned from "MR-1", Multi-Dwelling Residential, District to "P/I", Public and Institutional, District, subject to the terms of a "C-O", Conditional Overlay", District as follows:

1) The following use (s) are allowed:

- a. Colleges
- b. Community Service
- c. Daycare Centers of unlimited size
- d. Health Care Facilities
- e. Parks and Open Space
- f. Religious Institutions
- g. Safety Services
- h. Schools
- i. Offices
- j. Commercial Parking
- k. Outdoor Recreation and Entertainment
- l. All other uses will be prohibited

ORDINANCE NO. _____

Section 3. This ordinance shall be in full force and effect from and after its passage and approval.

(SEAL)
Attest:

Steven Sprague, City Auditor

First Reading:
Second Reading:
Final Passage:

436

| City of Fargo Staff Report | | | |
|---------------------------------------|--|-----------------------|---------------|
| Title: | Osgood Townsite Fifteenth Addition | Date: | 6/28/2017 |
| | | Update: | 7/26/2017 |
| Location: | 5050 47th Street South | Staff Contact: | Kylie Murphy |
| Legal Description: | Lot 2, Block 1, of the Osgood Townsite Fifteenth Addition | | |
| Owner(s)/Applicant: | Nate Vollmuth | Engineer: | Nate Vollmuth |
| Entitlements Requested: | Zoning Change (From LC, Limited Commercial, to LC, Limited Commercial, with a PUD, Planned Unit Development Overlay) and a PUD Master Land Use Plan and Final Plan | | |
| Status: | City Commission Public Hearing: July 31, 2017 | | |

| Existing | Proposed |
|---|---|
| Land Use: Vacant Land | Land Use: Veterinary Clinic and Dog Boarding |
| Zoning: LC, Limited Commercial | Zoning: LC, Limited Commercial, with a PUD, Planned Unit Development Overlay |
| Uses Allowed: Allows colleges, community service, daycare centers of unlimited size, health care facilities, parks and open space, religious institutions, safety services, offices, off premise advertising signs, commercial parking, retail sales and service, self-service storage, vehicle repair, limited vehicle service. | Uses Allowed: Allows colleges, community service, daycare centers of unlimited size, health care facilities, parks and open space, religious institutions, safety services, offices, off premise advertising signs, commercial parking, retail sales and service, self-service storage, vehicle repair, limited vehicle service. |
| Maximum Building Coverage: 55% of lot area | Maximum Building Coverage: 55% of lot area |

Proposal:

The applicant is seeking approval of 1) a zoning change from LC, Limited Commercial, to LC, Limited Commercial, zoning district with a PUD, Planned Unit Development, Overlay and 2) a PUD Master Land Use Plan. The intent of the these two applications is to allow the development of a dog boarding facility within 300ft of any residentially zoned property.

Zoning Amendment and PUD Overlay

The zoning map amendment would rezone the subject property from LC (Limited Commercial) to LC (Limited Commercial) and establish a PUD (Planned Unit Development) overlay-zoning district for the subject property. This PUD overlay is intended to tailor development standards to the specifics of the proposed project. The following modifications are being proposed:

Setback: A pet enclosure cannot be within 300ft of a residentially zoned property will be modified to having a 15ft rear setback from the pet enclosure to the MR-3 property to the north.

PUD Master Land Use Plan and Final Plan

The applicant has submitted a project narrative, PUD Master Land Use Plan, and Final Plan which further describes the proposed development. These documents are attached.

Additional Information:

The required amount of open space of PUD's has recently been contemplated by the Planning Commission. According to the applicant, the project surpasses 10% open space on site. This item has been included in the draft PUD overlay.

This project was reviewed by the City's Planning and Development, Engineering, Public Works, and Fire Departments ("staff"), whose comments are included in this report.

Surrounding Land Uses and Zoning Districts:

- North: MR-3, Multi-Dwelling Residential with apartment use
- East: MR-3, Multi-Dwelling Residential and LC, Limited Commercial with vacant land use
- South: Across 52 Avenue South, GC, General Commercial with agricultural use
- West: Across 47th Street South, SR-4, Single-Dwelling Residential and P/I, Public and Institutional, with single-family, twin home, and park uses.

Area Plans:

2003 Growth Plan

| |
|--|
| Commercial |
| Commercial or Medium/High Density |
| Commercial or Medium/High or Park/Open Space |
| Commercial or Park/Open Space |
| Either Industrial or Commercial |
| Either Office or Commercial |
| Either Office or Medium/High Density Residential |
| Industrial |
| Low/Medium Density Residential |
| Low/Medium Density or Medium/High Density |
| Medium/High Density Residential |
| Medium/High Density or Park/Open Space |
| Office |
| Office or Commercial or Medium/High Density |
| Park/Open Space |
| Public |
| Public or Commercial |
| Public or Low/Medium Density |
| Public or Office |
| Storm Water |



Schools and Parks:

Schools: The subject property is located within the West Fargo School District and is served by Independence Elementary, Liberty Middle, and Sheyenne High schools.

Parks: Osgood Park (4951 47th Street S) is located across 47th Street South, west of the subject property and provides basketball, grill, multipurpose field, picnic table, playground, recreational trail, shelter, and soccer amenities.

Pedestrian / Bicycle: There is an off-road bike facility located along 47th Street South. This bike facility is a component of the metro area bikeways system.

Staff Analysis:

Zoning

Section 20-906. F (1-4) of the LDC stipulates the following criteria be met before a zone change can be approved:

1. **Is the requested zoning change justified by a change in conditions since the previous zoning classification was established or by an error in the zoning map?**

Staff is unaware of any error in the zoning map as it relates to this property. The base zoning will stay the same with the addition of a PUD Overlay zoning district. The proposed PUD Overlay zoning district is intended to accommodate the development of this currently underutilized property. **(Criteria Satisfied)**

2. **Are the City and other agencies able to provide the necessary public services, facilities, and programs to serve the development allowed by the new zoning classifications at the time the property is developed?**

City staff and other applicable review agencies have reviewed this proposal. Staff finds no deficiencies in

the ability to provide all of the necessary services to the site. The subject property fronts on existing developed public rights-of-way which provide access and public utilities to serve the development.
(Criteria satisfied)

3. Will the approval of the zoning change adversely affect the condition or value of the property in the vicinity?

Staff has no documentation or supporting evidence to suggest that the approval of this zoning change would adversely affect the condition or value of the property in the vicinity. In accordance with the notification requirements of the Land Development Code, notice was provided to neighboring property owners. To date, staff has received one inquiry into the application and no comments from the public. Staff finds that the approval of the zoning change will not adversely affect the condition or value of the property in the vicinity. **(Criteria satisfied)**

4. Is the proposed amendment consistent with the purpose of this LDC, the Growth Plan, and other adopted policies of the City?

The purpose of the LDC is to implement Fargo's Comprehensive Plan in a way that will protect the general health, safety, and welfare of the citizens. Staff finds that the proposed PUD is in keeping with Fargo's Comprehensive Plan. Specifically, the City's Go2030 Comprehensive Plan supports development within areas of the City that are already serviced with utilities, and protected by a flood resiliency strategy. Staff finds this proposal is consistent with the purpose of the LDC, the Go2030 Comprehensive Plan and other adopted policies of the City. **(Criteria Satisfied)**

Master Land Use Plan: The LDC stipulates that the Planning Commission and Board of City Commissioners shall consider the following criteria in the review of any Master Land Use Plan.

1. The plan represents an improvement over what could have been accomplished through strict application of otherwise applicable base zoning district standards, based on the purpose and intent of this Land Development Code;

The plan represents an improvement over what could have been accomplished through strict application of the base LC zoning district. In exchange for allowing dog boarding within 300ft of a residentially zoned property the applicant has proposed the following standards to be included within the proposed PUD ordinance:

- Additional landscape buffering
- Limited hours when the dogs can be in the outdoor dog run.

(Criteria Satisfied)

2. The PUD Master Land Use Plan complies with the PUD standards of Section 20-0302;

Staff has reviewed the PUD Master Land Use Plan and found that it complies with the PUD standards of Section 20-0302. All standards and requirements as set forth in the LDC have been met.

(Criteria Satisfied)

3. The City and other agencies will be able to provide necessary public services, facilities, and programs to serve the development proposed, at the time the property is developed;

City staff and other applicable review agencies have reviewed this proposal. Staff finds no deficiencies in the ability to provide all of the necessary services to the site. The subject property fronts on existing developed public rights-of-way which provide access and public utilities to serve the development.

(Criteria satisfied)

4. The development is consistent with and implements the planning goals and objectives contained in the Area Plan, Comprehensive Plan and other adopted policy documents;

The purpose of the LDC is to implement Fargo's Comprehensive Plan in a way that will protect the general health, safety, and welfare of the citizens. Staff finds that the proposed PUD is in keeping with Fargo's Comprehensive Plan. Specifically, the City's Go2030 Comprehensive Plan supports development within areas of the City that are already serviced with utilities, and protected by a flood resiliency strategy. Staff finds this proposal is consistent with the purpose of the LDC, the Go2030 Comprehensive Plan and other adopted policies of the City.

(Criteria Satisfied)

- 5. The PUD Master Land Use Plan is consistent with sound planning practice and the development will promote the general welfare of the community.**

The PUD is consistent with sound planning practice and the development will promote the general welfare of the community by providing redevelopment of an underutilized property within an area of the City that is serviced with existing utilities.

(Criteria Satisfied)

PUD Final Plan Section 20-0908.D:

The petitioner has submitted plans as part of the building permit application process. These plans will be considered the PUD Final Plan. Planning staff has reviewed the submitted plan set and has found that the plans meet the development requirements of the LDC, as well as the requirements of the adopted PUD ordinance. The Master Plan and Final Plans are being brought forth concurrently. Relevant plan sheets from the submitted plan set have been attached to this staff report for review.

The LDC stipulates that the Planning Commission shall approve the PUD Final plan if it is determined to be in substantial compliance with the approved PUD Master Land Use Plan. The PUD Final Plan shall be deemed to be in compliance so long as, when compared with the PUD Master Land Use Plan, it does not result in:

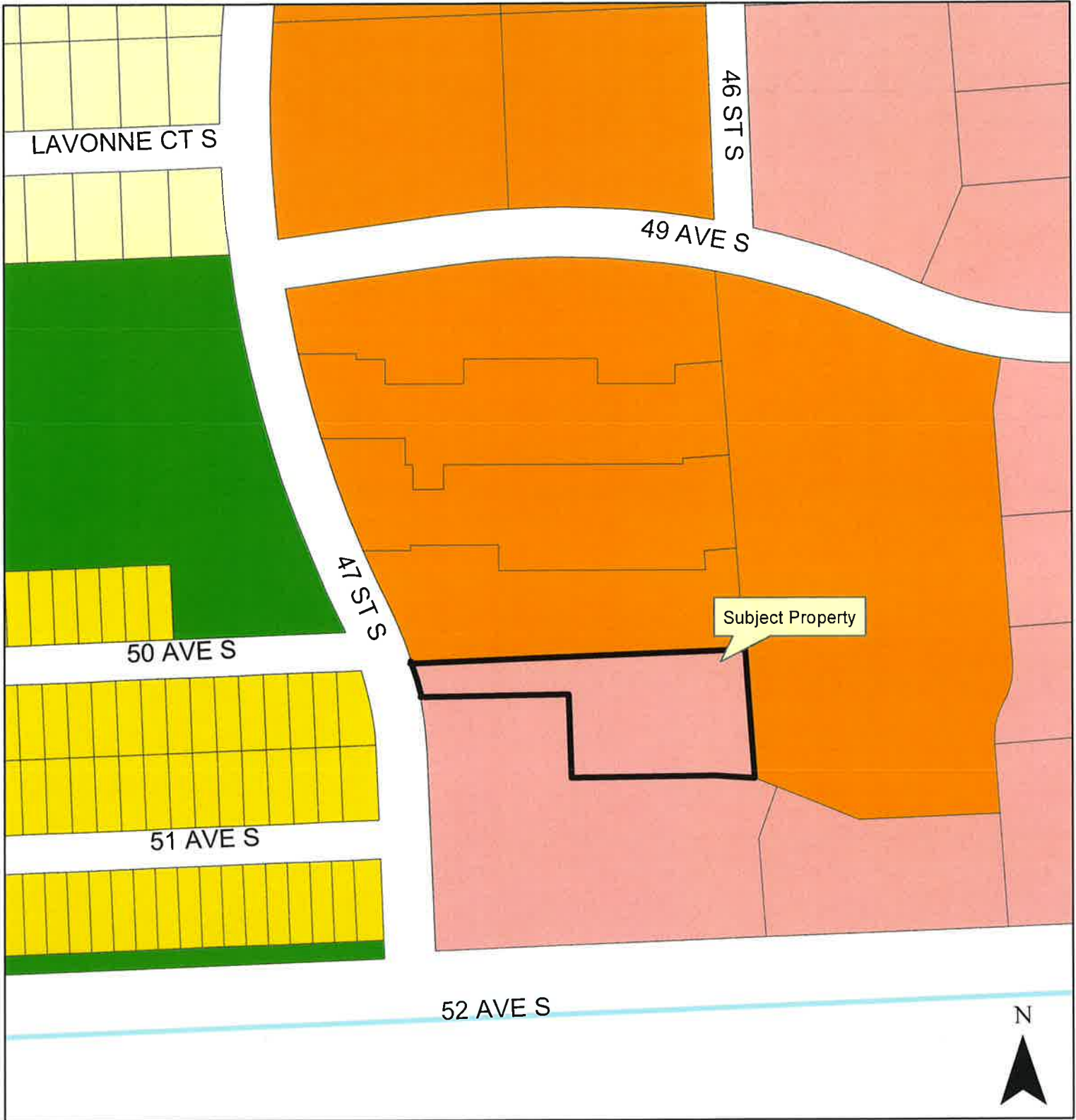
- 1. An increase in project density or intensity, including the number of housing units per acre or the amount of nonresidential floor area per acre;**
There has been no change in project density or intensity.
(Criteria Satisfied)
- 2. A change in the mix of housing types or the amount of land area devoted to nonresidential uses;**
There has been no change in the type of nonresidential uses. There have been no substantial changes from the PUD Master Land Use Plan.
(Criteria Satisfied)
- 3. A reduction in the amount of open space;**
There has been no substantial changes in the amount of open space.
(Criteria Satisfied)
- 4. Any change to the vehicular system that results in a significant change in the amount or location of streets, common parking areas, and access to the PUD;**
There have been no substantial changes from the PUD Master Land Use Plan.
(Criteria Satisfied)
- 5. Any change within 50 feet of any SR or MR zoning district;**
There have been no substantial changes from the PUD Master Land Use Plan.
(Criteria Satisfied)
- 6. Any change determined by the Planning Commission to represent an increase in development intensity;**
Staff suggests that there has been no increase in development intensity from the PUD Master Land Use Plan.
(Criteria Satisfied)
- 7. A substantial change in the layout of buildings.**
There have been no substantial changes from the PUD Master Land Use Plan.
(Criteria Satisfied)

| |
|---|
| Planning Commission Recommendation: July 6, 2017 |
| On July 6, with a 8-0 vote, the Planning Commission accepted the findings and recommendations of staff and hereby recommend approval to the City Commission of the proposed: 1) Zoning Change from LC, Limited Commercial, to LC, Limited Commercial, with a PUD, Planned Unit Development Overlay and 2) PUD Master Land Use Plan, and approve: 1) the PUD Final Plan, contingent on City Commission approval of the zoning change and PUD Master Plan, as the proposal complies with the Go2030 Fargo Comprehensive Plan, Standards of Section 20-0908.B (7), and Section 20-0906.F (1-4) of the LDC and all other applicable requirements of the LDC." |
| Staff Recommendation: |
| Suggested Motion: "To accept the findings and recommendations of Planning Commission and staff and hereby waive the requirement to receive the ordinance one week prior to the first reading and place the rezoning ordinance on first hearing, and approve the proposed:1) Zoning Change from LC, Limited Commercial, to LC, Limited Commercial, with a PUD, Planned Unit Development Overlay and 2) PUD Master Land Use Plan, as the proposal complies with the Go2030 Fargo Comprehensive Plan, Standards of Section 20-0908.B (7), and Section 20-0906.F (1-4) of the LDC and all other applicable requirements of the LDC." |
| Attachments: |
| <ol style="list-style-type: none"> 1. Zoning Map 2. Location Map 3. Narrative submitted by Applicant 4. PUD Master Land Use Plan 5. PUD Final Plan |

PUD and Zone Change (LC to LC w/ a PUD)

Osgood Townsite 15 Addition

5050 47th Street South



PUD and Zone Change (LC to LC w/ a PUD)

Osgood Townsite 15 Addition

5050 47th Street South



5.25.17

City of Fargo
Planning Department

Project Narrative below:

Proposed Vet Clinic and Boarding Facility.

Project is adjacent to MR-3, 3-story apartment units.

Owners of apartments have been contacted and we are working thru any issues they have with the proposed project. Campbell Properties

We are proposing a landscape buffer and restricted use of out-door play area.

Facility will install a combination of berms/trees between the outdoor boarding area "pet run" and the apartment units to the north.

Restrictions on time of day usage and frequency have been discussed with apartment owner and are as follows:

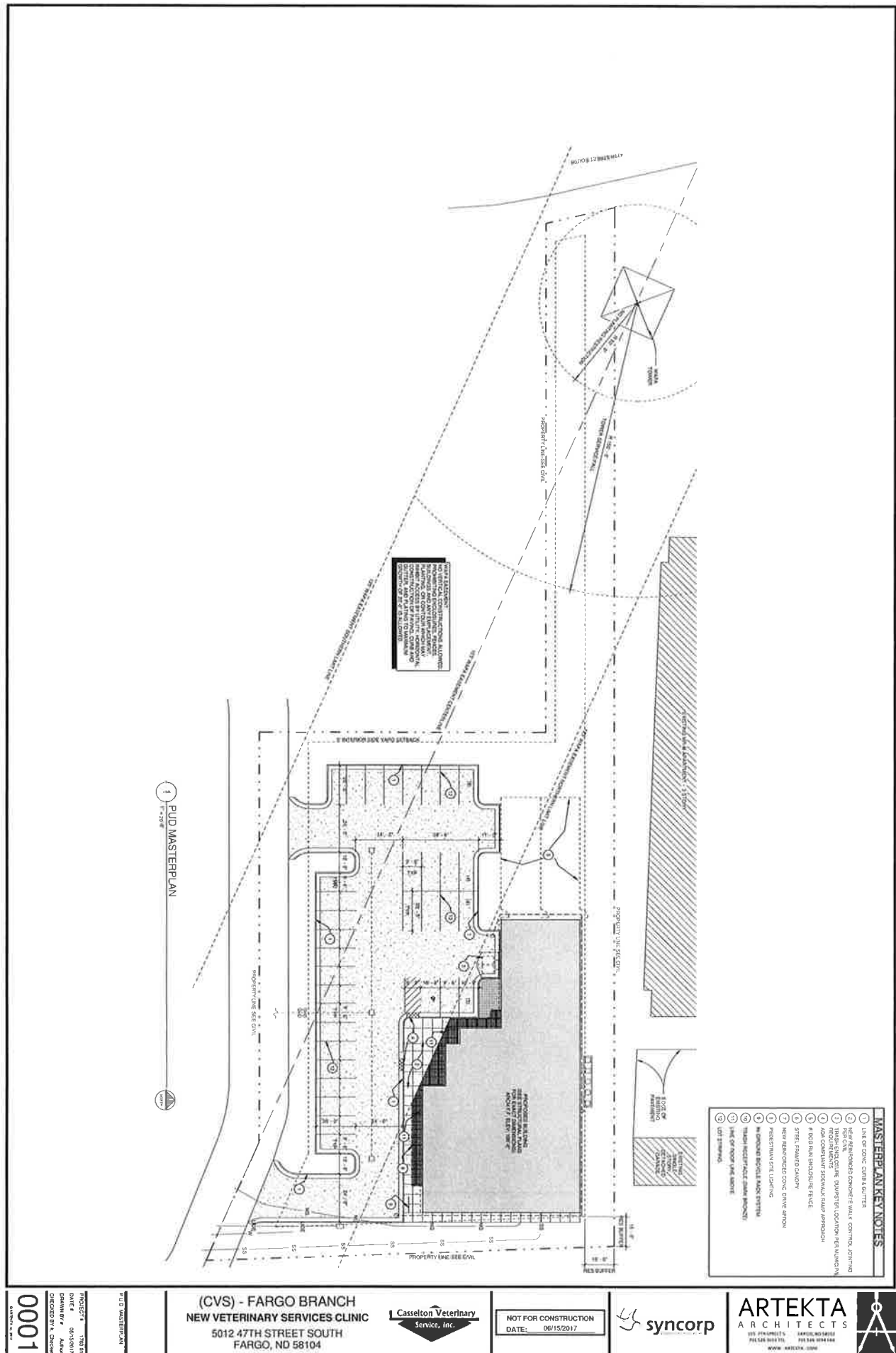
Free play/run: 10 to noon and 3 to 5pm free play

Only other times would be for bathroom breaks, if needed.

Please feel free to contact me with any questions or concerns.

Sincerely,

Nate Vollmuth, AIA
Director of Development
PACES Lodging Corporation
701-499-3895 O
701-388-3635 C
nv@paces.co



436-2

OFFICE OF THE CITY ATTORNEY
FARGO, NORTH DAKOTA

ORDINANCE NO. _____

AN ORDINANCE REZONING CERTAIN PARCELS OF LAND
LYING IN OSGOOD TOWNSITE FIFTEENTH ADDITION,
FARGO, CASS COUNTY, NORTH DAKOTA

WHEREAS, the Fargo Planning Commission and the Board of City Commissioners of the City of Fargo have held hearings pursuant to published notice to consider the rezoning of certain parcels of land lying in Osgood Townsite Fifteenth Addition, Fargo, Cass County, North Dakota; and,

WHEREAS, the Fargo Planning Commission recommended approval of the rezoning request on July 6, 2017; and,

WHEREAS, the rezoning changes were approved by the City Commission on July 31, 2017,

NOW, THEREFORE,

Be It Ordained by the Board of City Commissioners of the City of Fargo:

Section 1. The following described property:

Lot Two (2), Block One (1), Osgood Townsite Fifteenth Addition to the City of Fargo, Cass County, North Dakota,

is hereby rezoned from "LC", Limited Commercial, District, to "LC", Limited Commercial with a PUD, Planned Unit Development Overlay, District as follows:

Setback: The minimum rear setback for a pet enclosure part of a pet boarding facility shall be 15 feet.

Landscaping: An additional 29 trees will be installed between the outdoor pet enclosure and the adjacent MR-3 zoning district to the north, as shown on the Final Plan Exhibit B.

Open Space: The minimum open space shall be 10% of the lot area.

OFFICE OF THE CITY ATTORNEY
FARGO, NORTH DAKOTA

ORDINANCE NO. _____

Additional Standards:

Hours of Operation: Use of the pet enclosure for outdoor play by pets shall be restricted to the hours of 10 am to 12 pm and 3 pm to 5 pm, seven days per week. Use of the pet enclosure to allow pets to relieve themselves (i.e. bathroom breaks) as needed, shall be allowed at any time.

Section 2. The City Auditor is hereby directed to amend the zoning map now on file in his office so as to conform with and carry out the provisions of this ordinance.

Section 3. This ordinance shall be in full force and effect from and after its passage and approval.

Timothy J. Mahoney, Mayor

(SEAL)

Attest:

Steven Sprague, City Auditor

First Reading:
Second Reading:
Final Passage:

(430)

| City of Fargo Staff Report | | | |
|--------------------------------|---|-----------------------|----------------|
| Title: | Dewitts Addition | Date: | 6/27/2017 |
| | | Update: | 7/26/2017 |
| Location: | 308 9th Avenue North | Staff Contact: | Maegin Elshaug |
| Legal Description: | The West 65 feet of Lot 1, Block 2, Dewitts Addition | | |
| Owner(s)/Applicant: | Rob Rich / Lake Agassiz Habitat for Humanity | Engineer: | N/A |
| Entitlements Requested: | Zoning Change (From MR-2, Multi-Dwelling Residential to SR-5, Single-Dwelling Residential with a PUD, Planned Unit Development Overlay) and a PUD Master Land Use Plan and Final Plan | | |
| Status: | City Commission Public Hearing: July 31, 2017 | | |

| Existing | Proposed |
|--|--|
| Land Use: Single Family Residential | Land Use: No change |
| Zoning: MR-2, Multi-Dwelling Residential | Zoning: SR-5, Single-Dwelling Residential with a PUD, Planned Unit Development Overlay |
| Uses Allowed: Allows detached houses, attached houses, duplexes, multi-dwelling structures, daycare centers up to 12 children, group living, parks and open space, religious institutions, safety services, schools, and basic utilities. | Uses Allowed: Allows detached houses, attached houses and duplexes, daycare centers, parks and open space, religious institutions, safety services and basic utilities. |
| Maximum Density Allowed: 20 dwelling units per acre | Maximum Density Allowed: 14.5 units per acre |

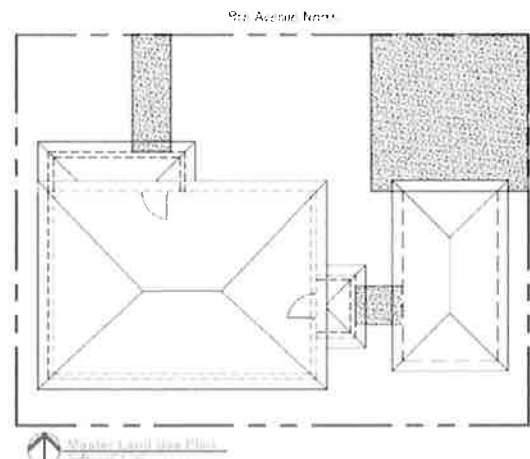
Proposal:

The applicant is seeking approval of 1) a zoning map amendment to establish a PUD, Planned Unit Development, overlay and 2) PUD Master Land Use Plan and Final Plan on part of Lot 1, Block 2, Dewitts Addition. The subject property is located at 308 9th Avenue North. The applicant, Lake Agassiz Habitat for Humanity, intends to build a single-family home on the property.

Previously, a single family detached home was located on the site. However, a permit for demolition was issued for the property in February of 2017. The previous structure was non-conforming based on dimensional standards of Section 20-0501 of the Land Development Code, specifically setbacks. Due to the non-conformity and the timing of demolition, a new structure could not be rebuilt in the same footprint. In addition, due to the setbacks of the MR-2, Multi-Dwelling Residential zoning district and the size of the lot, the property is unbuildable.

Zoning Amendment and PUD Overlay

The applicant has applied for a zoning map amendment and a PUD overlay in order to tailor development standards to the specifics of the proposed project. Specifically, the following modifications to the proposed SR-5 zoning district are being proposed:



LAKE AGASSIZ HABITAT FOR HUMANITY 308 9th Avenue N, Fargo, ND

June 26, 2017

Master Land Use Plan

Setback: The rear setback of 15 feet would be modified to 6 feet.

PUD Master Land Use Plan and Final Plan

The applicant has submitted a project narrative, PUD Master Land Use Plan, and Final Plan which further describes the proposed development. These documents are attached.

Additional Information:

It is important to note that pursuant to Section 20-0302.F, unless otherwise expressly approved, access to a PUD must be from a collector and higher classification of street. The roadway that is adjacent to the property, 9th Avenue North, is a local road. The required amount of open space of PUD's has recently been contemplated by the Planning Commission. According to the applicant, the project surpasses 10% open space on site. Both of these items have been included in the draft PUD overlay.

This project was reviewed by the City's Planning and Development, Engineering, Public Works, and Fire Departments ("staff"), whose comments are included in this report.

Surrounding Land Uses and Zoning Districts:

- North: Across 9th Avenue North, SR-3, Single-Dwelling Residential, with single family use
- East: MR-2, Multi-Dwelling Residential with duplex use
- South: MR-2, Multi-Dwelling Residential with single family use
- West: DMU, Downtown Mixed-Use with surface parking lot use

Area Plans:

No area plans apply.

Schools and Parks:

Schools: The subject property is located within the Fargo School District and is served by Roosevelt Elementary, Ben Franklin Middle, and North High schools.

Parks: Mickelson Park & Softball Fields (901 Oak Street N) is located approximately a quarter mile (.25 miles) east of the subject property and provides baseball/softball, concessions, playground, recreational trails, restroom, and sledding hill amenities.

Pedestrian / Bicycle: There is an on-road bike facility located along 4th Street North. This bike facility is a component of the metro area bikeways system.

Staff Analysis:

Zoning

Section 20-906. F (1-4) of the LDC stipulates the following criteria be met before a zone change can be approved:

1. **Is the requested zoning change justified by a change in conditions since the previous zoning classification was established or by an error in the zoning map?**

Staff is unaware of any error in the zoning map as it relates to this property. Staff finds that the requested zoning change is justified by change in conditions since the previous zoning classification was established. A permit to demolish the existing structure was received in February 2017, and the applicant is seeking to build on the property. The proposed PUD Overlay zoning district is intended to accommodate the redevelopment of this property. **(Criteria Satisfied)**

2. **Are the City and other agencies able to provide the necessary public services, facilities, and**

programs to serve the development allowed by the new zoning classifications at the time the property is developed?

City staff and other applicable review agencies have reviewed this proposal. Staff finds no deficiencies in the ability to provide all of the necessary services to the site. The subject property fronts on existing developed public right-of-way which provide access and public utilities to serve the property. **(Criteria satisfied)**

3. Will the approval of the zoning change adversely affect the condition or value of the property in the vicinity?

Staff has no documentation or supporting evidence to suggest that the approval of this zoning change would adversely affect the condition or value of the property in the vicinity. In accordance with the notification requirements of the Land Development Code, notice was provided to neighboring property owners. To date, staff has not received any inquiries into the application. Staff finds that the approval of the zoning change will not adversely affect the condition or value of the property in the vicinity. **(Criteria satisfied)**

4. Is the proposed amendment consistent with the purpose of this LDC, the Growth Plan, and other adopted policies of the City?

The purpose of the LDC is to implement Fargo's Comprehensive Plan in a way that will protect the general health, safety, and welfare of the citizens. Staff finds that the proposed PUD is in keeping with Fargo's Comprehensive Plan. Specifically, the City's Go2030 Comprehensive Plan supports development within areas of the City that are already serviced with utilities. Staff finds this proposal is consistent with the purpose of the LDC, the Go2030 Comprehensive Plan and other adopted policies of the City. **(Criteria Satisfied)**

Master Land Use Plan: The LDC stipulates that the Planning Commission and Board of City Commissioners shall consider the following criteria in the review of any Master Land Use Plan.

1. The plan represents an improvement over what could have been accomplished through strict application of otherwise applicable base zoning district standards, based on the purpose and intent of this Land Development Code;

The plan represents an improvement over what could have been accomplished through strict application of the base zoning district. This PUD allows for flexibility in terms of building placement and will allow for construction of a single-family detached home on the lot. **(Criteria Satisfied)**

2. The PUD Master Land Use Plan complies with the PUD standards of Section 20-0302;

Staff has reviewed the PUD Master Land Use Plan and found that it complies with the PUD standards of Section 20-0302. The PUD modifies the rear setback outlined in Section 20-0501. All standards and requirements as set forth in the LDC have been met. **(Criteria Satisfied)**

3. The City and other agencies will be able to provide necessary public services, facilities, and programs to serve the development proposed, at the time the property is developed;

City staff and other applicable review agencies have reviewed this proposal. Staff finds no deficiencies in the ability to provide all of the necessary services to the site. The subject property fronts an existing developed public right-of-way which provides access and public utilities to serve the property. **(Criteria satisfied)**

4. The development is consistent with and implements the planning goals and objectives contained in the Area Plan, Comprehensive Plan and other adopted policy documents;

The purpose of the LDC is to implement Fargo's Comprehensive Plan in a way that will protect the general health, safety, and welfare of the citizens. Staff finds that the proposed PUD is in keeping with Fargo's Comprehensive Plan. Specifically, the City's Go2030 Comprehensive Plan supports development within areas of the City that are already serviced with utilities. Staff finds this proposal is consistent with the purpose of the LDC, the Go2030 Comprehensive Plan and other adopted policies of the City. **(Criteria Satisfied)**

5. The PUD Master Land Use Plan is consistent with sound planning practice and the development will promote the general welfare of the community.

The PUD is consistent with sound planning practice and the development will promote the general welfare of the community by construction of a single-family home in the neighborhood. **(Criteria Satisfied)**

PUD Final Plan Section 20-0908.D:

The petitioner has submitted plans as part of the building permit application process. These plans will be considered the PUD Final Plan. Planning staff has reviewed the submitted plan set and has found that the plans meet the development requirements of the LDC, as well as the requirements of the adopted PUD ordinance. The Master Plan and Final Plans are being brought forth concurrently. Relevant plan sheets from the submitted plan set have been attached to this staff report for review.

The LDC stipulates that the Planning Commission shall approve the PUD Final plan if it is determined to be in substantial compliance with the approved PUD Master Land Use Plan. The PUD Final Plan shall be deemed to be in compliance so long as, when compared with the PUD Master Land Use Plan, it does not result in:

1. An increase in project density or intensity, including the number of housing units per acre or the amount of nonresidential floor area per acre;

There has been no change in project density or intensity. The number of housing units has not changed. **(Criteria Satisfied)**

2. A change in the mix of housing types or the amount of land area devoted to nonresidential uses;

There has been no change in the type of housing proposed. There have been no substantial changes from the PUD Master Land Use Plan. **(Criteria Satisfied)**

3. A reduction in the amount of open space;

There has been no substantial changes in the amount of open space. **(Criteria Satisfied)**

4. Any change to the vehicular system that results in a significant change in the amount or location of streets, common parking areas, and access to the PUD;

There have been no substantial changes from the PUD Master Land Use Plan. **(Criteria Satisfied)**

5. Any change within 50 feet of any SR or MR zoning district;

There have been no substantial changes from the PUD Master Land Use Plan. **(Criteria Satisfied)**

6. Any change determined by the Planning Commission to represent an increase in development intensity;

Staff suggests that there has been no increase in development intensity from the PUD Master Land Use Plan. **(Criteria Satisfied)**

7. A substantial change in the layout of buildings.

There have been no substantial changes from the PUD Master Land Use Plan. **(Criteria Satisfied)**

UPDATE 7/26/2017: The Neighborhood Coalition was notified of this item for both the Planning Commission and City Commission meetings. It is staff's understanding that this item was on the Neighborhood Coalition agenda for the July 22 meeting.

Staff Recommendation:

Suggested Motion: "To accept the findings and recommendations of Planning Commission and staff and hereby waive the requirement to receive the ordinance one week prior to the first reading and place the rezoning ordinance on first hearing, and approve the proposed: 1) Zoning Change from MR-2, Multi-Dwelling Residential to SR-5,

Single-Dwelling Residential with a PUD, Planned Unit Development Overlay and 2) PUD Master Land Use Plan, as the proposal complies with the Go2030 Fargo Comprehensive Plan, Standards of Section 20-0908.B (7), and Section 20-0906.F (1-4) of the LDC and all other applicable requirements of the LDC.”

Planning Commission Recommendation: July 6, 2017

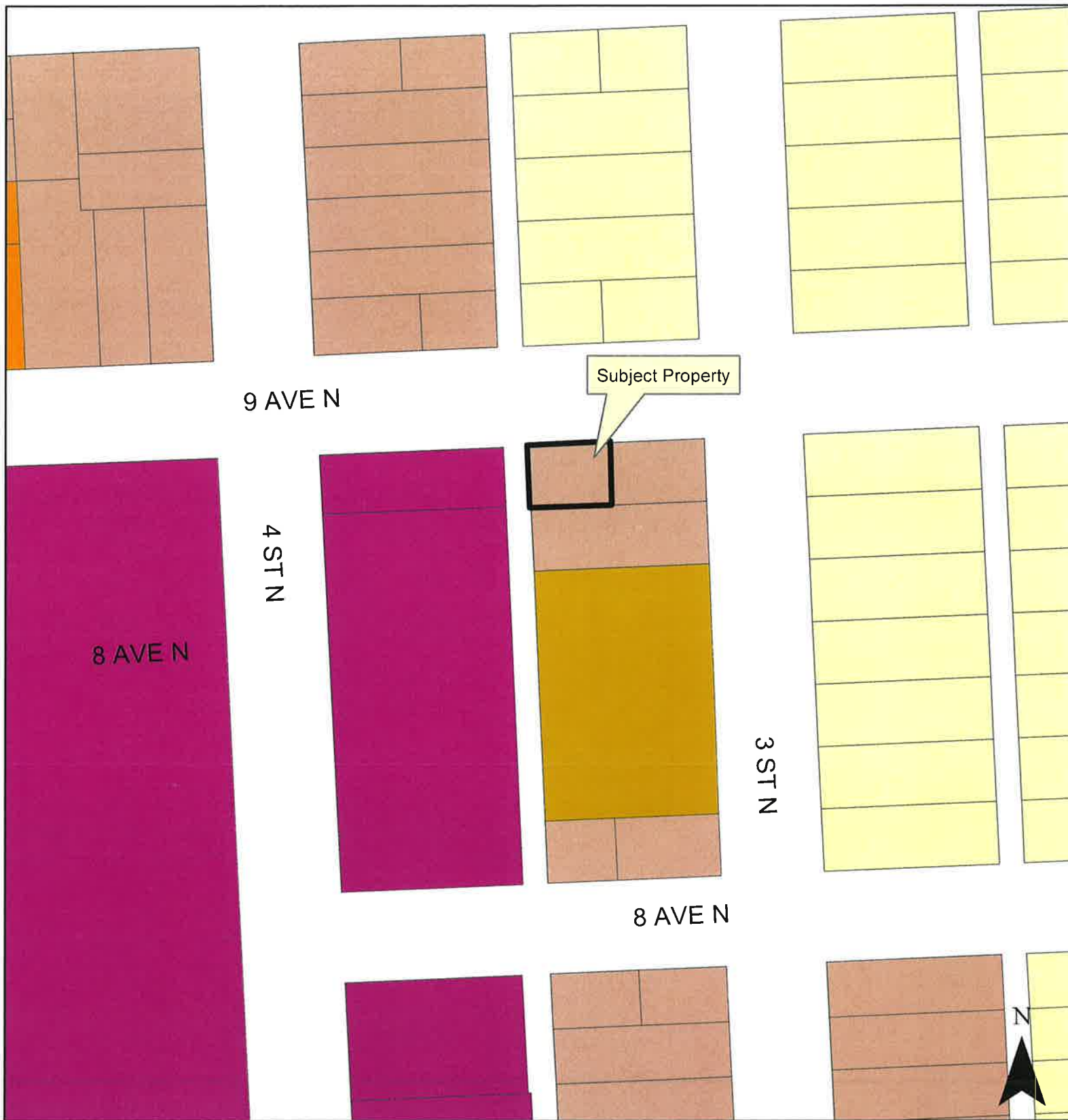
On July 6, with a 8-0 vote, the Planning Commission accepted the findings and recommendations of staff and recommend approval to the City Commission of the proposed: 1) Zoning Change from MR-2, Multi-Dwelling Residential to SR-5, Single-Dwelling Residential with a PUD, Planned Unit Development Overlay and 2) PUD Master Land Use Plan, and approved: 1) the PUD Final Plan, contingent on City Commission approval of the zoning change and PUD Master Plan, as the proposal complies with the Go2030 Fargo Comprehensive Plan, Standards of Section 20-0908.B (7), and Section 20-0906.F (1-4) of the LDC and all other applicable requirements of the LDC.

Attachments:

1. Zoning Map
2. Location Map
3. Narrative submitted by Applicant
4. PUD Master Land Use Plan
5. PUD Final Plan

Dewitts Addition

308 9th Avenue North



Legend



300 Feet

Fargo Planning Commission

July 6, 2017

Dewitts Addition

308 9th Avenue North



May 12, 2017

PUD Application – Project Narrative

Lot: 308 9th Avenue N., Fargo, ND

Owner: Lake Agassiz Habitat for Humanity

Current Zoning: MR-2

Proposed Zoning: SR-5

Minimum Lot Size for SR-5: 3,000 s.f.,

Current Lot Size: 3,250 s.f.

Rear Yard Setback Requirement: 15'

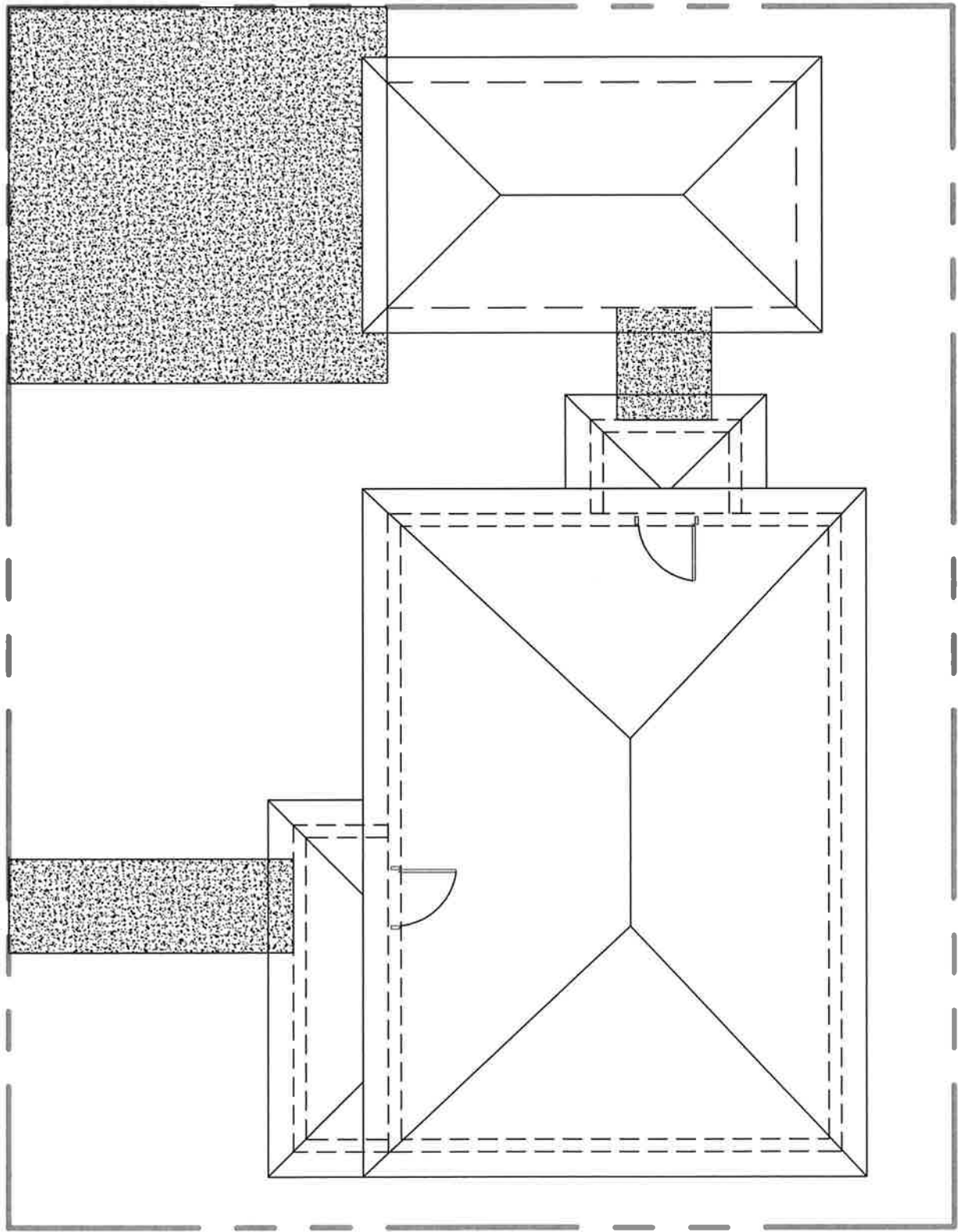
Proposed Rear Yard Setback: 6' (9' variance request)

Building Coverage: Not to exceed 50% of lot – $3,250 \text{ s.f.} / 2 = 1,625 \text{ s.f.}$

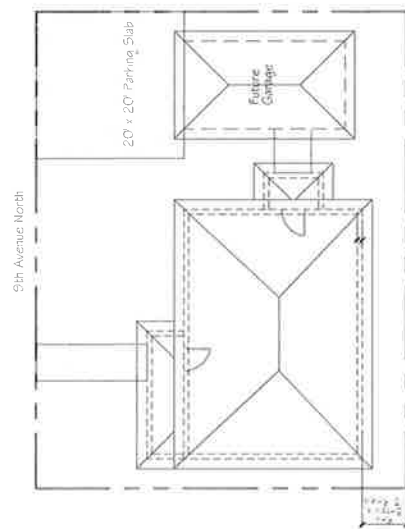
Proposed Building Coverage: House – 1,130 s.f., Garage – 355 s.f. (total = 1,485 s.f.)

The lot at 308 9th Avenue North, previously developed with a single family home and currently zoned as MR-2. The proposed development will include a new, two-story, single family home with a 20' x 20', off-street parking slab. We are proposing a change from MR-2 zoning to SR-5, and a variance for the rear yard setback of 9'. This will allow the proposed house to maintain the required 15' front yard setback. A future, single stall garage is being proposed to meet the interior side yard setback and a 6' rear yard setback. The proposed structures will not exceed the maximum building coverage for an SR-5.

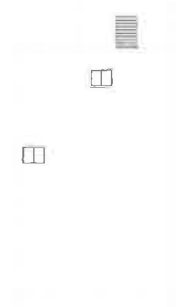
9th Avenue North



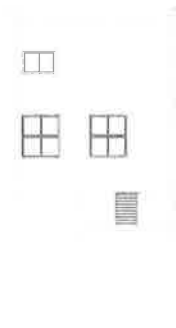
 Master Land Use Plan
Scale: 1/16" = 1'-0"



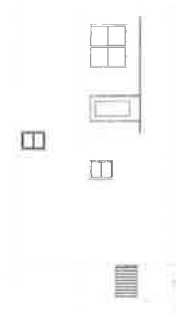
Site Plan
Scale 1/8" = 1'-0"



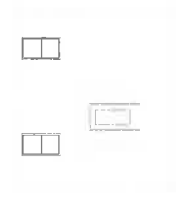
A South Elevation
Scale 1:8 = 1'-0"



B. West Elevation
Scale: 1/8" = 1'-0"



C North Elevation
Scale 1/8" = 1'-0"



D East Elevation
Scale: 1/8" = 1'-0"

OFFICE OF THE CITY ATTORNEY
FARGO, NORTH DAKOTA

4302

ORDINANCE NO. _____

AN ORDINANCE REZONING CERTAIN PARCELS OF LAND
LYING IN DEWITTS ADDITION
TO THE CITY OF FARGO, CASS COUNTY, NORTH DAKOTA

WHEREAS, the Fargo Planning Commission and the Board of City Commissioners of the City of Fargo have held hearings pursuant to published notice to consider the rezoning of certain parcels of land lying in Dewitts Addition to the City of Fargo, Cass County, North Dakota; and,

WHEREAS, the Fargo Planning Commission recommended approval of the rezoning request on July 6, 2017; and,

WHEREAS, the rezoning changes were approved by the City Commission on July 31, 2017,

NOW, THEREFORE,

Be It Ordained by the Board of City Commissioners of the City of Fargo:

Section 1. The following described property:

West 65 feet of Lot One (1), Block Two (2) of Dewitts Addition to the city of Fargo, Cass County, North Dakota,

is hereby rezoned from "MR-2", Multi-Dwelling Residential, District to "SR-5", Single-Dwelling Residential, District with a PUD, Planned Unit Development overlay as follows:

Setback: The minimum rear setback shall be 6 feet.

Roadway Access: Access shall be allowed from a local street.

Open Space: The minimum open space shall be ten percent (10%) of the lot area.

Section 2. The City Auditor is hereby directed to amend the zoning map now on file in his office so as to conform with and carry out the provisions of this ordinance.

OFFICE OF THE CITY ATTORNEY
FARGO, NORTH DAKOTA

ORDINANCE NO. _____

Section 3. This ordinance shall be in full force and effect from and after its passage and approval.

(SEAL)

Attest:

Steven Sprague, City Auditor

Timothy J. Mahoney, Mayor

First Reading:
Second Reading:
Final Passage:

(43d)

July 25, 2017

Board of City Commissioners
City Hall - 200 N 3rd Street
Fargo, ND 58102

Dear Commissioners:

The Federal Transit Administration has made available to the City of Fargo \$2,397,121 to be used for the transit system. The City of Fargo is required to hold a public hearing prior to submitting and executing this application. The attached Program of Projects was developed by the Transit Division to be submitted and executed with the application for these funds.

The requested motion is to approve the Program of Projects, and submit/execute the grant as outlined in the attachment.

Sincerely,



Julie Bommelman
Transit Director
City of Fargo

Attachment

Client:

CITY OF FARGO AUDITOR

Account # 10003 Ad # 2514665

Phone: (701) 241-1333

Fax:

Address: 200 N 3RD ST

FARGO, ND 58102

Sales Rep.:

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Phone: (701) 241-5504

Fax: (701) 241-5540

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Requested By:

Start Date: 07/17/2017

End Date: 07/23/2017

Nb. of Inserts: 8

Dimensions: 2 col. x 81.00 6.5 PT LINES

Publications: inforum.com

The Forum-Fargo

Total Price: \$130.41

Paid Amount: \$0.00

Balance: \$130.41

Page 1 of 1

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Fargo City Commission will hold a public hearing on July 31, 2017 at 5:15 pm in the City Commission chambers for the purpose of considering the City's Section 5307 Federal Transportation Administration grant preliminary program of projects for 2017. Unless amended, the proposed POP and projects contained in this advertisement will become the final POP. People with disabilities who need special accommodations (alternative format, interpreter/signer) should contact Julie Harris in the Transit Department at 701-241-8140 or by email: jharris@matbus.com. A Final Program of Projects will be available to the public at the Transit Department, 650 23rd Street N, Fargo, ND 58102.

A. The program is below:

**CITY OF FARGO, NORTH DAKOTA
METROPOLITAN AREA TRANSIT
2017 PROGRAM OF PROJECTS AND BUDGETS**

URBANIZED AREA: Fargo, ND - Moorhead, MN
DESIGNATED RECIPIENT: City of Fargo, North Dakota
APPLICANT: City of Fargo, North Dakota
FEDERAL APPORTIONMENT FOR FY2017 \$2,397,121
CARRYOVER FUNDS FROM PREVIOUS YEARS \$0
FY2016 FUNDS AVAILABLE - NOT APPLIED FOR \$0
TOTAL CARRYOVER FUNDS \$0
TOTAL FEDERAL FUNDS AVAILABLE AS OF 7.6.17 \$2,397,121
TOTAL FEDERAL FUNDS REQUESTED
FOR 2017 PROGRAM OF PROJECTS \$2,397,121
FEDERAL FUNDS CARRIED OVER TO 2017 \$0

| PROGRAM OF PROJECTS DESCRIPTIONS | LOCAL SHARE | FEDERAL SHARE | PROJECT TOTALS |
|--|--------------------|--------------------|--------------------|
| I. CAPITAL PROJECTS | | | |
| A. 20%/80% Funding | | | |
| 1. Maintenance Cost Funded as Capital | 194,936 | 779,745 | 974,681 |
| 2. 10% of ADA Costs Funded as Capital | 47,942 | 191,770 | 239,712 |
| II. PLANNING ASSISTANCE | | | |
| A. 20%/80% Funding | | | |
| 1. Transit Planning | 5,000 | 20,000 | 25,000 |
| III. OPERATING ASSISTANCE | | | |
| A. Maximum Federal Funding | | | |
| 1. Eligible net operating expenses of the Fargo Transit System for the period of January 1, 2017 through December 31, 2017 (50% Federal Funding Level) | 1,393,621 | 1,393,621 | 2,787,242 |
| 2. 1% Security | 11,986 | 11,986 | 23,971 |
| Section 5307 Program of Project Totals | \$1,653,485 | \$2,397,121 | \$4,050,606 |

B. RELOCATION
No persons, families, or businesses will be displaced by this project.

C. ENVIRONMENT
This project will not have a significant environmental impact upon the transit services in the area identified above.

D. COMPREHENSIVE PLANNING
This preliminary program of projects is in conformance with comprehensive land use and transportation planning for the area and is consistent with the locally adopted programming of projects in the annual element of the Transportation Improvement Plan (TIP).

E. ELDERLY AND PERSONS WITH DISABILITIES
This project takes into consideration the special transportation needs of the elderly by providing elderly and paratransit services.

F. CHARTER BUS
The City of Fargo will not provide any charter bus operations without first notifying all private operators in the area who claim to be willing and able to provide such service. If a private operator claims to be willing and able to provide charter services, then the City must review the evidence to determine whether or not the private operator will physically be able to provide the charter service, and if the provider has the required legal authority and necessary safety certifications that are required. If it is found that there is at least one willing and able provider which meets all of the aforementioned legal requirements by law, the City is prohibited from using FTA funded vehicles and equipment for charter service.

G. SCHOOL BUS OPERATIONS
The City of Fargo will not be engaged in school bus operations exclusively for the transportation of students or school personnel.

H. PRIVATE ENTERPRISE
Private enterprise is considered in all potential procurement contracts and subcontracts necessary in the operation of the transit system.

Interested persons or agencies desiring an opportunity to be heard with respect to social, economical, and environmental aspects of the program of projects may be heard at a this public hearing.

A copy of the preliminary program of projects, the current Transportation Development Plan, the current Transportation Improvement Plan, and a draft copy of the proposed grant application is available for public inspection at the City Transit Office, 650 23rd Street N, Fargo, North Dakota.

Julie Bommelman
Transit Director
(July 17, 2017)

2514665



July 24, 2017

Board of City Commissioners
City Hall
Fargo, ND 58102

Dear Commissioners:

Attached is a copy of an application made by BNG Holdings, Inc. for a property tax exemption according to N.D.C.C. Chapter 40-57.1. This application is a request for a new building at 3285 47 St. S. where the applicant will provide payment processing services and create payment technology software and web services.

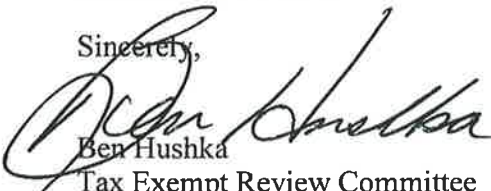
Notices to competitors have been published and the Tax Exempt Review Committee has met to consider this application. The application contains information regarding the projected value of the expansion and the nature of the jobs to be created.

The committee feels that this request does meet the necessary criteria to be eligible for this exemption for the property improvements.

SUGGESTED MOTION:

Approval of a 5 year, 100% exemption for the project improvements for BNG Holdings, Inc. at 3285 47 St. S.

Sincerely,



Ben Hushka
Tax Exempt Review Committee

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**RECEIVED**

JUN 12 2017

FARGO ASSESSOR*AFTER REVISIONS*

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 | <u>BNG Holdings, Inc.</u> |
| 2. | Address of project | <u>3285 47th St S</u> |
| | City | <u>Fargo</u> County <u>Cass</u> |
| 3. | Mailing address of project operator | <u>1405 Prairie Parkway Ste C</u> |
| | City | <u>West Fargo</u> State <u>ND</u> Zip <u>58078</u> |
| 4. | Type of ownership of project | |
| | <input type="checkbox"/> Partnership | <input checked="" type="checkbox"/> Subchapter S corporation |
| | <input type="checkbox"/> Corporation | <input type="checkbox"/> Cooperative |
| | | <input type="checkbox"/> Individual proprietorship |
| | | <input type="checkbox"/> Limited liability company |
| 5. | Federal Identification No. or Social Security No. | <u>20-8149025</u> |
| 6. | North Dakota Sales and Use Tax Permit No. | <u>216367</u> |
| 7. | If a corporation, specify the state and date of incorporation | <u>12/28/2006</u> |
| 8. | Name and title of individual to contact | <u>Brady Nash, CEO, Jason Gingerich, CFO. Jason Gibb, COO</u> |
| | Mailing address | <u>1405 Prairie Parkway Ste. C</u> |
| | City, State, Zip | <u>West Fargo. ND 58078</u> Phone No. <u>701-526-3539</u> |

Project Operator's Application For Tax Incentives

| | |
|-----|--|
| 9. | Indicate the tax incentives applied for and terms. Be specific. |
| | <input checked="" type="checkbox"/> Property Tax Exemption |
| | <input type="checkbox"/> Payments In Lieu of Taxes |
| | <u>5</u> Number of years <u> </u> Beginning year <u> </u> Ending year |
| | <u>100</u> Percent of exemption <u> </u> 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: |
| | <input type="checkbox"/> New business project <input checked="" type="checkbox"/> Expansion of a existing business project |

- 1 -

Description of Project Property

11. Legal description of project real property

Lot 1, Block 1, BNG Addition to the City of Fargo, Cass County, North Dakota (A replat of Lot 2, Block 1, Brandt Crossing Eighth Addition)

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? _____

If new construction, complete the following:

a. Estimated date of commencement of construction of the project covered by this application 08/01/2017

b. Description of project to be constructed including size, type and quality of construction
32,000 SF, 3-story building, Type IIIB Construction. Steel and concrete structure, elevator, low stair towers

c. Projected number of construction employees during the project construction 90

14. Approximate date of commencement of this project's operations 9/1/18 is the completion date of the building

15. Estimated market value of the property used for this project:

a. Land \$ 800,000

b. Existing buildings and structures for which an exemption is claimed \$ 0

c. Newly constructed buildings and structures when completed \$ 5,800,000

d. Total \$ 6,600,000

e. Machinery and equipment \$ 750,000

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

a. Land (not eligible)

b. Eligible existing buildings and structures \$ 0

c. Newly constructed buildings and structures when completed \$ 290,000

d. Total taxable valuation of property eligible for exemption (Add lines b and c) \$ 290,000

e. Enter the consolidated mill rate for the appropriate taxing district 266.45

f. Annual amount of the tax exemption (Line d multiplied by line e) \$ 77,271.00

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: ☐ Ag processing ☐ 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).

Merchant services including payment processing, payment gateway integration software, point of sale technology, and website design. Creation of new payment technologies and ongoing support of existing software

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

Elevator, IT Equipment, A/V Equipment

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 | See | attached | PDF | | |
| Annual expense | | | | | |
| Net income | | | | | |

21. Projected number and salary of persons to be employed by the project for the first five years:

Current positions & positions added the initial year of project

| # Current Positions | New Positions Under \$13.00 | New Positions \$13.01-\$15.00 | New Positions \$15.01-\$20.00 | New Positions \$20.01-\$28.00 | New Positions \$28.01-\$35.00 | New Positions Over \$35.00 |
|---------------------|-----------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|----------------------------|
| 39 | 3 | 0 | 3 | 3 | 1 | 8 |

| Year | (Before project) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------|------------------|--------|--------|---------|---------|---------|
| No. of Employees | (1) 41 | 15 | 17 | 24 | 31 | 38 |
| | (2) 5 | 3 | 6 | 9 | 11 | 0 |
| Estimated payroll | (1) 4 MM | 1.2 MM | 1.16MM | 1.7MM | 2.26MM | 2.9MM |
| | (2) 82,000 | 48,000 | 96,000 | 144,000 | 192,000 | 192,000 |

(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

We have no competitors in Fargo. 0%

Percentage of Gross Revenue Received Where Underlying Business Has ANY Local Competition %

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, Brady Nash, 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.

Brady Nash
 Signature

CEO
 Title

06/07/2017
 Date

BNG Holdings, Inc.**Confidential**

| Year | 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 | \$ 2,232,000 | \$ 3,816,500 | \$ 5,442,400 | \$ 6,879,750 | \$ 8,467,270 |
| Annual Expense | \$ 1,768,000 | \$ 3,137,500 | \$ 4,563,848 | \$ 6,025,000 | \$ 7,527,000 |
| Net Income | \$ 464,000 | \$ 679,000 | \$ 878,552 | \$ 854,750 | \$ 940,270 |

Not a Public Record**Confidential**

APPLICANT AGREED TO
MAKE PUBLIC. *BH*



ASSESSMENT DEPARTMENT

43f

July 24, 2017

Board of City Commissioners
City Hall
Fargo, ND 58102

Dear Commissioners:

Attached is a copy of a reapplication made by 1023 Flats for a payment in lieu of tax (PILOT) according to N.D.C.C. Chapter 40-57.1. This new downtown apartment project was approved for a 10 year PILOT by the City Commission in February however, the projected design has changed so a new application was required. An additional floor will be added from the original design and there will be 14 apartment units. The original design was for 10 apartment units.

The Tax Exempt Review Committee has met to consider this application. There were no written or verbal protests submitted at the time the committee met and none have been filed to date.

The committee feels this project meets the necessary criteria to be eligible for a PILOT due to the addition of apartment units downtown. The committee recommends approval of a 10 year, payment in lieu of taxes based on 5 years at 100% exemption and 5 years at 75% exemption.

SUGGESTED MOTION:

Approval of a 10 year, payment in lieu of tax for a building owned by 1023 Flats based on 5 years at 100% exemption and 5 years at 75% exemption according to the attached payment schedule.

Sincerely,

A handwritten signature in black ink, appearing to read "Ben Hushka".

Ben Hushka
Tax Exempt Review Committee

Payment In Lieu of Property Tax
Payment Schedule

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

PROJECT OPERATOR: 1023 Flats

ASSUMPTIONS: **\$2,127,600**

| | | |
|--------------------------|----------|-------------|
| Annual Tax Growth | = | 0% |
| Years 1-5 | = | 100% |
| Years 6-10 | = | 75% |

PAYMENT SCHEDULE:

| <u>YEAR</u> | <u>IN LIEU PAYMENT</u> |
|-------------|----------------------------|
| 1 | \$ 0 |
| 2 | \$ 0 |
| 3 | \$ 0 |
| 4 | \$ 0 |
| 5 | \$ 0 |
| 6 | \$ 7,646 |
| 7 | \$ 7,646 |
| 8 | \$ 7,646 |
| 9 | \$ 7,646 |
| 10 | \$ 7,646 |

****Note** - The applicant will pay property tax on the land in addition to these in lieu payments.

RECEIVED

JUN 15 2017

FARGO ASSESSOR

Application For Property Tax Incentives For New or Expanding Businesses

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

Project Operator's Application To Cass
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 | <u>1023 Flats</u> | | |
| 2. Address of project | <u>1023 1st Ave S.</u> | | |
| | City <u>Fargo</u> | County <u>Cass</u> | |
| 3. Mailing address of project operator | <u>Box 426</u> | | |
| | City <u>Fargo</u> | State <u>ND</u> | Zip <u>58107</u> |
| 4. Type of ownership of project | <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Subchapter S corporation <input type="checkbox"/> Cooperative <input type="checkbox"/> Individual proprietorship <input checked="" type="checkbox"/> Limited liability company | | |
| 5. Federal Identification No. or Social Security No. | <u>TBD</u> | | |
| 6. North Dakota Sales and Use Tax Permit No. | | | |
| 7. If a corporation, specify the state and date of incorporation | <u>TBD</u> | | |
| 8. Name and title of individual to contact | <u>Jesse Amey</u> | | |
| Mailing address | <u>Box 426</u> | | |
| City, State, Zip | <u>Fargo</u> | <u>ND</u> | <u>58107</u> |
| Phone No. | <u>232-1355</u> | | |

Project Operator's Application For Tax Incentives

| | | | |
|--|---|---|--|
| 9. Indicate the tax incentives applied for and terms. Be specific. | | | |
| <input checked="" type="checkbox"/> Property Tax Exemption | <input checked="" type="checkbox"/> Payments In Lieu of Taxes | | |
| <u>10</u> Number of years | <u>10</u> Beginning year | <u>100-5</u> Ending year | |
| <u>75-5</u> Percent of exemption | <u>75-5</u> 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: | | | |
| <input checked="" type="checkbox"/> New business project | | <input checked="" type="checkbox"/> Expansion of an existing business project | |

Description of Project Property

11. Legal description of project real property

Lot 7 Block 10 Original Townsite Lot Block 10

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? _____

If new construction, complete the following:

- a. Estimated date of commencement of construction of the project covered by this application
- 3/16

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

14plex 4 story apartment building consisting
of 14 one bedroom units

- c. Projected number of construction employees during the project construction
- 40

14. Approximate date of commencement of this project's operations
- 12 months - 4/18

15. Estimated market value of the property used for this project:

a. Land.....\$ 12,400

b. Existing buildings and structures for which an exemption is claimed.....\$ 0

c. Newly constructed buildings and structures when completed.....\$ 2,127,600

d. Total.....\$ 2,149,000

e. Machinery and equipment.....\$ 0

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

a. Land (not eligible).....

b. Eligible existing buildings and structures.....\$ 0

c. Newly constructed buildings and structures when completed.....\$ 106,380 2,127,600 BT

d. Total taxable valuation of property eligible for exemption (Add lines b and c).....\$ 106,380 BT
2,127,600

e. Enter the consolidated mill rate for the appropriate taxing district.....297.51

f. Annual amount of the tax exemption (Line d multiplied by line e).....\$ 31,649 BT

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: ☐ Ag processing ☐ 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).

Rental Property

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

elevator

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 | <u>175,182</u> | <u>176,934</u> | <u>178,703</u> | <u>180,490</u> | <u>182,295</u> |
| Annual expense | <u>136,306</u> | <u>136,588</u> | <u>136,873</u> | <u>137,161</u> | <u>137,455</u> |
| Net income | <u>38,876</u> | <u>40,346</u> | <u>41,830</u> | <u>43,329</u> | <u>44,840</u> |

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) _____ (2) _____ | _____ | _____ | _____ | _____ | _____ |
| Estimated payroll | (1) _____ (2) _____ | _____ | _____ | _____ | _____ | _____ |

(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). 220 West, LLC, Alexandra Marie, LLC

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
Enclave, Killbuck

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, Jesse Cway, 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

Title

Date



MEMORANDUM

TO: Board of City Commissioners

FROM: Steven Sprague, City Auditor

SUBJECT: Lone Star Liquor License Extension and Transfer

DATE: July 26, 2017

The Auditor's office received a request to transfer the Lone Star Class FA alcoholic beverage license to David Schlossman. Mr. Schlossman does not plan to operate a restaurant himself but rather wishes to use the license as an enticement for a restaurant to locate in Fargo. There were no concerns regarding the background check, however, the Liquor Control Board was not comfortable recommending approval to transfer a license that would not be used for its intended purpose. The Liquor Board did approve an extension of time for Mr. Schlossman to find a restaurant to whom the license could be transferred.

The request is a six-month extension of ordinance 25-1512 on liquor license to allow time to sell and transfer the license to a new entity.

Recommended Motion:

Deny the transfer of the Lone Star class FA liquor license to David Schlossman.

Approve a six-month extension of ordinance 25-1512 until January 31, 2018 for the Lone Star class FA liquor license.



APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE

Company name (LLC, Inc): DAVID SCHLOSSMAN

Doing business as: SSC - FA

Business address (location): 1535 University Dr S. Fargo, ND 58103

Mailing address: 1711 Gnd Drive #130 Fargo, ND 58103

Business e-mail address: David.Schlossman@goldmark.com

Phone number: (701) 232-5806 Other number: ()

The following section to be completed by City Staff:

Date Received by Auditor's Office: _____

Investigations Fee Paid (\$250) _____ Yes _____ No Date Paid: _____ Check # _____

Reviewed – Police Department by: _____ Date: _____

Comments (or see attached report):

_____ Approval Recommendation

_____ Denial Recommendation

Chief of Police

Date

Reviewed – Liquor Control Committee on (date): _____

_____ Approval Recommendation

_____ Denial Recommendation

(See attached comments or minutes)

Reviewed – City Commission on (date): _____

_____ Approval

_____ Denial

June 15, 2017

Steve Sprague
City of Fargo
200 N 3 St.
Fargo, ND 58102

RE: Request for liquor license transfer.

This letter is to request the Lonestar Steakhouse liquor license to remain inactive for a period of six months as a condition to being transferred. My intentions for the license would be to either 1) Allow a restaurant operator to utilize the license to operate a full service restaurant at one of our available properties for lease in Fargo. 2) Transfer the license to an existing tenant to expand their beverage options from just beer and wine.

If you have any questions, you may contact me directly at 701-239-5806 or email me at david.schlossman@goldmark.com

Sincerely,
David Schlossman

This application is for the Class or Classes of Licenses checked:

- ☐ Class A Authorizes the licensee to sell "on-sale" only.
- ☐ Class B Authorizes the licensee to sell "off-sale" only. "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- ☐ Class B "Limited" Authorizes the licensee to sell "off-sale" only. "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof. License is Non Transferable.
- ☐ Class AB Authorizes the licensee to sell "on-sale" or "off-sale". "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- ☐ Class ABH Authorizes the licensee to sell "on-sale" or "off-sale", at hotels & motels with 100 or more guest rooms only.
- ☐ Class ABH "Limited" Authorizes license may be issued to persons engaging in "on-sale" of beer and wine or hosting "manager's specials," solely for guests or patrons of extended stay and limited service hotels or motels
- ☐ Class ABH-RZ Authorizes the licensee to sell "on-sale" or "off-sale", to hotel guests in a Renaissance Zone with 15 guestrooms.
- ☐ Class C Authorizes the licensee to sell beer "on-sale" only. No food sales required. Physical bar is allowed.
- ☐ Class D Authorizes the licensee to sell beer "off-sale" only.
- ☐ Class DD License shall only be issued to a domestic distillery owner or operator who has obtained a license from the ND State Tax Commissioner. No food sales required.
- ☐ Class E In nature of a special permit, shall authorize the holder of an existing "on-sale" license in the sale of On-sale only alcoholic beverages on such premises designated on the permit.
- ☐ Class F Authorizes the licensee to sell "on-sale" only served at table or booth; no bar allowed. Requires 50% or more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages.
- ☒ Class FA Authorizes the licensee to sell "on-sale" only, physical bar is allowed. Requires 50% or more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages. *Transfer*
- ☐ Class FA-RZ Authorizes the licensee to sell "on-sale" only, physical bar is allowed. Required to be in the Renaissance Zone. No gaming and no "E" permits allowed. Requires 50% or more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages.
- ☐ Class FA-Golf On USGA Golf Course or 9 or more holes. Requires 25% receipts of food sales from April to October and 50% the rest of the year.

- () Class FA-Entertainment Authorizes the licensee to sell "on-sale" only, in a place of amusement or in a recreational establishment. Requires non-alcoholic sales to exceed alcohol sales.
- () Class G Authorizes the licensee to sell wine and sparkling wine "on-sale" only, served at table or booth, no bar. Requires 50% food sales.
- () Class H Authorizes the licensee to sell beer "on-sale" only, served at table or booth, with no bar allowed and requires 50% food sales.
- () Class I Authorizes the licensee to sell beer, wine, and sparkling wine "on-sale" only. A physical bar is allowed and requires 65% food sales.
- () Class I Entertainment Authorizes the Licensee to sell "on-sale" only of beer, wine and sparkling wine in a recreational establishment or place of amusement. A physical bar is allowed and 65 % of non-alcohol sales required.
- () Class J Authorizes the licensee to sell "on-sale" only at a non-profit organization for military purposes.
- () Class L Authorizes the licensee to sell "on-sale" only on an excursion boat operating on the Red River.
- () Class M Authorizes the licensee to operate a Microbrew Pub or Domestic Winery and sell "on-sale" and "off-sale" offered in conjunction with another license. Allows the sale of Growlers.
- () Class N Authorizes the licensee to sell "on-sale" only at a stadium with a minimum seating capacity of 2500.
- () Class O Authorizes the licensee to operate a winemaker and/or vendor of winemaking supplies and related services.
- () Class P Authorizes the licensee to operate a domestic winery and to sell wine "on-sale" and "off-sale". Allows limited beer sales.
- () Class RZ-V Authorizes the licensee to sell "on-sale" only, located in an approved Renaissance Zone. The venue should be designed and intended to be used as a private event center or entertainment venue with square footage of at least 10,000 square feet and capacity of at least 300 people. The Venue must derive 60% or more of its annual gross receipts from the sale of tickets.
- () Class W Authorizes the licensee to sell wine and sparkling wine "on-sale" only. A physical bar is allowed and no food sales required.
- () Class Y Shall authorize the production brewery to obtain a brewer license and a retailer license. Must be licensed by the State Tax Commissioner. No food sales required.
- () Class Z Authorizes the licensee to sell "on-sale" only issued to individuals not currently holding another "A", "AB", "ABH", or "ABH-RZ". A physical bar is allowed and no food sales required.

The following section to be completed by the applicant:

ALL APPLICANTS must initial #1 - #9 and sign in the space provided below.

1. DS All applicants must assure there is adequate off-street parking for my business (within the direction of and as approved by the City Commission). Membership in the current City parking program (e.g. "P.O.P") may place me in compliance with this requirement.
2. DS I have received a copy of the Alcoholic Beverage Ordinance(s) of the City of Fargo, read the ordinances and am familiar with the conditions and requirements of these ordinances.
3. DS If granted an alcoholic beverage license, I will obey, abide by and comply with the State of North Dakota Liquor Control Act, and the City of Fargo Alcoholic Beverage ordinances, as well as any amendments to either of these, which may be made from time to time.
4. DS I understand either, I, my manager(s), or both of us must attend a yearly meeting (date and time to be announced) with representatives from the Police and Health departments to discuss law enforcement and safety concerns as a condition of license renewal.
5. DS I understand that the premises described in the application, if licensed for alcoholic beverage sales, may be inspected at any time by the Chief of Police, or any officer of the Police or Health Departments as allowed by city ordinances and state law. My employees and I will cooperate with such inspections.
6. DS I understand that all employees, managers and owners engaged in mixing, pouring or service of alcoholic beverages MUST attend Server Training.
7. DS I am familiar with the question, answers and other information as it appears in the complete application of an alcoholic beverage license, and the answers and information are, to the best of my belief and knowledge, true, complete and accurate. (Note: This application must be made under oath before a Notary Public.)
8. DS I recognize the City of Fargo is subject to open records laws contained in chapter 44-04 of the N.D. Century Code. Section 44-04-18.4 contains an exception for trade secrets, proprietary, commercial, and financial information. I agree in submitting the application, that I have familiarized myself with this law. If any information being forwarded to the City of Fargo is claimed as confidential or proprietary under this section, I must clearly indicate this in writing when I submit this application, pointing out, in detail, why the information submitted is claimed as an exemption under section 44-04-18.4. I further agree to respond to, as well as to aid the City, in responding to any claim under 44-04-21.1 concerning this claim of confidentiality under 44-04-18.4.
9. DS I understand that **the license will expire on June 30 of each year** and a renewal process will need to be completed. This process will include a completed renewal application, payment in full for the required annual fee, a completed roster for each employee who pours or serves alcohol, attendance of Server Training for those listed on the roster, and a copy of your certified food sales if applicable to your license.

Applicant printed name: DAVID SCHLOSSMAN

Signature: 

Applicant printed name: _____ Signature: _____

Applicant printed name: _____ Signature: _____

Applicant Information: (2 pages)

Name: David Craig Schlossman
 (first) (middle) (last) (maiden name)

Address: 822 Southwood Dr S. Fargo ND 58103
 (address) (city) (state & zip)

How long have you lived at this address? One Year

Provide your address history for the past 5 years:

From 2013 to 2016 Address: 1007 7th Ave N. Fargo, ND 58103

From 2016 to Present Address: 822 Southwood Dr S. Fargo ND 58103

E-mail address: David.Schlossman@goldmark.com

Home phone number: (701) 261-6161 Other number: (701) 239-5806

Date of Birth: 9/24/1986 Place of Birth: Fargo ND

List each driver's license you have ever had and the state of issue:

DL#: SDH-86-2165 State of Issue: North Dakota Dates: 06/08/2016 - 09/24/2018

DL#: _____ State of Issue: _____ Dates: _____

Has your driver's license ever been suspended or revoked? _____ Yes X No If "yes," where and when.

If "yes," have you ever been issued a citation for driving after your license was suspended or revoked?

_____ Yes X No If "yes," where and when?

Have you ever been convicted, plead guilty, or plead "no contest" to any law of the U.S., or any state, or of any local ordinance (other than traffic)? (DUI **should not** be considered a "traffic offense" – and therefore must be listed) _____ Yes X No

If "yes", provide the date of arrest, location, charge, and sentence of each conviction.

Have you been issued a citation for any alcohol-related offense? _____ Yes X No

If "yes", provide the date of arrest, location, charge of each conviction.

List all federal, state, and local licenses (including liquor licenses; excluding driver's licenses) you currently hold, formerly held, or may have an interest in:

N/A

Have any of the above named licenses ever been suspended or revoked? ____ Yes ☒ No

If "yes", list the dates and reasons for the suspensions or revocations:

List your employment/business history for the past 7-year period:

From: 2011 to Present Business name: Goldmark Commercial Real Estate Inc

Address: 1711 Gold Drive # 130 Fargo ND 58103 Position/Title: Commercial Agent

From: ____ to ____ Business name: _____

Address: _____ Position/Title: _____

From: ____ to ____ Business name: _____

Address: _____ Position/Title: _____

Do you currently own or have a financial interest in any other business that sells or serves alcoholic beverages?

____ Yes ☒ No If "yes", list each business below:

Have you ever manufactured, sold, or distributed alcoholic beverages on the wholesale or retail level?

____ Yes ☒ No If "yes", indicate where, when, and for whom below:

Do you have any current or prior management experience working for a business that sells or serves alcohol?

____ Yes ☒ No If "yes", describe below:

Make copies as needed for each shareholder/partner with 5% or greater interest in the company.

Operator/Manager Information

Are you going to operate/manage this business personally?

_____ Yes ☒ No If "no", who will operate/manage it?

Name:

TBD

(first)

(middle)

(last)

(maiden name)

Address:

(address)

(city)

(state & zip)

Home phone number: (____) _____ Other number (____) _____

Date of Birth: _____ Place of Birth: _____

(Important: The name and other information about your manager must be provided before a license can be issued. If the manager changes during the course of the license period, you must provide the City Auditor's Office with updated information about the new manager immediately.)

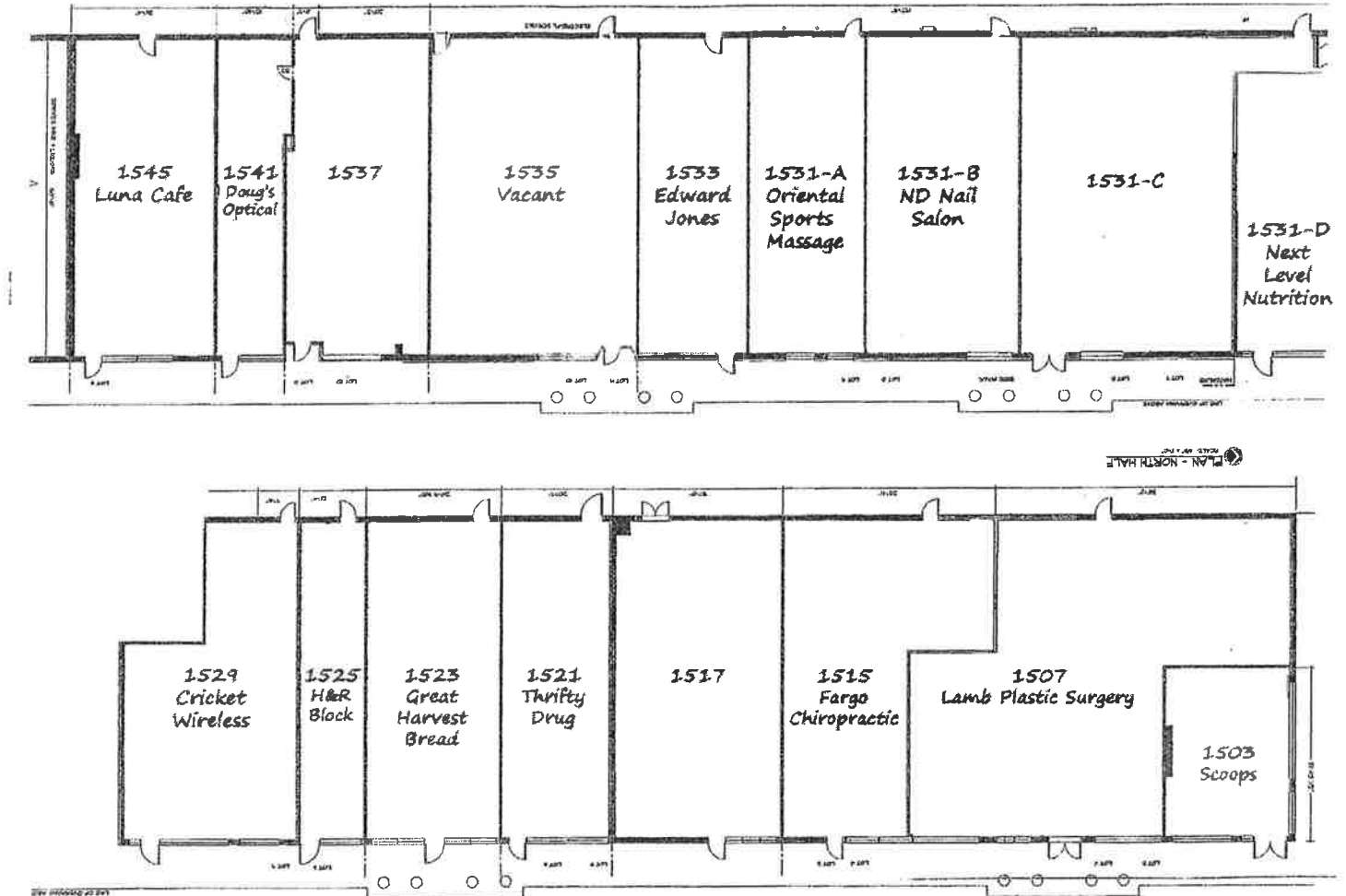
Business Site Plan

On this page (or on attached pages if additional space is needed), provide a detailed diagram and description of the design, location, and square footage of the premises to be licensed.

- The scale should be stated, such as 1" = 20'. The direction N should be indicated towards the top.
- The diagram should include placement of all pertinent features of the interior of the licensed premises, such as seating areas, kitchens, offices, repair areas, restrooms, etc. The exterior parking area should also be shown.

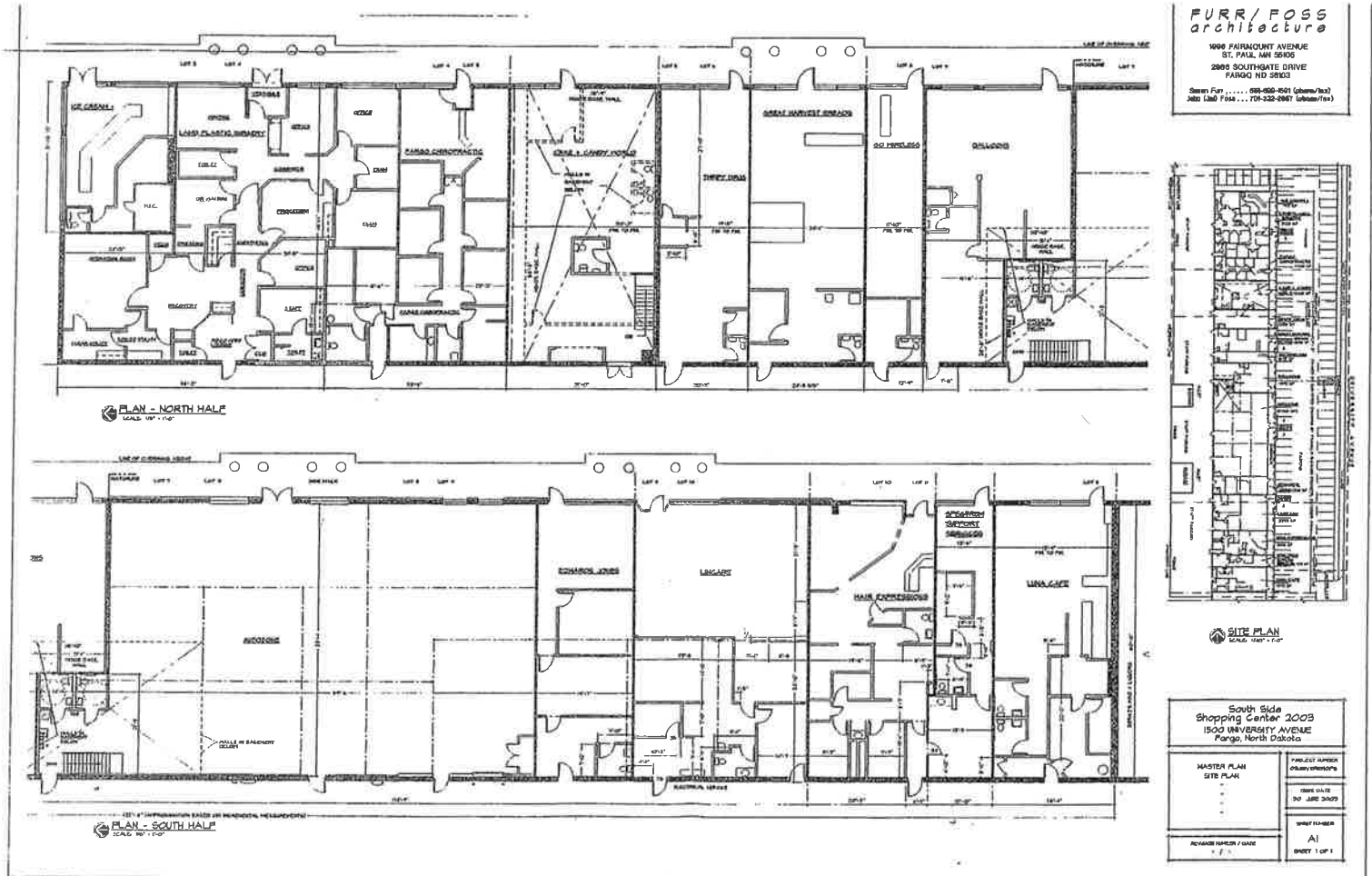
SOUTHSIDE SHOPPING CENTER

1517 SOUTH UNIVERSITY DRIVE, FARGO, ND 58103



GOLDMARK™
COMMERCIAL REAL ESTATE INC

David Schlossman
David.Schlossman@goldmark.com
701.239.5806 (O) 701.261.6161 (C)
www.goldmarkcommercial.com
commercialinfo@goldmark.com





MEMORANDUM

TO: Board of City Commissioners

FROM: Steven Sprague, City Auditor

SUBJECT: Reese Riley Bistro Application

DATE: July 26, 2017

The Auditor's office received a request for the issuance of a class GH alcoholic beverage license from Christine Deibel owner of R & R LLC d/b/a Reese Riley Bistro. The credit history check revealed a bankruptcy in 2012 and a criminal history check revealed an ongoing criminal case in which she was charged with felony vehicle theft. The case is pending and has a court date set in August 2017.

Proponents for issuing the license state you are innocent until proven guilty and that the license can be revoked if she is found guilty. Opponents to issuing the license state; resolution to the case could happen in less than 30 days and the process to revoke a license is not immediate, it could take 60 days to meet all the publishing and notice requirements.

Recommended Motion:

The recommendation from the Liquor Board on a 3-2 split vote is to deny the issuance of the class GH alcoholic beverage license.



APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE

Company name (LLC, Inc): R & R LLC

Doing business as: Reese Riley Bistro

Business address (location): 2653 45th Street South, Fargo, ND 58104

Mailing address: PO BOX 74, Moorhead, MN

Business e-mail address: cmconrad10@hotmail.com

Phone number: 703 360 2826 Other number: ()

The following section to be completed by City Staff:

Date Received by Auditor's Office: _____

Investigations Fee Paid (\$250) _____ Yes _____ No Date Paid: _____ Check # _____

Reviewed – Police Department by: _____ Date: _____

Comments (or see attached report):

_____ Approval Recommendation

_____ Denial Recommendation

Chief of Police

Date

Reviewed – Liquor Control Committee on (date): _____

_____ Approval Recommendation

_____ Denial Recommendation

(See attached comments or minutes)

Reviewed – City Commission on (date): _____

_____ Approval

_____ Denial

This application is for the Class or Classes of Licenses checked:

- () Class A Authorizes the licensee to sell "on-sale" only.
- () Class B Authorizes the licensee to sell "off-sale" only. "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- () Class B "Limited" Authorizes the licensee to sell "off-sale" only. "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof. License is Non Transferable. *80.00*
- () Class AB Authorizes the licensee to sell "on-sale" or "off-sale". "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- () Class ABH Authorizes the licensee to sell "on-sale" or "off-sale", at hotels & motels with 100 or more guest rooms only.
- () Class ABH "Limited" Authorizes license may be issued to persons engaging in "on-sale" of beer and wine or hosting "manager's specials," solely for guests or patrons of extended stay and limited service hotels or motels
- () Class ABH-RZ Authorizes the licensee to sell "on-sale" or "off-sale", to hotel guests in a Renaissance Zone with 15 guestrooms.
- () Class C Authorizes the licensee to sell beer "on-sale" only. No food sales required. Physical bar is allowed.
- () Class D Authorizes the licensee to sell beer "off-sale" only.
- () Class DD License shall only be issued to a domestic distillery owner or operator who has obtained a license from the ND State Tax Commissioner. No food sales required.
- () Class E In nature of a special permit, shall authorize the holder of an existing "on-sale" license in the sale of On-sale only alcoholic beverages on such premises designated on the permit.
- () Class F Authorizes the licensee to sell "on-sale" only served at table or booth; no bar allowed. Requires 50% or more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages.
- () Class FA Authorizes the licensee to sell "on-sale" only, physical bar is allowed. Requires 50% or more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages.
- () Class FA-Golf On USGA Golf Course or 9 or more holes. Requires 25% receipts of food sales from April to October and 50% the rest of the year.
- () Class FA-Entertainment Authorizes the licensee to sell "on-sale" only, in a place of amusement or in a recreational establishment. Requires non-alcoholic sales to exceed alcohol sales.

☒ Class G

Authorizes the licensee to sell wine and sparkling wine "on-sale" only, served at table or booth, no bar. Requires 50% food sales.

☒ Class H

Authorizes the licensee to sell beer "on-sale" only, served at table or booth, with no bar allowed and requires 50% food sales.

☐ Class I

Authorizes the licensee to sell beer, wine, and sparkling wine "on-sale" only. A physical bar is allowed and requires 65% food sales.

☐ Class I Entertainment

Authorizes the Licensee to sell "on-sale" only of beer, wine and sparkling wine in a recreational establishment or place of amusement. A physical bar is allowed and 65 % of non-alcohol sales required.

☐ Class J

Authorizes the licensee to sell "on-sale" only at a non-profit organization for military purposes.

☐ Class L

Authorizes the licensee to sell "on-sale" only on an excursion boat operating on the Red River.

☐ Class M

Authorizes the licensee to operate a Microbrew Pub or Domestic Winery and sell "on-sale" and "off-sale" offered in conjunction with another license. Allows the sale of Growlers.

☐ Class N

Authorizes the licensee to sell "on-sale" only at a stadium with a minimum seating capacity of 2500.

☐ Class O

Authorizes the licensee to operate a winemaker and/or vendor of winemaking supplies and related services.

☒ Class P

Authorizes the licensee to operate a domestic winery and to sell wine "on-sale" and "off-sale". Allows limited beer sales.

☐ Class RZ-V

Authorizes the licensee to sell "on-sale" only, located in an approved Renaissance Zone. The venue should be designed and intended to be used as a private event center or entertainment venue with square footage of at least 10,000 square feet and capacity of at least 300 people. The Venue must derive 60% or more of its annual gross receipts from the sale of tickets.

☐ Class W

Authorizes the licensee to sell wine and sparkling wine "on-sale" only. A physical bar is allowed and no food sales required.

☐ Class Y

Shall authorize the production brewery to obtain a brewer license and a retailer license. Must be licensed by the State Tax Commissioner. No food sales required.

☐ Class Z

Authorizes the licensee to sell "on-sale" only issued to individuals not currently holding another "A", "AB", "ABH", or "ABH-RZ". A physical bar is allowed and no food sales required.

The following section to be completed by the applicant:

ALL APPLICANTS must initial #1 - #9 and sign in the space provided below.

1. CD All applicants must assure there is adequate off-street parking for my business (within the direction of and as approved by the City Commission). Membership in the current City parking program (e.g. "P.O.P") may place me in compliance with this requirement.
2. CD I have received a copy of the Alcoholic Beverage Ordinance(s) of the City of Fargo, read the ordinances and am familiar with the conditions and requirements of these ordinances.
3. CD If granted an alcoholic beverage license, I will obey, abide by and comply with the State of North Dakota Liquor Control Act, and the City of Fargo Alcoholic Beverage ordinances, as well as any amendments to either of these, which may be made from time to time.
4. CD I understand either, I, my manager(s), or both of us must attend a yearly meeting (date and time to be announced) with representatives from the Police and Health departments to discuss law enforcement and safety concerns as a condition of license renewal.
5. CD I understand that the premises described in the application, if licensed for alcoholic beverage sales, may be inspected at any time by the Chief of Police, or any officer of the Police or Health Departments as allowed by city ordinances and state law. My employees and I will cooperate with such inspections.
6. CD I understand that all employees, managers and owners engaged in mixing, pouring or service of alcoholic beverages **MUST** attend Server Training.
7. CD I am familiar with the question, answers and other information as it appears in the complete application of an alcoholic beverage license, and the answers and information are, to the best of my belief and knowledge, true, complete and accurate. (Note: This application must be made under oath before a Notary Public.)
8. CD I recognize the City of Fargo is subject to open records laws contained in chapter 44-04 of the N.D. Century Code. Section 44-04-18.4 contains an exception for trade secrets, proprietary, commercial, and financial information. I agree in submitting the application, that I have familiarized myself with this law. If any information being forwarded to the City of Fargo is claimed as confidential or proprietary under this section, I must clearly indicate this in writing when I submit this application, pointing out, in detail, why the information submitted is claimed as an exemption under section 44-04-18.4. I further agree to respond to, as well as to aid the City, in responding to any claim under 44-04-21.1 concerning this claim of confidentiality under 44-04-18.4.
9. CD I understand that **the license will expire on June 30 of each year** and a renewal process will need to be completed. This process will include a completed renewal application, payment in full for the required annual fee, a completed roster for each employee who pours or serves alcohol, attendance of Server Training for those listed on the roster, and a copy of your certified food sales if applicable to your license.

Applicant printed name: Christine Deibel Signature: Christine Deibel

Applicant printed name: _____ Signature: _____

Applicant printed name: _____ Signature: _____

Applicant Information: (2 pages)

Name: Christine Mary Deibel
 (first) (middle) (last) (maiden name)

Address: 4523 Blue Stem Way Moorhead Mn 56560
 (address) (city) (state & zip)

How long have you lived at this address? 8 months

Provide your address history for the past 5 years:

From 2014 to 2016 Address: 11592 Yancy Court Blaine, Mn 55449

From 2011 to 2014 Address: 10949 River Pines Dr Champlin, Mn 55316

E-mail address: cmconrad10@hotmail.com

Home phone number: (263) 360 2826 Other number: ()

Date of Birth: 10/17/81 Place of Birth: Bismarck

List each driver's license you have ever had and the state of issue:

DL#: HD68058991420 State of Issue: MN Dates: 2006 - Current

DL#: Unknown State of Issue: ND Dates: - 2006

Has your driver's license ever been suspended or revoked? Yes ☐ No ☒ If "yes," where and when.

If "yes," have you ever been issued a citation for driving after your license was suspended or revoked?
 Yes ☐ No ☐ If "yes," where and when?

Have you ever been convicted, plead guilty, or plead "no contest" to any law of the U.S., or any state, or of any local ordinance (other than traffic)? (DUI **should not** be considered a "traffic offense" – and therefore must be listed) Yes ☒ No ☐

If "yes", provide the date of arrest, location, charge, and sentence of each conviction.

Have you been issued a citation for any alcohol-related offense? Yes ☐ No ☒

If "yes", provide the date of arrest, location, charge of each conviction.

List all federal, state, and local licenses (including liquor licenses; excluding driver's licenses) you currently hold, formerly held, or may have an interest in:

Champion, MN Beer + Wine License

Have any of the above named licenses ever been suspended or revoked? ☐ Yes ☒ No

If "yes", list the dates and reasons for the suspensions or revocations:

List your employment/business history for the past 7-year period:

From: 2013 to Current Business name: Thomas Reese Olive Oil Co.

Address: 12496 Champion Dr Position/Title: owner

From: 2009 to 2014 Business name: CMC Enterprises, LLC

Address: PO Box 385 Champion, MN 55316 Position/Title: Concession Stand / owner

From: 2012 to 2014 Business name: Ella's Diner

Address: 512 Northtown Dr NE Position/Title: owner
Blaine, MN 55434

Do you currently own or have a financial interest in any other business that sells or serves alcoholic beverages?

☐ Yes ☒ No If "yes", list each business below:

Have you ever manufactured, sold, or distributed alcoholic beverages on the wholesale or retail level?


☐ Yes ☒ No If "yes", indicate where, when, and for whom below:

Do you have any current or prior management experience working for a business that sells or serves alcohol?

☒ Yes ☐ No If "yes", describe below:

Make copies as needed for each shareholder/partner with 5% or greater interest in the company.



TO: BOARD OF CITY COMMISSIONERS
FROM: KENT COSTIN, DIRECTOR OF FINANCE 
**RE: PUBLIC HEARING AND RESOLUTION AUTHORIZING THE ISSUANCE OF BONDS ON
BEHALF OF THE EVANGELICAL LUTHERAN GOOD SAMARITAN SOCIETY**
DATE: JULY 26, 2017

A public hearing is scheduled for July 31, 2017 at 5:15 for approving bonds to be issued by the Colorado Health Facilities Authority on behalf of the Evangelical Lutheran Good Samaritan Society for a senior living center located at 4502 37th Avenue South, Fargo, ND.

Section 147(f) of the Internal Revenue Code requires the public hearing.

Suggested Motion:

Conduct public hearing as required by the Internal Revenue Code and approve a resolution authorizing the issuance of bonds by the Colorado Health Facilities Authority on behalf of the Evangelical Lutheran Good Samaritan Society.

RESOLUTION NO. _____

**RESOLUTION APPROVING THE ISSUANCE OF HEALTH FACILITIES REVENUE AND
REVENUE REFUNDING BONDS BY THE COLORADO HEALTH FACILITIES AUTHORITY
FOR THE BENEFIT OF THE EVANGELICAL LUTHERAN GOOD SAMARITAN SOCIETY**

BE IT RESOLVED BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF FARGO:

WHEREAS, on July 17, 2017, notice of a public hearing (the “Public Hearing”) by the Board of City Commissioners of the City of Fargo (the “City”) was published in *The Forum*, and the Public Hearing concerning the proposed plan of finance and the issuance of the Colorado Health Facilities Authority Health Facilities Revenue and Revenue Refunding Bonds (The Evangelical Lutheran Good Samaritan Society Project), Series 2017 (the “Bonds”). Under the plan of finance, the Bonds will be issued with an aggregate new money principal amount not to exceed approximately \$105,750,000, of which a not to exceed amount of approximately \$6,600,000 is to be used to (i) finance or refinance The Evangelical Lutheran Good Samaritan Society’s (the “Society”) senior living and senior care facility located at Good Samaritan Society—Fargo, 4502 37th Avenue South, Fargo, North Dakota 58104-7599 (the “North Dakota Facilities”), (ii) fund a reserve fund for the Bonds, and (iii) pay costs of issuance of the Bonds (collectively, the “North Dakota Project”); and

WHEREAS, the Public Hearing was held by the Board of City Commissioners on July 31, 2017 at which discussions were held concerning a request by the Society that the City approve the proposed plan of finance and the issuance of the Bonds by the Colorado Health Facilities Authority (“COHFA”) to help defray the cost of financing the North Dakota Facilities.

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF FARGO, NORTH DAKOTA, AS FOLLOWS:

Section 1. The proposed plan of finance and the issuance of the Bonds by COHFA to help defray the costs of the North Dakota Facilities is hereby approved.

Section 2. This approval does not impose any liability on the City or in any way involve the City in the issuance of the Bonds or the acquisition, construction, improvement and equipping of the North Dakota Facilities but is solely an accommodation by the City to satisfy the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended.

Adopted by the Board of City Commissioners of the City of Fargo, North Dakota, this 31st day of July, 2017.

Mayor

ATTEST:

City Clerk

AGREEMENT
REGARDING TEFRA HEARING
COLORADO HEALTH FACILITIES AUTHORITY ON BEHALF OF
THE EVANGELICAL LUTHERAN GOOD SAMARITAN SOCIETY
FOR FARGO, NORTH DAKOTA PROJECT

THIS AGREEMENT is entered into as of the 31st day of July, 2017, between the City of Fargo, North Dakota (the "City") and The Evangelical Lutheran Good Samaritan Society, a North Dakota non-profit corporation, headquartered in Sioux Falls, South Dakota (the "Society") in connection with the issuance by the Colorado Health Facilities Authority ("COHFA"), on behalf of the Society, of tax-exempt health facility revenue bonds (the "Bonds") pursuant to Article 25, Title 25 of the Colorado Revised Statutes (the "Act").

A. Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires that COHFA obtain the approval of the governing body or chief elected representative of each state or local government jurisdiction in which the financed facilities are to be located, following a Public Hearing. The Public Hearing can be held following the provision of adequate notice with the publication of a notice of the public hearing in a newspaper serving the area where the project is located. A draft notice of the Public Hearing that was published in *The Forum* on July 31, 2017, is attached hereto as EXHIBIT A.

B. Under this plan of finance, the Bonds will be issued with an aggregate new money principal amount not-to-exceed approximately \$105,750,000, of which a not-to-exceed amount of approximately \$6,600,000 is to be used to (i) finance or refinance The Evangelical Lutheran Good Samaritan Society's (the "Society") senior living and senior care facility located at Good Samaritan Society—Fargo, 4502 37th Avenue South, Fargo, North Dakota 58104-7599 (the "North Dakota Facilities"), (ii) fund a reserve fund for the Bonds, and (iii) pay costs of issuance of the Bonds (collectively, the "North Dakota Project").

C. The Bonds will constitute special limited obligations of COHFA payable solely from amounts received by COHFA pursuant to a loan agreement between COHFA and the Society, the principal user of the North Dakota Facilities. The City will not issue the Bonds, nor will the City or the State of North Dakota have any liability with respect to the Bonds or the sale or offering thereof.

NOW THEREFORE, in consideration of the mutual undertakings and covenants set forth below and other good and valuable consideration, the City and the Society hereby represent and agree as follows:

1. The City has agreed and has held the Public Hearing with respect to the North Dakota Project as required by the Code.

2. Notwithstanding anything contained in any other document regarding the North Dakota Project or the financing of the North Dakota Facilities, the Bonds issued by COHFA, shall not be payable from nor charged upon any funds of the City nor shall the City be subject to any liability thereon. No holder or holders of the Bonds shall ever have the right to compel any exercise of the taxing power of the City to pay the Bonds or the interest thereon, nor to enforce payment thereof against any property of the City. The Bonds shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City. The Bonds shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation of indebtedness.

3. The Society hereby agrees to indemnify and hold the City harmless from any and all claims, demands, lawsuits, administrative or regulatory actions or investigations initiated toward or against the City as a result of the issuance of the Bonds, including any post-compliance obligations related thereto, and has agreed or will agree to fully reimburse the City for any and all costs, including attorneys' fees or other professional fees, incurred by the City in responding to such claims, demands, lawsuits, administrative or regulatory actions or investigations.

4. This Agreement may be executed in counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

[Signatures on the following page]

IN WITNESS WHEREOF, each of the parties below has caused this Agreement to be executed on its behalf by its duly authorized officers, all as of the day and year first above written.

CITY OF FARGO, NORTH DAKOTA

By _____
Its President of the Board of City Commissioners

By _____
Its City Auditor

THE EVANGELICAL LUTHERAN
GOOD SAMARITAN SOCIETY

By _____
Name: _____
Title: _____

[SIGNATURE PAGE TO AGREEMENT REGARDING TEFRA HEARING]

EXHIBIT A

**NOTICE OF PUBLIC HEARING
CONCERNING THE ISSUANCE OF BONDS ON BEHALF OF
THE EVANGELICAL LUTHERAN GOOD SAMARITAN SOCIETY**

NOTICE IS HEREBY GIVEN that the City of Fargo, North Dakota (the “City”) will conduct a public hearing (the “Public Hearing”) concerning the approval of the proposed plan of finance and issuance by the Colorado Health Facilities Authority (“COHFA”) of its Health Facilities Revenue and Revenue Refunding Bonds (The Evangelical Lutheran Good Samaritan Society Project), Series 2017 (the “Bonds”) on behalf of The Evangelical Lutheran Good Samaritan Society (the “Society”).

Under the plan of finance, the Bonds will be issued with an aggregate new money principal amount not to exceed approximately \$105,750,000, of which a not to exceed amount of approximately \$6,600,000 is to be used to (i) finance or refinance the Society’s senior living and senior care facility located at Good Samaritan Society—Fargo, 4502 37th Avenue South, Fargo, North Dakota 58104-7599 (the “North Dakota Facilities”), (ii) fund a reserve fund for the Bonds, and (iii) pay costs of issuance of the Bonds (collectively, the “North Dakota Project”).

The North Dakota Facilities will be owned, operated and managed by the Society.


This Notice of Public Hearing is being given pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended.

The Bonds will constitute special limited obligations of COHFA payable solely from amounts received by COHFA pursuant to a loan agreement between COHFA and the Society, the principal user of the North Dakota Facilities. The City will not issue the Bonds, nor will the City or the State of North Dakota have any liability with respect to the Bonds or the sale or offering thereof.

All interested parties are invited to present comments at the Public Hearing regarding the issuance of the Bonds, the proposed plan of finance and the use of the proceeds therefrom. Written comments to be presented at the Public Hearing may be submitted to the City Auditor prior to the hearing. The Public Hearing will be held on July 31, 2017 at 5:15 p.m in the City Commission Chambers, Fargo City Hall, 200 3rd Street North, Fargo, ND 58102.



TO: BOARD OF CITY COMMISISONERS

FROM: KENT COSTIN, DIRECTOR OF FINANCE 

**RE: RESOLUTION AUTHORIZING THE ISSUANCE OF REFUNDING IMPROVEMENT AND
REFUNDING REFUNDING IMPROVEMENT BONDS, SERIES 2017C and 2017D**

DATE: JULY 18, 2017

The City will be marketing two bond issues on Monday, July 31, 2017. The first issue is a Refunding Improvement bond whose proceeds will be used to reimburse the City's infrastructure fund for projects funded with special assessments. The second bond issue is a refinancing of an existing Refunding Improvement bond. The expected savings is about \$700k.

These transactions have been reviewed in detail by our financial advisor and bond counsel. Our financial advisor, Terri Heaton from Springsted, Inc. will present the bond sales results and will be available to answer questions you may have about the bonds.

Your approval of the resolution authorizing the issuance of these bond issues is requested.

Suggested Motion:

Approve a resolution authorizing the issuance of Refunding Improvement Bonds, Series 2017 C, and Refunding Refunding Improvement Bonds, Series, 2017D.




(44)

Finance Office

P.O. Box 2083
200 3rd Street North
Fargo, North Dakota 58107-2083
Phone: 701-241-1333
Fax: 701-241-1526

TO: BOARD OF CITY COMMISISONERS

FROM: KENT COSTIN, DIRECTOR OF FINANCE 

**RE: RESOLUTION AUTHORIZING THE ISSUANCE OF REFUNDING IMPROVEMENT AND
REFUNDING REFUNDING IMPROVEMENT BONDS, SERIES 2017C and 2017D**

DATE: JULY 18, 2017

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These transactions have been reviewed in detail by our financial advisor and bond counsel. Our financial advisor, Terri Heaton from Springsted, Inc. will present the bond sales results and will be available to answer questions you may have about the bonds.

Your approval of the resolution authorizing the issuance of these bond issues is requested.

Suggested Motion:

Approve a resolution authorizing the issuance of Refunding Improvement Bonds, Series 2017 C, and Refunding Refunding Improvement Bonds, Series, 2017D.



RESOLUTION AUTHORIZING THE ISSUANCE OF
REFUNDING IMPROVEMENT BONDS, SERIES 2017C,
APPROVING CERTAIN ACTIONS,
AWARDING THE SALE THEREOF AND
OF THE WARRANTS RELATED THERETO,
PRESCRIBING THE TERMS AND COVENANTS THEREOF, AND
CREATING A FUND FOR THE PAYMENT THEREOF

WHEREAS, the Issuer has heretofore duly created the improvement districts as set forth in **Attachment A** hereto (the "Improvement Districts"), authorized the issuance of certain definitive warrants of the Issuer (the "Warrants") for each such Improvement District in the amounts set forth in **Attachment A** hereto for the construction of improvements in the related Improvement District (the "Improvements"; and established special funds for each Improvement District (the "Special Funds, each a "Special Fund");

WHEREAS, the Issuer desires to issue a series of its refunding improvement bonds (the "Bonds") to finance the Improvements;

WHEREAS, the Issuer is authorized by North Dakota Century Code Chapter 40-27 (the "Act") to issue such Bonds;

WHEREAS, the Issuer desires to provide for the payment of such refunding improvement bonds through a pledge of the Warrants;

WHEREAS, such Bonds shall be payable solely out of moneys in the Special Funds from which the Warrants are payable;

WHEREAS, pursuant to North Dakota Century Code Section 40-26-08, whenever all special assessments for an Improvement are insufficient to pay principal or interest then due on the Warrants, the Issuer shall levy a tax upon all of the taxable property in the Issuer for the payment of such deficiency.

WHEREAS, the Issuer has received bids for the purchase of the Warrants to be exchanged for such Bonds;

BE IT RESOLVED by the governing body of City of Fargo, Cass County, North Dakota (the "Issuer"), as follows:

1. Findings. It is hereby found, determined, and declared that said Warrants were duly and legally authorized under authority of and in accordance with the provisions of Title 40 of the North Dakota Century Code, as amended; that there is not at the present time in the Special Funds sufficient money to pay the Warrants drawn thereon with interest, and by the exchange of said Warrants for the Bonds the interest rate and interest costs thereon will be substantially reduced, and the general tax which the Issuer may become obligated to levy for any deficiencies in said funds can be reduced and equalized, and the burden on the taxpayers and property owners will be substantially reduced; that said Warrants are subject to exchange at the option of the Issuer for the purpose of issuing refunding improvement bonds or warrants of the Issuer in accordance with the provisions of Chapter 40-27, North Dakota Century, Code; that all acts, conditions, and things required by the Constitution and laws of the State of North Dakota to

be done, to exist, to happen, and to be performed precedent to the issuance of the Bonds hereinafter described have been done, do exist, have happened, and have been performed in due form, time and manner as so required; and that the issuance of the Bonds is necessary and expedient and for the best interest of the Issuer and its inhabitants, taxpayers, and the owners of property liable to be assessed for said Improvements.

2. Award and Sale. All actions heretofore taken by the City Auditor and others relating to the issuance sale of the Warrants and the issuance and exchange of the Bonds, both on this date, are approved, ratified, and confirmed; that, having considered all bids received for the purchase of the Warrants, it is hereby found and determined that the most favorable of such bids is that of the purchaser set forth in **Attachment B** hereto, which is hereby incorporated herein and made a part hereof, (the "Purchaser"), to purchase the Warrants at the price plus accrued interest set forth in **Attachment B** hereto, and such Warrants are awarded to the Purchaser, on the condition that such Warrants shall be exchanged for Bonds bearing interest at the respective annual interest rates from date of issue until paid or discharged and maturing on May 1 in the years and in the amounts set forth in **Attachment B** which terms are equivalent to an average annual true interest cost on the Bonds set forth in **Attachment B**; that the Mayor and City Auditor are authorized and directed to make and execute all documents necessary on the part of the Issuer for the sale of the Warrants in accordance with this proposal; that the good faith check or deposit furnished by the successful bidder shall be retained by the City Auditor until delivery and exchange of the Bonds and Warrants; and that the good faith checks or deposits of other bidders shall be returned to them forthwith.

3. Authorization and Terms of Bonds.

(a) General. For the purpose of refunding the Warrants, the Issuer hereby authorizes the issuance, execution, and delivery, and shall forthwith issue, its registered bonds, designated REFUNDING IMPROVEMENT BONDS, SERIES 2017C, in the respective principal amounts set forth in **Attachment B**. The Bonds shall initially be dated the date of initial delivery thereof to the Purchasers thereof. Bonds issued upon exchange or transfer after such delivery date, shall be dated as of the interest payment date next preceding their issuance, or if the date of such issuance shall be on an interest payment date as of the date of such issue; provided, however, that if interest on the Bonds shall be in default, the Bonds shall be dated as of the date to which interest has been paid in full on the Bonds being transferred. The Bonds shall be issued in fully registered form in denominations of \$5,000 or any multiple thereof, of single maturities. The Bonds shall be numbered in consecutive numerical order from R-1 upwards as issued, shall mature on May 1 in the years and in the amounts, and shall bear interest at the rates set forth in **Attachment B**.

(b) Interest. Interest on the Bonds and, upon presentation and surrender thereof, the principal thereof shall be payable in lawful money of the United States of America by check or draft by the City Auditor of Fargo as Paying Agent, or its successor. Interest shall be payable on May 1 and November 1 in each year, commencing as set forth in **Attachment B**, to the holder of record on the close of the 15th day (whether or not a business day) of the immediately preceding month. Interest on the Bonds shall cease at maturity or on a date prior thereto on which they have been duly called for redemption unless the holder thereof shall present the same for payment and payment is refused.

(c) Optional Redemption. The Bonds are subject to optional redemption as set forth in **Attachment B**.

(d) Mandatory Redemption, Term Bonds. The Bonds, if any, designated in **Attachment B** as Term Bonds are subject to mandatory sinking fund redemption in part at a Redemption Price equal to 100% of the principal amount thereof, together with accrued interest to the redemption date on May 1 of the years and in the principal amounts set forth in **Attachment B**.

(e) Notice of Redemption; Selection of Bonds. In the event any Bond is called for redemption prior to maturity, the Issuer will cause a notice of redemption to be sent to the Bond Registrar, Paying Agent and the registered owners of the Bonds called for redemption at least thirty (30) days before the date specified for redemption at the address shown on the registration books of the Bond Registrar. Within ten (10) days before the thirtieth (30th) day prior to any specified redemption date, if less than all Bonds of a single maturity are to be redeemed the Bond Registrar will select for redemption (by lot or in such manner as the Bond Registrar may determine) from all outstanding Bonds of the applicable maturity a principal amount of such Bonds equal to the aggregate principal amount of such Bonds to be redeemed, and will call such Bonds or portions thereof for redemption on such Redemption Date; provided that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or an integral multiple thereof and that in selecting Bonds for redemption, the Bond Registrar shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. If less than all Bonds are to be optionally redeemed, the maturity or maturities of the Bonds to be redeemed shall be selected by the Issuer.

If less than all Term Bonds of a single maturity are to be redeemed at the option of the Issuer, the Issuer may apply the principal amount to be redeemed to reduce the mandatory sinking fund redemption requirements for such Term Bond to be redeemed in such year or years as it determines in its sole discretion; provided that such reductions are made in amounts of \$5,000 or any integral multiple thereof.

4. Transfer and Exchange. The Bonds are transferable upon the books of the Issuer at the principal office of the Bond Registrar by the registered owner thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or his attorney; and may also be surrendered in exchange for Bonds of the same series of other authorized denominations. Upon such transfer or exchange the Issuer will cause a new Bond or Bonds of the same series to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange. No transfer of Bonds shall be required to be made during the 15 days next preceding an interest payment date, nor during the 45 days next preceding the date fixed for redemption of such Bonds.

The Issuer and the Bond Registrar may deem and treat the person in whose name any Bond is registered as the absolute owner thereof, whether the Bond is overdue or not, for the

purpose of receiving payment and for all other purposes, and neither the Issuer nor the Bond Registrar shall be affected by any notice to the contrary.

5. Bonds Mutilated, Destroyed, Lost, or Stolen. If any Bond shall become mutilated or be destroyed, lost, or stolen, the Issuer in its discretion may execute and upon its request, the Bond Registrar shall authenticate and deliver a new Bond of the same series in exchange for the mutilated Bond or in lieu of and substitution for the Bond so destroyed, lost, or stolen. In every case of exchange or substitution, the applicant shall furnish to the Issuer and to the Bond Registrar in a form satisfactory to both (i) evidence to their satisfaction of the mutilation, destruction, loss, or theft of the applicant's Bond and of the ownership thereof and (ii) in the case of any destroyed, lost, or stolen Bond, such security or indemnity as may be required by them to save each of them harmless from all risks, however remote. The Bond Registrar may authenticate any Bond issued upon such exchange or substitution and deliver such Bond upon the request of the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees, of the Issuer or the Bond Registrar.

If any Bond that has matured or is about to mature shall become mutilated or be destroyed, lost, or stolen, instead of issuing a Bond in exchange or substitution therefor, the Issuer may pay or authorize the payment of such Bond (without surrender thereof except in the case of a mutilated Bond) if the applicant for such payment shall furnish to the Issuer and to the Bond Registrar evidence to the satisfaction of the Issuer and the Bond Registrar of the mutilation, destruction, loss, or theft of such Bond and the ownership thereof and, in the case of any destroyed, lost, or stolen Bond, such security or indemnity as they may require to save them harmless from all risks.

Every Bond issued pursuant to the provisions of this Section in exchange or substitution for any Bond of the same series that is mutilated, destroyed, lost, or stolen shall constitute an additional contractual obligation of the Issuer, whether or not the destroyed, lost, or stolen Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits hereof equally and proportionately with any and all other Bonds. All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the respect to the replacement or payment mutilated, destroyed, lost, or stolen Bonds, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

6. Cancellation and Disposition of Bonds. All mutilated Bonds, all Bonds surrendered for exchange or transfer, all Bonds that have been paid at maturity or upon prior redemption, and all Bonds surrendered to the Issuer for cancellation shall be canceled by the Bond Registrar Trustee (as the case may be) and cremated or destroyed by other means.

7. The Bond Form; Execution and Delivery. The Bonds shall be printed, or produced in typewritten form, under the supervision and at the direction of the City Auditor, executed by the manual or facsimile signature of the Mayor, sealed with the Issuer's official seal, and attested to by the manual signature of the City Auditor and delivered to the holder at closing upon receipt of the purchase price plus any accrued interest. The Bonds shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under this Resolution until the

Certificate of Authentication thereon shall have been executed by the Bond Registrar by manual signature of one of its authorized representatives.

The Mayor, the City Auditor, and other officers of the City are also hereby authorized to execute and deliver any such additional certificates, showings, agreements, or documents necessary or otherwise appropriate in connection with the issuance of the Bonds and the transactions contemplated thereby.

In the event of the absence or unavailability of the Mayor, the City Auditor, or other appropriate officer of the City, the Warrants and the other documents authorized for execution and delivery pursuant to this section may be executed and delivered by the individual or individuals authorized generally by the City to act on behalf of the Mayor, the City Auditor, or other officer of the City in such circumstances, including, without limitation, the Deputy Mayor and the Deputy City Auditor, as the case may be.

In case any officer signing documents authorized to be executed and delivered by this resolution shall cease to be such officer before or after the delivery of any such document, such signature, nevertheless, shall be valid and remain sufficient for all purposes as if such officer had remained in office until such delivery or later applicable time.

The Bonds shall be reproduced in substantially the form set forth in **Attachment C** hereto which is hereby incorporated herein and made a part hereof.

8. Establishment of Bond Fund. There shall be and is hereby created a special fund to be maintained by the City Auditor separate and apart from all other funds of the Issuer, to be designated as the SERIES 2017C REFUNDING IMPROVEMENT BOND FUND (herein referred to as the "Bond Fund"). To said Fund shall be credited the Warrants as defined in paragraph 1 hereof when received by the City Auditor, which warrants shall thereupon become and shall thereafter be held as an asset of said fund, and the proceeds of all collections on said Warrants so acquired shall be held by the Issuer in trust for the use and benefit of the holders from time to time of the Bonds on a parity basis between series. The Special Funds of the Improvement District described in the resolution referred to in paragraph 1 hereof shall be continued and payments shall be made therefrom on the Warrants drawn thereon in the same manner as though said Warrants had not been exchanged. All payments of principal and interest made on said Warrants shall be credited to the Bond Fund and shall be used and applied in payment of the principal of and interest on the Bonds as such principal and interest become due.

9. Tax Covenant. The Issuer covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "**Code**"), and Regulations, Amended Regulations, and Proposed Regulations issued thereunder, as now existing or as hereinafter amended or proposed and in effect at the time of such action.

10. Covenants. The Issuer hereby covenants and agrees with the holders from time to time of the Bonds issued pursuant hereto:

(a) That it will use due diligence to collect all amounts due on the Warrants and to levy and collect the special assessments appropriated for their payment.

(b) That it will preserve and enforce for the benefit of the holders from time to time of the Bonds all of the rights, powers, and privileges reserved, to the holders of the Warrants, and all of the covenants of the Issuer as provided in the resolution authorizing the issuance of the improvement warrants.

(c) That at the time and in the manner prescribed by § 40-26-08, North Dakota Century Code, as amended, this governing body will levy general taxes on all taxable property in the corporate limits of the Issuer for the payment of any deficiency in any Special Fund and will cause the proceeds thereof to be applied in payment of the principal of and interest on the then unpaid Warrants drawn on said Special Fund; provided that the Issuer reserves the right to levy taxes in the manner and to the extent permitted by law for payment and discharge of any deficiency in said Special Funds prior to the date upon which it may become obligatory to levy such deficiency taxes, and the amounts thereof shall be credited against the levies which the Issuer might otherwise have been obligated to make.

(d) That in the event the moneys in the Bond Fund should at any time be insufficient to meet all payments of principal and interest then due on the Bonds, said moneys shall be first used to pay the interest accrued on all outstanding Bonds of both series on a parity basis, and the balance shall be applied in payment of the principal of said Bonds of both series on a parity basis in order of their maturity dates, earliest maturities first, Bonds bearing the same maturity dates being paid pro rata. The Issuer reserves the right and privilege of refunding any of such matured Bonds for the payment of which moneys are not at the time available by issuing new bonds payable from said Bond Fund, which bonds shall be on a parity with those theretofore issued as to interest charges thereon, but the maturity thereof shall be subsequent to the maturity of all Bonds payable from said fund and then outstanding, provided that no holder of Bonds herein authorized to be issued shall be obligated to accept any such bond in exchange for any of such matured Bond.

(e) The Issuer hereby reserves the right to issue additional improvement warrants and refunding improvement bonds, payable on a parity with the Bonds issued hereunder and the Warrants exchanged for the Bonds, to the extent required to complete the improvements presently proposed for said improvement districts and to be financed by the issuance of the additional improvement warrants exchanged for additional revenue bonds.

(f) The Issuer hereby pledges all special assessments for improvements funded in whole or in part from the proceeds of the Bonds, all Warrants and the payments thereon, and all amounts on deposit from time to time in the Special Funds and the Bond Fund to the payment of the principal of, and interest on, the Bonds (and any additional bonds issued as contemplated by Section 8(e) above) on a parity basis.

11. Payment and Discharge; Defeasance. When all of the Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution shall cease. The Issuer may discharge its obligations with respect to all or a portion of the Bonds which are due on any date by depositing with the Paying Agent on or before that date a sum sufficient for the payment of the principal thereof, and interest accruing thereon to such duty in full. If any Bond shall not have been paid when due, the same may nevertheless be discharged by depositing with the Paying Agent a sum sufficient for the payment of the principal thereof in full with interest accrued thereon from the date to which interest has been paid to the date of such

deposit and payment to the owners thereof. The Issuer may also discharge its obligations with respect to all or a portion of the Bonds, by depositing with the paying agent on or before that date an amount equal to the principal, interest and redemption premium, if any, which are due on the maturity date, or earlier redemption date selected by the Issuer, provided that notice of such redemption has been duly given as provided herein. The Issuer may also at any time discharge its obligations with respect to all or a portion of the Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank or financial institution qualified by law as an escrow agent for this purpose, cash or securities which are general obligations of the United States or securities of United States agencies which are authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing on such dates as shall be sufficient to pay all principal, interest, and redemption premium to become due thereon to maturity or the date of earlier redemption selected by the Issuer. If less than all of the Bonds are to be discharged pursuant to this paragraph, the maturity date, the mandatory sinking fund redemption requirement with respect to Term Bonds, and series may be selected by the Issuer in its sole discretion.

12. Further Actions Authorized. The officers of the Issuer and the City Auditor are hereby authorized and directed to prepare and furnish to said Purchaser, and to the attorneys approving the legality of the Bonds, certified copies of such proceedings, ordinances, resolutions, and records and all such certificates and affidavits and other instruments as may be required to evidence the legality and marketability of said Bonds, and all certified copies, certificates, affidavits, and other instruments so furnished, including any heretofore furnished, shall constitute representations of the Issuer as to the correctness of all facts stated or recited therein.

13. Appointment of Paying Agent and Bond Registrar. The Issuer hereby designates City Auditor as Paying Agent and as Bond Registrar for the Bonds.

14. Book-Entry Only Provisions.

(a) Notwithstanding the provisions of this Resolution regarding registration, ownership, transfer, payment, and exchange of Bonds, unless the Issuer determines to permit the exchange of Depository Bonds (as designated in (c) below) for Bonds in the denominations provided in Section 3, the Bonds shall be issued as Depository Bonds in denominations of the entire principal amount of a particular maturity; such Bonds to be registered in the name of the Bond Depository (as defined in (g) below) or its nominee. The Bonds shall be solely in the denominations of the entire principal amount of each particular maturity except as provided in paragraph (b) or (c).

(b) Upon (i) a determination by the Issuer that the Bond Depository is no longer able to carry out its functions or is otherwise determined unsatisfactory by the Issuer in its sole discretion or (ii) a determination by the Bond Depository that the Bonds are no longer eligible for its depository services or (iii) a determination by the Issuer that the Bond Depository has resigned or discontinued its services for the Bonds, the Issuer shall either (i) designate a substitute Bond Depository in accordance with paragraph (d) or (ii) provide for the exchange of Depository Bonds for Bonds in the denominations provided in Section 3.

(c) If the Issuer determines to provide for the exchange of Depository Bonds for Bonds in the denominations provided in Section 3, the Issuer shall so notify the Bond Depository for notification of the beneficial owners thereof and provide for such exchange.

(d) Any substitute Bond Depository shall be a "clearing corporation" as defined in North Dakota Uniform Commercial Code, North Dakota Century Code, § 41-08-02, and shall be a qualified and registered "clearing agency" as provided in § 17A of the Securities Exchange Act of 1934, as amended. The substitute Bond Depository shall provide for (i) immobilization of the Depository Bonds, (ii) registration and transfer of beneficial ownership of interests in the Depository Bonds by book entries made on records of the Bond Depository and participating entities, and (iii) payment of principal of, premium, if any, and interest to the Bond Depository participating entities and beneficial owners.

(e) So long as the Bonds are Depository Bonds, the following provisions shall apply unless amended by the Bond Depository. The principal of the Bonds shall be payable when due in next day funds to the Bond Depository, initially Cede & Co. as nominee of the Depository Trust Company at The Depository Trust Company, Muni Redemption Department, 570 Washington Boulevard, Jersey City, New Jersey 07310, Attn: Underwriting Packaging Department (or such other nominee or address as the Depository shall specify in writing to the Issuer) and if the payment is of only part of the principal hereof, the Issuer shall mail by first class mail to the Bond Depository a written statement of the principal amount paid as to the Bonds of each maturity outstanding following such payment, and upon such payment the Bond Depository as registered owner may in its discretion make a notation on a register of partial payments attached to the Bond of the principal amount paid, provided that the Bond Depository may at its option surrender the Bonds for exchange for a Bond registered with the new principal amount and provided the Bond shall be surrendered for payment upon redemption in full or at maturity. Such notation if made by the Bond Depository, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of the Bonds outstanding. Interest is payable in next day funds from the Issuer to the Bond Depository or its nominee, at its address as it appears on the bond registration books of the Issuer. Each payment of interest and/or principal shall specifically separate such payment amount by CUSIP number identification provided to the Bond Depository. The transfer permitted pursuant to Section 13 of this Resolution shall occur only with respect to Bonds of a minimum denomination of the remaining principal amount of an entire maturity thereof so long as the Bonds are Depository Bonds. Upon a partial redemption of a Bond which results in the stated amount thereof being reduced, the Bond Depository, or its nominee, may in its discretion make notation on a register of partial payments attached to the Bond of such redemption, stating the amount so redeemed. Such notation, if made by the Bond Depository, or its nominee, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of the Bond outstanding. The Bond Depository, or its nominee, may surrender the Bond to the Issuer (with, if the Issuer so requires, a written instrument of transfer in form satisfactory to the Issuer duly executed by the Bond Depository, or its nominee, or his attorney duly authorized in writing) and the Issuer shall execute and deliver to the Bond Depository, or its nominee, without service charge, a new Bond of the same series having the same stated maturity and interest rate and of the authorized denomination in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

(f) “Depository Bonds” shall mean Bonds which pursuant to an Issuer determination are available to the beneficial owners thereof only in book entry form (with no delivery of physical certificates except to the Depository) pursuant to a book entry system operated by the Depository.

(g) “Bond Depository” shall mean Depository Trust Company or any substitute depository pursuant to (d) above.

(h) In the event of any solicitation from and voting by holders of the Bonds, the Issuer may establish a record date or from time to time record dates, which date of establishment shall be not less than fifteen (15) days prior to such record date and upon establishment said record date shall immediately be transmitted to the Bond Depository for such purpose and such other policies and procedures as may be necessary or helpful in soliciting, evidencing, and counting such consents or revocations thereof and do not violate or are not in conflict with the provisions of the Bond Resolution. The record date shall be that date on which the registered owner to which any mailing of a solicitation is sent are determined, but shall not give the registered owner of the Bonds any rights to vote upon ceasing to be a registered owner. Additional record dates may be established to solicit subsequent registered holders.

(i) The Mayor or City Auditor is authorized and directed to execute and deliver a global Letter of Representation to Depository Trust Company, if not previously filed, and such other documents in connection with the book entry only system for the Bonds as required from time to time by Depository Trust Company.

15. Exchange and Transfer. In the event that any transfer or exchange of Bonds is permitted under Section 14(b) hereof, such transfer or exchange shall be accomplished upon receipt, by the Bond Registrar from the registered owner of the Bonds to be transferred or exchanged, of appropriate instruments of transfer to the transferees. In the event Bond certificates are issued to holders other than Cede & Co., its successor as nominee for DTC as holder of all the Bonds, or other securities depository as holder of all the Bonds, the provisions of the Resolution shall also apply to, among other things, the printing of such certificates and the method of payment of principal of and interest on such certificates.

16. Continuing Disclosure. The City Auditor is hereby authorized to execute, on behalf of the Issuer, the Continuing Disclosure Certificate in a form substantially similar to that attached as **Attachment D** hereto, which is hereby incorporated herein and made a part hereof.

Mayor

Attest:

City Auditor

COMMISSIONER _____ introduced the following resolution and moved its adoption. The motion for the adoption of the foregoing resolution was duly seconded by COMMISSIONER _____, and upon roll call vote, the following voted in favor thereof: COMMISSIONERS _____.

The following were absent and not voting: _____,

and the following voted against the same: _____,

whereupon the resolution was declared duly passed and adopted.

CERTIFICATE

STATE OF NORTH DAKOTA)
) ss.
COUNTY OF CASS)

I, Steven Sprague, the duly appointed City Auditor of the City of Fargo, North Dakota, do hereby certify that the preceding resolution attached hereto is a full, true, and correct copy of the RESOLUTION AUTHORIZING THE ISSUANCE OF REFUNDING IMPROVEMENT BONDS, SERIES 2017C, APPROVING CERTAIN ACTIONS, AWARDING THE SALE THEREOF AND OF THE WARRANTS RELATED THERETO, PRESCRIBING THE TERMS AND CONVENANTS THEREOF, AND CREATING A FUND FOR THE PAYMENT THEREOF adopted by the governing body of the City of Fargo at the meeting held on July ___, 2017, and that such Resolution is now a part of the permanent records of the City of Fargo, North Dakota, as such records are filed in the office of the City Auditor.

Dated this _____ day of _____, 2017.

City Auditor

(S E A L)

Attachment A

**LIST OF IMPROVEMENT DISTRICTS WITH PRINCIPAL AMOUNTS,
LEVY YEARS, AMOUNTS, AND YEARS OF PAYMENT FOR EACH**

[To come – see Warrant Resolution]

Attachment B

SCHEDULE OF MATURITIES AND INTEREST RATES:

SERIES 2017C BONDS

| <u>May 1,</u> | <u>Amount</u> | <u>Interest Rate</u> | <u>May 1,</u> | <u>Amount</u> | <u>Interest Rate</u> |
|---------------|---------------|----------------------|---------------|---------------|----------------------|
| 2019 | \$ | % | 2031 | \$ | % |
| 2020 | | | 2032 | | |
| 2021 | | | 2033 | | |
| 2022 | | | 2034 | | |
| 2023 | | | 2035 | | |
| 2024 | | | 2036 | | |
| 2025 | | | 2037 | | |
| 2026 | | | 2038 | | |
| 2027 | | | 2039 | | |
| 2028 | | | 2040 | | |
| 2029 | | | 2041 | | |
| 2030 | | | 2042 | | |
| | | | 2043 | | |

Aggregate Principal Amount: \$ _____

Purchaser: _____

Purchase Price: \$ _____

Average Annual True Interest Cost: _____ %

Optional Redemption.

The Bonds are subject to optional redemption as follows:

- The Bonds maturing on May 1 in the years 2019 through 2022 are not be subject to optional redemption in advance of their respective stated maturity dates.
- The Bonds maturing on May 1 in the years 2023 and 2025 are subject to optional redemption on or after May 1, 2022 at a price of par plus accrued interest to the date of redemption.
- The Bonds maturing on May 1 in the years 2026 and 2027 will not be subject to optional redemption in advance of their respective stated maturity dates.
- The Bonds maturing on May 1 in the years 2028 through 2043 are subject to optional redemption on or after May 1, 2027 at a price of par plus accrued interest to the date of redemption.

Term Bonds.

The Bonds maturing May 1, ____, shall be known as Term Bonds. The Term Bonds are subject to mandatory sinking fund redemption in part by lot, or other method of random selection, at a Redemption Price equal to 100% of the principal amount thereof, together with accrued interest to the Redemption Date on May 1 of the following years and in the following principal amounts:

| Redemption Date (May 1) | Principal Amount |
|----------------------------|---------------------|
| 20__ | \$ _____ |
| 20__ * | _____ |
| <hr/> | |
| *maturity | |

The Bonds maturing May 1, ____, shall be known as Term Bonds. The Term Bonds are subject to mandatory sinking fund redemption in part by lot, or other method of random selection, at a Redemption Price equal to 100% of the principal amount thereof, together with accrued interest to the Redemption Date on May 1 of the following years and in the following principal amounts:

| Redemption Date (May 1) | Principal Amount |
|----------------------------|---------------------|
| 20__ | \$ _____ |
| 20__ * | _____ |
| <hr/> | |
| *maturity | |

Attachment C

FORM OF BONDS

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF NORTH DAKOTA

COUNTY OF CASS

CITY OF FARGO

REFUNDING IMPROVEMENT BOND, SERIES 2017C

No. _____ \$ _____

| <u>INTEREST RATE</u> | <u>MATURITY</u> | <u>DATE OF ORIGINAL ISSUE</u> | <u>CUSIP</u> |
|----------------------|-----------------|-----------------------------------|--------------|
| | May 1, 20____ | _____, 20__ | |

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

KNOW ALL MEN BY THESE PRESENTS that the City of Fargo, Cass County, North Dakota, (the "Issuer") acknowledges itself to be specially indebted and for value received promises to pay to the registered owner specified above or registered assigns, but only from its SERIES 2017C REFUNDING IMPROVEMENT BOND FUND (the "Bond Fund"), the principal amount specified above on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable on May 1 and November 1 in each year, commencing the Date of Original Issue set forth above, to the holder of record on the close of the 15th day (whether or not a business day) of the immediately preceding month, all subject to the provisions referred to herein with respect to the redemption of the principal of this Bond before maturity. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by City Auditor of Fargo as Paying Agent, or its successor.

This Bond is one of an issue designated the CITY OF FARGO REFUNDING IMPROVEMENT BONDS, SERIES 2017C (the "Bonds"), in the aggregate principal amount of \$_____ all of like date and tenor except as to serial number, maturity date, interest rate, and redemption privilege, issued, pursuant to the Resolution adopted by the governing body of the Issuer for the purpose of refunding a like principal amount of valid outstanding special improvement warrants drawn on the funds of improvement districts heretofore duly created by the Issuer for the financing of the cost of local improvements in anticipation of the levy and collection of special assessments with respect to the improvements, all pursuant to and in full conformity with the Constitution and laws of the State of North Dakota.

The Bonds maturing on May 1 in the years 2019 through 2022 are not be subject to optional redemption in advance of their respective stated maturity dates.

The Bonds maturing on May 1 in the years 2023 through 2025 are subject to optional redemption on or after May 1, 2022 at a price of par plus accrued interest to the date of redemption.

The Bonds maturing on May 1 in the years 2026 and 2027 will not be subject to optional redemption in advance of their respective stated maturity dates.

The Bonds maturing on May 1 in the years 2028 through 2043 are subject to optional redemption on or after May 1, 2027 at a price of par plus accrued interest to the date of redemption.

In the event Bonds are to be called for optional redemption in part, the maturities and the Bonds within a maturity shall be selected by the Bond Registrar by lot or in such manner as the Bond Registrar shall determine. Not less than 30 days prior to the date specified for redemption and prepayment of any of the Bonds, the Issuer will cause notice of the call thereof to be sent by mail to the Bond Registrar, the Paying Agent, and the registered owner of the Bond to be redeemed, in whole or in part, at the address shown on the registration books of the Registrar.

The Bonds maturing May 1, 20__, shall be known as Term Bonds. The Term Bonds are subject to mandatory sinking fund redemption in part at a Redemption Price equal to 100% of the principal amount thereof, together with accrued interest to the Redemption Date on May 1 of the following years and in the following principal amounts:

| Redemption Date (May 1) | Principal Amount |
|----------------------------|---------------------|
| 20__ | \$ _____ |
| 20__ * | _____ |
| _____ | |
| *maturity | |

The Bonds maturing May 1, 20__, shall be known as Term Bonds. The Term Bonds are subject to mandatory sinking fund redemption in part at a Redemption Price equal to 100% of the principal amount thereof, together with accrued interest to the Redemption Date on May 1 of the following years and in the following principal amounts:

| | |
|----------------------------|---------------------|
| Redemption Date (May 1) | Principal Amount |
| 20____ | \$ _____ |
| 20____* | _____ |
| _____ | |
| *maturity | |

In the event a Bond is called for mandatory sinking fund redemption, the Bonds to be redeemed within a maturity shall be selected by the Bond Registrar by lot or in such manner as the Bond Registrar shall determine. Not less than 30 days prior to the date specified for redemption and prepayment of this Bond, the Issuer will cause notice of the call thereof to be sent by mail to the Bond Registrar, the Paying Agent, and the registered owner of this Bond to be redeemed, in whole or in part, at the address shown on the registration books of the Registrar. If less than all Term Bonds of a single maturity of the same series are to be redeemed at the option of the Issuer, the Issuer may apply the principal amount to be redeemed to reduce the mandatory sinking fund redemption requirements in such the Term Bond to be redeemed in such year or years as it determines in its sole discretion.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the Bond Registrar by manual signature of one of its authorized representatives.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the Issuer at the principal office of the Bond Registrar, by the registered owner hereof in person or by its attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or attorney, and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange, the Issuer will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate, and maturing on the same date, subject to reimbursement for any tax, fee, or governmental charge required to be paid with respect to such transfer or exchange. The Issuer and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the Issuer nor the Bond Registrar shall be affected by any notice to the contrary.

So long as the Bonds are Depository Bonds (as defined in the Resolution), the following provisions shall apply unless amended by the Bond Depository. The principal of the Bonds shall be payable when due in next day funds to Cede & Co. as nominee of the Depository Trust Company (the "Bond Depository") at The Depository Trust Company, Muni Redemption Department, 570 Washington Boulevard, Jersey City, New Jersey 07310, Attn: Underwriting Packaging Department (or such other nominee or address as the Bond Depository shall specify in writing to the Issuer), and if the payment is of only part of the principal hereof, the Issuer shall mail by first-class mail to the Depository a written statement of the principal amount paid as to the Bonds of each maturity outstanding following such payment, and upon such payment the Bond Depository as Holder may in its discretion make a notation on a register of partial payments attached to the Bond of the principal amount paid, provided that the Bond Depository may at its option surrender the Bonds for exchange for a Bond registered with the new principal

amount and provided the Bond shall be surrendered for payment upon redemption in full or at maturity. Such notation, if made by the Bond Depository, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of the Bonds Outstanding. Interest is payable in next day funds from the Issuer to Cede & Co. as nominee of the Depository Trust Company, at its address as it appears on the bond registration books of the Issuer. Each payment of interest and/or principal shall specifically separate such payment amount by CUSIP number identification provided to the Bond Depository. The transfer permitted pursuant to Section 13 of the Resolution shall occur only with respect to Bonds of a minimum denomination of the remaining principal amount of an entire maturity thereof so long as the Bonds are Depository Bonds. Upon a partial redemption of a Bond which results in the stated amount thereof being reduced, the Bond Depository may in its discretion make notation on a register of partial payments attached to the bond of such redemption, stating the amount so redeemed. Such notation, if made by the Bond Depository, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of the Bonds Outstanding. The Bond Depository may surrender a Bond to the Issuer (with, if the Issuer so requires, a written instrument of transfer in form satisfactory to the Issuer duly executed by the Bond Depository or its attorney duly authorized in writing) and the Issuer shall execute and deliver to the Bond Depository of such Bond, without service charge, a new Bond having the same stated maturity and interest rate and of the authorized denomination in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED, AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of North Dakota to be done, to exist, to happen and to be performed precedent to and in the valid issuance of this Bond have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required; that the Issuer has duly created the SERIES 2017C REFUNDING IMPROVEMENT BOND FUND as a separate and special fund and has appropriated thereto the improvement warrants refunded by the Bonds of this series, on which improvement warrant payments are required by law to be made as though none of such warrants had been refunded, and will use due diligence to collect said improvement warrants and the special assessments and any taxes appropriated for their payment; the Issuer has reserved the right and privilege of issuing additional improvement warrants on the funds of said improvement districts, if and to the extent necessary to complete payment of the cost of the improvements, and the right and privilege of refunding such warrants by the issuance of additional series of Refunding Improvement Bonds, payable on a parity with the Bonds of this series, provided that the total amount of special assessments and taxes appropriated for payment of the cost of the improvements shall be not less than the total amount of warrants issued with respect thereto; that the governing body is required by law to levy a tax upon all the taxable property in the corporate limits of the Issuer, without limitation as to rate or amount, to meet any deficiency in any of said improvement district funds for the payment of all warrants drawn thereon, with interest; and that all collections of special assessments and taxes appropriated for the payment of said improvement warrants are required by law to be credited to the Bond Fund and applied in payment of the principal of and interest on the Bonds of this series and any other series issued pursuant to the authority hereinbefore reserved; all as more fully stated in the Resolution; and that the issuance of this Bond has not caused the indebtedness of the Issuer to exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF the City of Fargo, North Dakota, by its governing body, has caused this Bond to be executed in its behalf by the manual or facsimile signature of the Mayor and City Auditor, and sealed with its official seal, and has caused the certificate appearing on the following page to be executed by the manual or facsimile signatures of said officers.

CITY OF FARGO

(S E A L)

Mayor

City Auditor

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

CITY AUDITOR, as Bond Registrar

By: _____
Authorized Representative

CERTIFICATE AS TO LEGAL OPINION

We certify that attached is the legal opinion rendered by Bond Counsel on the issue of Bonds which includes the within Bond, dated as of the date of delivery of and payment for the Bonds.

City Auditor

Mayor

The following abbreviations when used in the inscription on the face of this Bond, shall be construed as though they were written in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UTMA-ACT - _____ Custodian _____
(Custodian) (Minor)

under Uniform Transfer to Minors Act _____
(State)

Additional abbreviations may also be used.

* * * * *

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto _____
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Insert social security or other identifying number of Assignee: _____

DATED: _____, 20__

Assignor: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by a member of a major stock exchange or a commercial or bank trust company.

NOTICE: The signature to this Assignment must correspond to the name as it appears upon the face of the within Bond in every particular, without alteration, enlargement or any change whatsoever.

Attachment D

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Fargo, North Dakota (the “Issuer”) in connection with the Issuer’s \$41,745,000 REFUNDING IMPROVEMENT BONDS, SERIES 2017C (the “Bonds”). The Bonds are being issued pursuant to authorizing resolution adopted by the governing body of the Issuer on November 9, 2015 (the “Resolution”), and delivered to the respective Purchasers on the date hereof. The Issuer hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Owners of the Bonds in order to assist the Participating Underwriters within the meaning of SEC Rule 15c2-12(b)(5) (the “Rule”) in complying with the Rule. This Disclosure Certificate constitutes the written undertaking and agreement of the Issuer for the benefit of the Owners of the Bonds as required by the Rule.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means the annual financial information (as defined in the Rule), including audited financial statements, to be provided to the MSRB in an electronic format prescribed by the MSRB pursuant to paragraph 5(i)(A) and (B) of the Rule, as described in Section 3 and 4 of this Disclosure Certificate.

“EMMA” means the Electronic Municipal Market Access system established by the MSRB with the support of the SEC, or any successor system, which can be accessed on the date hereof at www.emma.msrb.org.

“Financial Statements” means audited or, if unavailable, unaudited general purpose financial statements of the Issuer prepared in accordance with generally accepted accounting principals, as in effect from time to time or as required to be modified as a matter of law. If unaudited financial statements are provided, audited financial statements will be provided when and if available.

“Fiscal Year” means the fiscal year of the Issuer.

“Final Official Statement” means the final official statement relating to the Bonds dated _____, 2017, which constitutes the final official statement delivered in connection with the Bonds, which is available from the MSRB.

“Issuer” means the City of Fargo, North Dakota, which is the obligated person (as defined in the Rule) with respect to the Bonds.

“Material Event” means any of the events listed in paragraph 5(i)(C) and paragraph 5(i)(D) of the Rule, which are set forth in Section 5(a) and (d) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board on the date hereof located at 1300 I Street, Suite 1000, Washington, DC 20005.

“Owner” means the person in whose name a Bond is registered or a beneficial owner of such a Bond.

“Participating Underwriter” means any of the original underwriter(s) of the Bonds (including the Purchaser) required to comply with the Rule in connection with the offering of the Bonds.

“Rule” means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and including written interpretations thereof by the SEC.

“SEC” means the Securities and Exchange Commission.

Section 3. Provision of Annual Financial Information and Financial Statements.

(a) The Issuer shall, not later than 12 months after the end of each Fiscal Year, commencing with the year ending December 30, 2017, provide to the MSRB in an electronic format as prescribed by the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate and which shall include the CUSIP numbers for the all outstanding Bonds and such other identifying information as may be required from time to time by the Rule. The Annual Report shall be submitted to the MSRB at EMMA or as otherwise directed by the MSRB and may be submitted as a single document or as separate documents comprising a package, and may incorporate by specific reference information in documents available to the public on the MSRB’s internet website or filed with the SEC; provided that the Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report.

(b) If the Issuer is unable or fails to provide an Annual Report by the date required in subsection (a) to the MSRB, the Issuer shall provide a notice of such failure to the MSRB as set forth in Section 5(b) hereof.

Section 4. Content of Annual Reports. The Issuer’s Annual Report shall contain or incorporate by reference the annual Financial Statements and annual financial information similar to that set forth in the following sections of the Final Official Statement:

- (1) Economic and Demographic Information.
- (2) Financial Summary.
- (3) City Indebtedness.
- (4) Outstanding Indebtedness.
- (5) Financial Information.
- (6) Property Valuation and Taxes.

Section 5. Reporting of Material Events.

(a) The Issuer shall provide to the MSRB in an electronic format prescribed by the MSRB notice of any of the following events with respect to the Bonds in a timely manner not in excess of ten (10) business days after the occurrence of the event, which notice shall be submitted to the MSRB at EMMA, or as otherwise directed by the MSRB:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;

- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modification to rights of security holders, if material;
- (8) Bond Calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the securities, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the obligated person;
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) If the Issuer determines that it has failed to give notice of a Material Event as set forth above or to file the Annual Report in a timely fashion as required herein, the Issuer shall promptly file a notice of such occurrence to the MSRB in an electronic format prescribed by the MSRB, which notice shall be submitted to the MSRB at EMMA or as otherwise directed by the MSRB.

Section 6. Reporting Generally. The Issuer shall file its Annual Report, each notice of a Material Event, and each notice required by subsection (b) of Sections 3 and 5 of this Disclosure Certificate with the CUSIP numbers for all outstanding Bonds specified and such other identifying information as may be required from time to time by the Rule or by the MSRB. Each such item shall be submitted to the MSRB at EMMA, or as otherwise directed by the Rule or the MSRB, in an electronic format prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption, or payment in full of all the Bonds.

Section 8. Agent. The Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 9. Amendment: Waiver. Notwithstanding any other provision of this Disclosure Certificate and without consent of the Owners of the Bonds, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver (i) is required by an amendment of the Rule by the SEC or procedures relating to the Rule by the MSRB, (ii) is to clarify an ambiguity or error, or (iii) does not provide for undertakings which violate the Rule or procedures of the MSRB then in effect or eliminates undertakings then required by the Rule or otherwise required by the SEC or the MSRB with respect to the Rule, which may be evidenced by a written opinion of legal counsel selected by the Issuer to the effect that such amendment or waiver would not, in and of itself, violate the Rule, requires undertakings which would violate the Rule or eliminates undertakings required by the Rule. If the Issuer determines that any such amendment or waiver materially changes the information provided to the MSRB or the timing of the information to be provided and that such information has not otherwise been provided to the MSRB in an Annual Report or Material Event filing, it shall provide the MSRB notice of such amendments as additional information pursuant to Section 9 hereof.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from providing any other information to the public, using the means of filing with the MSRB as set forth in this Disclosure Certificate or any other means of communication. Such information may include any other information in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information and may state in the disclosure that it does not intend to update such information.

Section 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Bonds and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, I have executed this Disclosure Certificate in my official capacity on behalf of the City of Fargo, North Dakota effective the ____ day of _____, 2017.

CITY OF FARGO, NORTH DAKOTA

By: _____
Steven Sprague
City Auditor

RESOLUTION CREATING THE FUNDS OF IMPROVEMENT DISTRICTS,
PROVIDING FOR AND APPROPRIATING SPECIAL ASSESSMENTS FOR
THE SUPPORT AND MAINTENANCE OF SAID FUNDS, AND AUTHORIZING
THE ISSUANCE OF IMPROVEMENT WARRANTS (SERIES 2017C) THEREON

BE IT RESOLVED by the governing body of the City of Fargo, Cass County, North Dakota (the "Issuer") as follows:

1. Findings. It is hereby found, determined, and declared that the Issuer has heretofore duly created the improvement districts as set forth in **Attachment A** hereto, which is incorporated herein (the "Improvement Districts"), and has ordered, received, and approved plans and specifications, and estimates of the cost, for the construction of the improvements in said Improvement Districts (the "Improvements"); that the governing body determined the necessity of constructing the Improvements; that the Improvements have been petitioned by the owners or that insufficient protests to the project were filed in accordance with State of North Dakota (the "State") law; that contracts for construction of the Improvements have been duly awarded and executed; that the contracts and contractors' bonds have been and are hereby approved; that the Issuer possesses and has power to exercise through this governing body full and exclusive jurisdiction over all streets and places wherein said improvements are located; that the total cost of said Improvements in excess of any other funds on hand and appropriated for the payment of such cost including reimbursing other funds of the Issuer for any amounts temporarily advanced to meet immediate expenses of the Improvements less prepayments actually received and to be used to pay the cost of said Improvements is now estimated to be approximately the amount set forth in **Attachment B** hereto, which is incorporated herein; that to pay the total cost of said Improvements, the Issuer will sell at competitive sale improvement warrants in at least the total principal amount set forth in **Attachment B** hereto; that the total benefits to all lots, tracts, and parcels of land liable to be specially assessed for benefits resulting from the Improvements in said Improvement Districts will be substantially in excess of the cost of said Improvements to be assessed against said properties as herein provided; and that all acts, conditions, and things required by the Constitution and laws of the State of North Dakota to be done, to exist, to happen, and to be performed preliminary to the issuance and sale of warrants to provide moneys to pay for said Improvements (the "Warrants") have been done, do exist, have happened, and have been performed in regular and due form and in the time and manner as so required. Each Warrant is payable from and secured by a special fund of the Issuer created with respect to an Improvement District and the special assessments levied within such Improvement District for the Improvements relating to such district.

2. Creation and Uses of Funds and Accounts. There are hereby created special funds of the Issuer for each Improvement District (the "Special Funds," each a "Special Fund"), which Special Funds shall be held and administered by the City Auditor separate and apart from all other funds of the Issuer and each Special Fund shall be continued and maintained as directed in this resolution until all Warrants issued thereon shall have been fully paid with interest. In each such Special Fund there shall be maintained two separate accounts to be designated as the "Construction Account" and "Principal and Interest Account," respectively.

(a) There shall be credited to the Construction Account in each Special Fund the proceeds of the sale of the Warrants issued against such Special Fund except the accrued interest and except any amounts necessary to reimburse other funds of the Issuer for temporary advances made for the Improvements. All costs and expenses of making said Improvements, including interest coming due during construction, shall be paid from time to time as incurred and allowed from said Construction Account, upon Construction Account warrants signed by the Mayor and City Auditor, or in their absence, the Deputy Mayor and/or the Deputy City Clerk, and moneys in said Account shall be used for no other purpose, provided, that if upon completion of the Improvements and approval thereof by the Engineer for the Issuer, and payment of all claims and expenses in respect to said Improvement, there shall remain any unexpended balance in said Construction Account, such balance shall be transferred to the respective Principal and Interest Account and handled and accounted for in the same manner as other moneys in that account.

(b) There shall be credited to the Principal and Interest Account in each Special Fund the accrued interest, if any, on the Warrant drawn on said fund from the date of the Warrant to the date of delivery thereof to the purchaser, the entire amount of special assessments and any taxes to be levied with respect to that improvement as herein set forth, and any balance remaining in the Construction Account after completion of said Improvement. Moneys in the Principal and Interest Account shall be used only for payment of the principal of and interest on the Warrants drawn against said fund as such payments become due.

(c) The Issuer covenants and agrees with the holders from time to time of the Issuer's refunding improvement bonds, which are payable from, and secured by, the Warrants and the interest on which is excluded from gross income for federal tax purposes (the "Bonds"), that it will not take or permit to be taken by any of its officers, employees, or agents any action which would cause the interest on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended, and regulations, amended regulations, and proposed regulations issued thereunder, as now existing or as hereinafter amended or proposed and in effect at the time of such action.

3. Special Assessments. With respect to the Improvement Districts, the Issuer covenants and agrees with all holders of Warrants that it will do and perform as soon as may be possible, in accordance with law, all acts and things necessary for the final and valid levy of special assessments against properties within the Improvement Districts benefited by the Improvements, in an aggregate amount equal to the total cost of the Improvement to the Issuer, except any portion, not exceeding one-fifth of the cost of the improvement and not exceeding any applicable constitutional or statutory debt limit, as the Issuer may determine to pay by the levy of *ad valorem* taxes upon all taxable property within its corporate limits.

In the event that the special assessment should at any time be held invalid with respect to any lot or tract of land, due to any error, defect or irregularity in any action or proceeding taken or to be taken by the Issuer or by the governing body or by any officers or employees, either in the making of the special assessment or in the performance of any condition precedent thereto, the Issuer and this governing body covenant and agree that they will forthwith do all such further acts and take all such further proceedings as may be required by law to make such special assessment a valid and binding lien upon such lot or tract.

The installments of special assessments from time to time remaining unpaid shall bear interest at the rate, not exceeding one percentage point above the true interest cost (TIC) annual interest rate on bonds issued on special improvement districts, set forth in **Attachment A** hereto, said special assessments to be levied in equal annual installments of principal, together with the interest to accrue thereon, as set forth in **Attachment A** hereto.

4. Authorization and Terms of Warrants. In anticipation of the collection of said special assessments and taxes, if any, and for the purpose of borrowing money to pay the cost of said Improvements, the Issuer shall issue its Warrants on each special Fund. The Warrants shall be dated as set forth in **Attachment B**. The Warrants shall bear interest from the date of issue until paid at the interest rate per annum set forth in **Attachment B**, in each case payable semi-annually on each May 1 and November 1, commencing on the date set forth in **Attachment B**. The warrants shall not be subject to redemption or exchange except through the issuance of refunding special assessment warrants or bonds in accordance with the provisions of Chapter 40-27, North Dakota Century Code, for which purpose the warrants may be redeemed or exchanged on any date at par and accrued interest. The principal of and interest on the warrants shall be payable at the office of the City Auditor. The Warrants shall be in the aggregate principal amounts with annual installments of principal payable on May 1 in the respective years set forth in **Attachment A** hereto. The first payment date on which a principal installment on the Warrants is due is as set forth in **Attachment B**.

5. Form of Warrant. The Warrants shall be typewritten and photocopied in substantially the form set forth in **Attachment C** hereto and incorporated herein.

6. Execution and Delivery. Each Warrant shall be prepared for execution under the direction of the City Auditor and shall be executed on behalf of the Issuer by the signature of the Mayor, countersigned by the City Auditor and sealed with the official seal of the Issuer. When executed, the warrants shall be delivered by the City Auditor to the Purchaser thereof upon payment of the purchase price agreed upon, and the Purchaser shall not be obligated to see to the application of the purchase price.

The Mayor, the City Auditor, and other officers of the City are also hereby authorized to execute and deliver any such additional certificates, showings, agreements, or documents necessary or otherwise appropriate in connection with the issuance of the Warrants and the transactions contemplated thereby.

In the event of the absence or unavailability of the Mayor, the City Auditor, or other appropriate officer of the City, the Warrants and the other documents authorized for execution and delivery pursuant to this section may be executed and delivered by the individual or individuals authorized generally by the City to act on behalf of the Mayor, the City Auditor, or other officer of the City in such circumstances, including, without limitation, the Deputy Mayor and the Deputy City Auditor, as the case may be.

In case any officer signing documents authorized to be executed and delivered by this resolution shall cease to be such officer before or after the delivery of any such document, such signature, nevertheless, shall be valid and remain sufficient for all purposes as if such officer had remained in office until such delivery or later applicable time.

7. Covenant as to Tax Levy. With respect to each Special Fund, the Issuer hereby recognizes its obligation with respect to the Warrants drawn against the Funds, as set forth in § 40-26-08, North Dakota Century Code, as amended, and covenants that whenever all special assessments and taxes, if any, theretofore collected for the related Improvement are insufficient to pay principal of or interest then due on the applicable Warrant, the governing body of the Issuer shall thereupon levy a tax upon all taxable property in the corporate limits of the Issuer for the payment of such deficiency; provided, that if said Warrant has been exchanged for refunding improvement bonds pursuant to the provisions of Chapter 40-27, North Dakota Century Code, such deficiency tax may be made payable in the years and amounts required to pay the principal of and interest on such refunding improvement bonds as the same become due. Nothing herein contained shall be deemed to limit the power of the Issuer and this governing body under the provisions of said § 40-26-08, as amended, to levy a general tax in anticipation of a deficiency considered likely to occur in said Special Fund within one year, and it is hereby declared to be the policy of the Issuer that the governing body will annually review the current requirements and resources of each Special Fund, at the time of the preparation of and hearing on the budget, in accordance with the provisions of Chapter 40-40, North Dakota Century Code, to the end that provisions may be made in each annual budget for any deficiency in said applicable Funds which is deemed likely to occur within the then next succeeding year. Any taxes levied in accordance with the provisions of this paragraph in payment of a deficiency, or in anticipation of a deficiency, shall be paid upon collection into the Principal and Interest Account of the Special Fund and applied as provided in paragraph 2(b) hereof.

8. Refunding. With respect to the Special Funds, the Issuer reserves the right and privilege of refunding any warrants drawn against any of the Special Funds and refunding improvement bonds payable from such warrants which are past due, or which are redeemable at the option of the Issuer, or to the redemption or exchange of which the holder thereof shall have consented, and for the payment of which Warrants moneys are not at the time available in said fund, by issuing new warrants pursuant to the provisions of § 40-27-06, North Dakota Century Code. Such refunding warrant shall be payable from the applicable Special Funds on a parity with the Warrants previously issued as to interest charges, provided, however, the principal maturities of such refunding warrant shall be subsequent to the maturities of all Warrants payable from such Special Fund and then outstanding, except the warrants so refunded.

With respect to the Special Funds, the Issuer also reserves the right to issue additional warrants and refunding improvement bonds for the payment of the cost of the improvement in said districts if the actual cost of said improvement should be greater than has been estimated, such additional warrants to be payable from said fund on a parity with other warrants drawn on said funds.

9. Further Actions. The officers of this Issuer and the County Auditor of Cass County are authorized and directed to prepare and furnish to the purchaser of said warrants and to the attorneys approving the same, certified copies of all ordinances, resolutions, affidavits or other instruments relating to the establishment and construction of said improvement and the operation and maintenance thereof, and the levy of special assessments and taxes therefore or the

issuance of said improvement warrants, which may be necessary or proper to show the validity or marketability of said warrants, and all instruments and transcripts so furnished, constitute representations of the Issuer as to the correctness of the facts as stated or recited therein.

Mayor

Attest:

City Auditor

COMMISSIONER _____
introduced the preceding resolution and moved its adoption. The motion for the adoption of the
foregoing resolution was duly seconded by COMMISSIONER _____,
and upon roll call vote, the
following voted in favor thereof: COMMISSIONERS _____.
The following were
absent and not voting: _____, and the following
voted against the same: _____, whereupon the
resolution was declared duly passed and adopted this ____ day of _____, 2017.

Attachment A

**LIST OF IMPROVEMENT DISTRICTS WITH PRINCIPAL AMOUNTS,
LEVY YEARS, AMOUNTS, AND PAYMENT YEARS FOR EACH**

| A | B | C | D |
|--|-----------------------------------|---------------------------------------|--|
| District Designation | Levy Years (inclusive) | Aggregate Principal Amount | Amounts and Payment Years |
| Sanitary Sewer, Water Main, Storm Sewer, Paving, Street Lights Improvement District No. BN-16- A1 | 2017 through 2041 | 689,870.70 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| Water Main Replacements, street Reconstruction, Streetscape Improvement District No. BR-15- B1 | 2017 through 2041 | 755,698.52 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| Asphalt Wear Course Improvement District No. PN-16-A1 | 2017 through 2041 | 1,457,490.77 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| Seal Coat Improvement District No. PR-16-B1 | 2017 through 2031 | 203,609.89 | Equal Principal and Interest Payments in each of the years 2018 through 2032 |
| Asphalt Mill & Overlay Improvement District No. PR-16- C1 | 2017 through 2031 | 1,544,685.39 | Equal Principal and Interest Payments in each of the years 2018 through 2032 |
| New Construction City Sidewalks Improvement District No. SN-16- A1 | 2017 through 2026 | 246,982.75 | Equal Principal and Interest Payments in each of the years 2018 through 2027 |
| Re Construction City Sidewalks Improvement District No. SR-15- A1 | 2017 through 2026 | 221,502.22 | Equal Principal and Interest Payments in each of the years 2018 through 2027 |
| Re Construction City Sidewalks Improvement District No. SR-16- A1 | 2017 through 2026 | 226,658.11 | Equal Principal and Interest Payments in each of the years 2018 through 2027 |
| Sanitary Sewer, Water Main, Storm Sewer Improvement District No. UN-15-J1 | 2017 through 2041 | 1,111,877.67 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| PC Concrete Alley Improvement District No. AN-16-A1 | 2017 through 2041 | 176,265.03 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |

| A | B | C | D |
|--|-----------------------------------|---------------------------------------|--|
| District Designation | Levy Years (inclusive) | Aggregate Principal Amount | Amounts and Payment Years |
| PC Concrete Alley Improvement District No. AN-16-B1 | 2017 through 2041 | 79,233.54 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| PC Concrete Alley Improvement District No. AN-16-C1 | 2017 through 2041 | 195,942.51 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| PC Concrete Alley Improvement District No. AN-16-E1 | 2017 through 2041 | 97,500.00 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| Concrete Curb & Gutter, Asphalt Pavement, Street Lights Improvement District No. PN-15-M1 | 2017 through 2041 | 866,000.00 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| Sanitary Sewer, Water Main, Storm Sewer, Curb & Gutter, Paving Improvement District No. BN-15-K1 | 2018 through 2042 | 1,117,175.00 | Equal Principal and Interest Payments in each of the years 2019 through 2043 |
| Relocate Utilities Improvement District No. BN-15-M1 | 2017 through 2041 | 285,000.00 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| Sanitary Sewer, Water Main, Storm Sewer, Curb & Gutter, Paving Improvement District No. BN-15- N1 | 2018 through 2042 | 5,180,000.00 | Equal Principal and Interest Payments in each of the years 2019 through 2043 |
| Sanitary Sewer, Water Main, Storm Sewer, Curb & Gutter, Paving Improvement District No. BN-16-E1 | 2017 through 2041 | 1,570,000.00 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| Water Main, Storm Sewer, PC Concrete Paving Improvement District No. BN-16-F1 | 2017 through 2041 | 915,000.00 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| Sanitary Sewer, Water Main, Storm Sewer, Curb & Gutter, Paving Improvement District No. BN-16- L1 | 2017 through 2041 | 210,000.00 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| Water Main Replacement, Street Reconstruction Improvement District No. BR-15-A1 | 2017 through 2041 | 320,000.00 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |

| A | B | C | D |
|--|-----------------------------------|---------------------------------------|--|
| District Designation | Levy Years (inclusive) | Aggregate Principal Amount | Amounts and Payment Years |
| Storm Sewer Lift Station, Storm Sewer Improvement District No. NN-14-01 | 2017 through 2041 | 1,255,000.00 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| Sanitary Sewer, Water Main, Storm Sewer Improvement District No. PN-14-41 | 2018 through 2042 | 3,075,000.00 | Equal Principal and Interest Payments in each of the years 2019 through 2043 |
| Concrete Curb & Gutter, Asphalt Pavement, Street Lights Improvement District No. PN-15- N1 | 2018 through 2042 | 487,000.000 | Equal Principal and Interest Payments in each of the years 2019 through 2043 |
| Grading, PC Concrete, Storm Sewer, Traffic Signals, Street Lights Improvement District No. PR-14-01 | 2017 through 2041 | 11,550,000.00 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| Street Lighting Improvement District No. SL-16-A1 | 2018 through 2027 | 1,095,000.00 | Equal Principal and Interest Payments in each of the years 2019 through 2028 |
| Sanitary Sewer, Water Main, Storm Sewer Improvement District No. UN-15-M1 | 2017 through 2041 | 1,077,000.00 | Equal Principal and Interest Payments in each of the years 2018 through 2042 |
| Flood Mitigation Improvement District No. FM-14-93 | 2018 through 2042 | 3,259,000.00 | Equal Principal and Interest Payments in each of the years 2019 through 2043 |
| Flood Mitigation Improvement District No. FM-14-93 | 2018 through 2042 | 511,000.00 | Equal Principal and Interest Payments in each of the years 2019 through 2043 |
| Total Principal Amount | | \$39,779,492.10 | |

Attachment B

VARIOUS TERMS

1. Total estimated costs of the Improvements: \$ _____
2. Total principal amount of the Warrants: \$ _____
3. Date of Original Issue (the date from which interest starts to accrue): _____, 2017, or such later issue date if the issuance and delivery of the Warrants is delayed
4. The interest rate per annum on each Warrant: _____%
5. The first warrant payment date: May 1 of the first payment year of each warrant as set forth in **Attachment A**

Attachment C

FORM OF WARRANT

UNITED STATES OF AMERICA
STATE OF NORTH DAKOTA
COUNTY OF CASS
CITY OF FARGO
IMPROVEMENT WARRANT
SERIES 2017C
IMPROVEMENT DISTRICT NO. _____

Registered
Number

INTEREST RATE

_____%

DATE OF ORIGINAL ISSUE

_____, 2017

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ DOLLARS

KNOW ALL MEN BY THESE PRESENTS that the City of Fargo, Cass County, North Dakota, (the "Issuer") acknowledges itself to be specially indebted and for value received promises to pay to the registered owner specified above or registered assigns, the principal amount of \$ _____ in annual installments on May 1 in each of the years 20__ through 20__ but only from its _____ Fund, with interest thereon from the date hereof at the annual rate specified above, such interest payable on May 1 and November 1 in each year, commencing May 1, 20__, to the holder of record on the close of the 15th day (whether or not a business day) of the immediately preceding month. The interest and principal are payable in lawful money of the United States of America by check or draft by the City Auditor.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of North Dakota to be done, to exist, to happen and to be performed preliminary to and in the valid issuance of this warrant have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required; that this warrant is duly issued to pay costs incurred and to be incurred in the making of a necessary improvement of special benefit to the above-named Improvement District, in anticipation of the collection of special assessments to be duly levied upon properties within said district, and of taxes to the extent determined by the governing body, which are irrevocably appropriated to the fund of the district in amounts sufficient to pay when due the principal of and interest on all warrants drawn thereon; that if the fund should at any time be insufficient to pay principal or interest due, the Issuer is also required by law to levy a tax upon all of the taxable property within its corporate limits for the payment of such deficiency,

without limitation of rate or amount; and that the issuance of this warrant did not cause the special or general indebtedness of the Issuer to exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF the City of Fargo, North Dakota, by its governing body has caused this warrant to be executed in its behalf by the signature of the Mayor and countersigned by the City Auditor, and sealed with its official seal.

Mayor

Countersigned:

City Auditor

(S E A L)

CERTIFICATE

STATE OF NORTH DAKOTA)
) ss.
COUNTY OF CASS)

I, Steven Sprague, the duly appointed City Auditor of the City of Fargo, North Dakota, do hereby certify that the preceding resolution attached hereto is a full, true, and correct copy of the RESOLUTION CREATING THE FUNDS OF IMPROVEMENT DISTRICTS, PROVIDING FOR AND APPROPRIATING SPECIAL ASSESSMENTS FOR THE SUPPORT AND MAINTENANCE OF SAID FUNDS AND AUTHORIZING THE ISSUANCE OF IMPROVEMENT WARRANTS (SERIES 2017C) THEREON adopted by the governing body of the City of Fargo at the meeting held on _____, 2017, and that such Resolution is now a part of the permanent records of the City of Fargo, North Dakota, as such records are filed in the office of the City Auditor.

Dated this _____ day of _____, 2017.

City Auditor

(S E A L)

RESOLUTION AUTHORIZING THE ISSUANCE OF
REFUNDING IMPROVEMENT REFUNDING BONDS, SERIES 2017D
APPROVING CERTAIN ACTIONS,
AWARDING THE SALE THEREOF, PROVIDING FOR THE TRANSFER
OF THE WARRANTS RELATED THERETO,
PRESCRIBING THE TERMS AND COVENANTS THEREOF, AND
CREATING A FUND FOR THE PAYMENT THEREOF

WHEREAS, the City of Fargo, North Dakota (the “**Issuer**”) by resolutions has heretofore authorized the issuance of, and issued, its REFUNDING IMPROVEMENT BONDS, SERIES 2013C, dated September 12, 2013 (the “**Prior Bonds**”); and

WHEREAS, the Issuer has heretofore authorized the issuance of, and issued, certain definitive improvement warrants pledged to the payment of the Prior Bonds (the “**Warrants**”); and

WHEREAS, each Warrant is payable from special assessments levied on the property in a separate specified improvement district (a “**District**,” and collectively, the “**Districts**”) of the Issuer which was established to undertake a public improvement project; and

WHEREAS, all special assessments and taxes levied and other revenues pledged to pay the costs of an improvement shall constitute a fund (the “**Special Fund**,” or collectively, the “**Special Funds**”) for the payment of such costs, including all principal of and interest on the warrants issued with respect to such improvement to be held by the City Auditor; and

WHEREAS, the Issuer desires to reduce the debt service payable on the Prior Bonds through interest cost savings by issuing its REFUNDING IMPROVEMENT REFUNDING BONDS, SERIES 2017D (the “**Bonds**”) pursuant to this bond resolution (this “**Resolution**”) for the purpose crossover advance refunding certain of the Prior Bonds which mature on May 1, 2024 through May 1, 2039 (the “**Refunds Prior Bonds**”), to reduce the debt service thereon the Prior Bonds maturing on May 1, 2018 through May 1, 2023 are not being refunded. The Refunded Prior Bonds will be prepaid on May 1, 2021 (the “**Crossover Date**”); and

WHEREAS, the Warrants were exchanged for the Prior Bonds and are being held by the Issuer as security and a source of payment for the Prior Bonds; and

WHEREAS, it is desired to provide for the payment of the Bonds by a pledge of the payments of debt service on the Warrants, subject to the pledge of the Warrants to the applicable Prior Bonds until the redemption and prepayment of the entire remaining principal amount of the Prior Bonds; and

WHEREAS, it is desired to provide for the payment of debt service on the Bonds found including the Crossover Date and to provide for the payment of the principal of the Refunded Prior Bonds on the Crossover Date through the establishment of an escrow account (the “**Escrow Account**”) to be established with Wells Fargo, National Association, Minneapolis, Minnesota (the “**Escrow Agent**”), into which fund there will be deposited obligations of or fully guaranteed by the United States of America purchased with the proceeds of the Bonds and other monies of the Issuer legally available for such purpose authorized to be deposited to the Escrow Account by this Resolution; and

WHEREAS, the proceeds of the Bonds and the other amounts of available funds of the Issuer deposited to the Escrow Account, together with the earnings thereon, will be sufficient to pay and retire the \$11,960,000 principal amount of the Refunded Prior Bonds on the Crossover Date. The principal amount of the Refunded Prior Bonds will be prepaid on the Crossover Date; and

WHEREAS, prior to the Crossover Date, debt service on the Bonds will be paid from amounts on deposit in the Escrow Account. On the Crossover Date, the unpaid principal amount of the Refunded Prior Bonds is required to be paid in full from amounts on deposit in the Escrow Account and the Issuer is required to pay the interest then due on all of the Prior Bonds on the Crossover Date and the principal of the Prior Bonds maturing on the Crossover Date. After the Crossover Date, all Warrants will be held in trust in the Bond Fund as security for the Prior Bonds which were not refunded and subject to such Prior Bonds, the Bonds. Upon prepayment in full of the Prior Bonds on May 1, 2023, such warrants will be held in trust sole, as security for the Bonds. All collections of the warrants and of special assessments related thereto and of any deficiency tax levies are required to be used for payment of debt service on the Bonds and the Prior Bonds as set forth above; and

WHEREAS, the Issuer has received bids for the sale of the Bonds;

BE IT RESOLVED by the governing body of City of Fargo, Cass County, North Dakota (the “**Issuer**”), as follows:

1. Findings. It is hereby found, determined, and declared that said Warrants and Prior Bonds were duly and legally authorized under authority of and in accordance with the provisions of Title 40 of the North Dakota Century Code, as amended; that there is not at the present time in the Special Funds sufficient money to pay the Warrants drawn thereon with interest, and by refunding the Prior Bonds the interest rate and interest costs thereon will be substantially reduced, and the general tax which the Issuer may become obligated to levy for any deficiencies in said funds can be reduced and equalized, and the burden on the taxpayers and property owners will be substantially reduced; that all acts, conditions, and things required by the Constitution and laws of the State of North Dakota to be done, to exist, to happen, and to be performed precedent to the issuance of the Bonds hereinafter described have been done, do exist, have happened, and have been performed in due form, time and manner as so required; and that the issuance of the Bonds is necessary and expedient and for the best interest of the Issuer and its inhabitants, taxpayers, and the owners of property liable to be assessed for said Improvements.

2. Award and Sale. All actions heretofore taken by the City Auditor and others relating to the sale of the Bonds sold on this date are approved, ratified, and confirmed; that, having considered all bids received for the purchase of the Bonds, it is hereby found and determined that the most favorable of such bids is that of the purchaser set forth in **Attachment A** hereto, which is hereby incorporated herein and made a part hereof, (the “**Purchaser**”), to purchase the Bonds at the price plus accrued interest set forth in **Attachment A** hereto, and such Bonds are awarded to the Purchaser, bearing interest at the respective annual interest rates from date of issue until paid or discharged and maturing on May 1 in the years and amounts set forth in **Attachment A** which terms are equivalent to the average annual true interest cost on the Bonds set forth in **Attachment A**; that the Mayor and City Auditor are authorized and directed to make and execute all documents necessary on the part of the Issuer for

the sale of the Bonds in accordance with the proposal of the Purchaser; that the good faith check or deposit furnished by the successful bidder shall be retained by the City Auditor until delivery and exchange of the Bonds; and that the good faith checks or deposits of other bidders shall be returned to them forthwith.

3. Authorization and Terms of Bonds.

(a) General. For the purpose of refunding the Prior Bonds, the Issuer hereby authorizes the issuance, execution, and delivery, and shall forthwith issue its registered bonds, designated REFUNDING IMPROVEMENT BONDS, SERIES 2017D, in the respective principal amounts set forth in **Attachment A**. The Bonds shall initially be dated the date of initial delivery thereof to the Purchasers thereof. Bonds issued upon exchange or transfer after such delivery date, shall be dated as of the interest payment date next preceding their issuance, or if the date of such issuance shall be on an interest payment date as of the date of such issue; provided, however, that if interest on the Bonds shall be in default, the Bonds shall be dated as of the date to which interest has been paid in full on the Bonds being transferred. The Bonds shall be issued in fully registered form in denominations of \$5,000, or any multiple thereof, of single maturities. The Bonds shall be numbered in consecutive numerical order from R-1 upwards as issued, shall mature on May 1 in the years and in the amounts, and shall bear interest at the rates set forth in **Attachment A**.

(b) Interest. Interest on the Bonds and, upon presentation and surrender thereof, the principal thereof shall be payable in lawful money of the United States of America by check or draft by the City Auditor of Fargo as Paying Agent, or its successor. Interest shall be payable on May 1 and November 1 in each year, commencing as set forth in **Attachment A**, to the holder of record on the close of the 15th day (whether or not a business day) of the immediately preceding month. Interest on the Bonds shall cease at maturity or on a date prior thereto on which they have been duly called for redemption unless the holder thereof shall present the same for payment and payment is refused.

(c) Optional Redemption. The Bonds are subject to optional redemption as set forth in **Attachment A**.

(d) Mandatory Redemption, Term Bonds. The Bonds, if any, designated in **Attachment A** as Term Bonds are subject to mandatory sinking fund redemption in part at a Redemption Price equal to 100% of the principal amount thereof, together with accrued interest to the redemption date on May 1 of the years and in the principal amounts set forth in **Attachment A**.

(e) Notice of Redemption; Selection of Bonds. In the event any Bond is called for redemption prior to maturity, the Issuer will cause a notice of redemption to be sent to the Bond Registrar, Paying Agent and the registered owners of the Bonds called for redemption at least thirty (30) days before the date specified for redemption at the address shown on the registration books of the Bond Registrar. Within ten (10) days before the thirtieth (30th) day prior to any specified redemption date, if less than all Bonds of a single maturity of one series are to be redeemed the Bond Registrar will select for redemption (by lot in such manner as the Bond Registrar may determine) from all outstanding Bonds of the applicable maturity and series a principal amount of such Bonds equal to the aggregate principal amount of such Bonds to be

redeemed, and will call such Bonds or portions thereof (\$5,000 in principal amount of any integral multiple thereof) for redemption on such Redemption Date and give notice of such call. If less than all Bonds of a single series are to be optionally redeemed as permitted above, the maturity or maturities of the Bonds to be redeemed shall be selected by the Bond Registrar as directed by the Issuer.

If less than all Term Bonds of a single maturity of the same series are to be redeemed at the option of the Issuer, the Issuer may apply the principal amount to be redeemed to reduce the mandatory sinking fund redemption requirements in such the Term Bond to be redeemed in such year or years as it determines in its sole discretion.

The Issuer may choose to optionally redeem Bonds of one series without optionally redeeming any Bonds of the other series.

4. Transfer and Exchange. The Bonds are transferable upon the books of the Issuer at the principal office of the Bond Registrar by the registered owner thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or his attorney; and may also be surrendered in exchange for Bonds of the same series of other authorized denominations. Upon such transfer or exchange the Issuer will cause a new Bond or Bonds of the same series to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange. No transfer of Bonds shall be required to be made during the 15 days next preceding an interest payment date, nor during the 45 days next preceding the date fixed for redemption of such Bonds.

The Issuer and the Bond Registrar may deem and treat the person in whose name any Bond is registered as the absolute owner thereof, whether the Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the Issuer nor the Bond Registrar shall be affected by any notice to the contrary.

5. The Bond Form; Execution and Delivery. The Bonds shall be printed, or produced in typewritten form, under the supervision and at the direction of the City Auditor, executed by the manual or facsimile signature of the Mayor, sealed with the Issuer's official seal, and attested to by the manual signature of the City Auditor and delivered to the holder at closing upon receipt of the purchase price plus any accrued interest. The Bonds shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under this Resolution until the Certificate of Authentication thereon shall have been executed by the Bond Registrar by manual signature of one of its authorized representatives.

The Mayor, the City Auditor, and other officers of the City are also hereby authorized to execute and deliver any such additional certificates, showings, agreements, or documents necessary or otherwise appropriate in connection with the issuance of the Bonds and the transactions contemplated thereby.

In the event of the absence or unavailability of the Mayor, the City Auditor, or other appropriate officer of the City, the Warrants and the other documents authorized for execution

and delivery pursuant to this section may be executed and delivered by the individual or individuals authorized generally by the City to act on behalf of the Mayor, the City Auditor, or other officer of the City in such circumstances, including, without limitation, the Deputy Mayor and the Deputy City Auditor, as the case may be.

In case any officer signing documents authorized to be executed and delivered by this Resolution shall cease to be such officer before or after the delivery of any such document, such signature, nevertheless, shall be valid and remain sufficient for all purposes as if such officer had remained in office until such delivery or later applicable time.

The Bonds shall be reproduced in substantially the form set forth in **Attachment C** hereto which is hereby incorporated herein and made a part hereof.

6. Establishment of Bond Fund. There shall be and is hereby created a special fund to be maintained by the City Auditor separate and apart from all other funds of the Issuer, to be designated as the SERIES 2017D REFUNDING IMPROVEMENT REFUNDING BOND FUND (herein referred to as the “**Bond Fund**”), as a separate and special fund for the sole purpose of payment of principal and interest on any outstanding Bonds and shall be maintained until all balances of principal and interest on the Bonds are fully paid. There is hereby appropriated to the Bond Fund all of the funds and the Warrants heretofore appropriated for the payment of the Prior Bonds, subject to the prior lien of the Prior Bonds upon such funds until they have been fully paid or redeemed. All payments of principal and interest made on the Warrants through the Crossover Date (May 1, 2021) shall be used and applied first to pay principal of and interest on the Prior Bonds and the Bonds payable on or before such date. Thereafter, assuming the payment of the interest due on all Prior Bonds on the Crossover Date and the principal amount of the Prior Bonds maturing on the Crossover Date, all payments of principal and interest on the Warrants shall be used and applied to pay principal of, premium (if any), and interest on the Bonds.

7. Retirement of Prior Bonds; Establishment of Escrow Fund. Simultaneously with the delivery of the Bonds herein authorized, the proceeds of the Bonds and certain other funds now on hand and available in the amounts set forth in **Attachment A** are hereby irrevocably appropriated to the Escrow Fund and shall be deposited in trust with the Escrow Agent and invested as set forth in the Escrow Agreement in obligations of or fully guaranteed by the United States Government which will mature in such amounts and at such time or times and, together with the earnings arising from such obligations, and other necessary monies deposited therein, will be fully sufficient to provide for payment of the principal amount of the maturities of the Prior Bonds to be called for redemption prior to maturity on the Crossover Dates, to pay all interest on the Bonds through the Crossover Date. The Mayor and the City Auditor are hereby authorized to enter into the Escrow Agreement with the Escrow Agent, which agreement shall provide that the obligation in which said funds are so invested will be sufficient to make the required payments specified in the preceding sentence. The Escrow Agreement shall be in substantially the form acceptable to the City Finance Director. The City Finance Director is authorized to transfer up to the amount of other funds specified in **Attachment A** hereto to the Escrow Agent for deposit in the Escrow Fund.

8. Transfer of Warrants. It is hereby found, determined, and declared that the Warrants held as assets in the Issuer’s bond funds for the Prior Bonds shall, simultaneously with the issuance of the Bonds herein authorized, be immediately transferred and deposited into the

Bond Fund. The Warrants shall be held in trust for the holders of the Bonds subject only to the prior lien in favor of the holders of the Prior Bonds until the Prior Bonds are fully paid or redeemed.

9. Tax Covenant. The Issuer covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the “Code”), and Regulations, Amended Regulations, and Proposed Regulations issued thereunder, as now existing or as hereinafter amended or proposed and in effect at the time of such action.

10. Covenants. The Issuer hereby covenants and agrees with the holders from time to time of the Bonds issued pursuant hereto:

(a) That it will use due diligence to collect all amounts due on the Warrants and to levy and collect the special assessments appropriated for their payment.

(b) That it will preserve and enforce for the benefit of the holders from time to time of the Bonds all of the rights, powers, and privileges reserved, to the holders of the Warrants, and all of the covenants of the Issuer as provided in the resolution authorizing the issuance of the improvement warrants.

(c) That at the time and in the manner prescribed by § 40-26-08, North Dakota Century Code, as amended, this governing body will levy general taxes on all taxable property in the corporate limits of the Issuer for the payment of any deficiency in any Special Fund and will cause the proceeds thereof to be applied in payment of the principal of and interest on the then unpaid Warrants drawn on said Special Fund; provided that the Issuer reserves the right to levy taxes in the manner and to the extent permitted by law for payment and discharge of any deficiency in said Special Funds prior to the date upon which it may become obligatory to levy such deficiency taxes, and the amounts thereof shall be credited against the levies which the Issuer might otherwise have been obligated to make.

(d) That in the event the moneys in the Bond Fund should at any time be insufficient to meet all payments of principal and interest then due on the Bonds, said moneys shall be first used to pay the interest accrued on all outstanding Bonds of both series on a parity basis, and the balance shall be applied in payment of the principal of said Bonds of both series on a parity basis in order of their maturity dates, earliest maturities first, Bonds bearing the same maturity dates being paid pro rata. The Issuer reserves the right and privilege of refunding any of such matured Bonds for the payment of which moneys are not at the time available by issuing new bonds payable from said Bond Fund, which bonds shall be on a parity with those theretofore issued as to interest charges thereon, but the maturity thereof shall be subsequent to the maturity of all Bonds payable from said fund and then outstanding, provided that no holder of Bonds herein authorized to be issued shall be obligated to accept any such bond in exchange for any of such matured Bond.

(e) The Issuer hereby reserves the right to issue additional improvement warrants and refunding improvement bonds, payable on a parity with the Bonds issued hereunder and the Warrants exchanged for the Bonds, to the extent required to complete the improvements

presently proposed for said improvement districts and to be financed by the issuance of the additional improvement warrants exchanged for additional revenue bonds.

(f) The Issuer hereby pledges (i) all special assessments for improvements funded in whole or in part from the proceeds of the Warrants, (ii) the Warrants and the payments thereon, (iii) all amounts on deposit from time to time in the Special Funds, including the Bond Fund, and (iv) all amounts on deposit in the Escrow Account to the payment of the principal of and interest on the Prior Bonds and the Bonds (and any additional bonds issued as contemplated by Section 10(e) above) on a parity basis except for the prior pledge of the Warrants to the Prior Bonds and except as otherwise set forth in this Resolution, the Bonds, and the Escrow Agreement.

11. Payment and Discharge; Defeasance. When all of the Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this Resolution shall cease. The Issuer may discharge its obligations with respect to all or a portion of the Bonds which are due on any date by depositing with the Paying Agent on or before that date a sum sufficient for the payment of the principal thereof, and interest accruing thereon to such duty in full. If any Bond shall not have been paid when due, the same may nevertheless be discharged by depositing with the Paying Agent a sum sufficient for the payment of the principal thereof in full with interest accrued thereon from the date to which interest has been paid to the date of such deposit and payment to the owners thereof. The Issuer may also discharge its obligations with respect to all or a portion of the Bonds, by depositing with the paying agent on or before that date an amount equal to the principal, interest and redemption premium, if any, which are due on the maturity date, or earlier redemption date selected by the Issuer, provided that notice of such redemption has been duly given as provided herein. The Issuer may also at any time discharge its obligations with respect to all or a portion of the Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank or financial institution qualified by law as an escrow agent for this purpose, cash or securities which are general obligations of the United States or securities of United States agencies which are authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing on such dates as shall be sufficient to pay all principal, interest, and redemption premium to become due thereon to maturity or the date of earlier redemption selected by the Issuer. If less than all of the Bonds are to be discharged pursuant to this paragraph, the maturity date, the mandatory sinking fund redemption requirement with respect to Term Bonds, and series may be selected by the Issuer in its sole discretion.

12. Further Actions Authorized. The officers of the Issuer and the City Auditor are hereby authorized and directed to prepare and furnish to said Purchaser, and to the attorneys approving the legality of the Bonds, certified copies of such proceedings, ordinances, resolutions, and records and all such certificates and affidavits and other instruments as may be required to evidence the legality and marketability of said Bonds, and all certified copies, certificates, affidavits, and other instruments so furnished, including any heretofore furnished, shall constitute representations of the Issuer as to the correctness of all facts stated or recited therein.

13. Appointment of Paying Agent and Bond Registrar. The Issuer hereby designates City Auditor as Paying Agent and Bond Registrar for the Bonds. The Issuer reserves the right to appoint replacement or successor paying agents or bond registrars.

14. Book-Entry Only Provisions.

(a) Notwithstanding the provisions of this Resolution regarding registration, ownership, transfer, payment, and exchange of Bonds, unless the Issuer determines to permit the exchange of Depository Bonds (as designated in (c) below) for Bonds in the denominations provided in Section 3(a), the Bonds shall be issued as Depository Bonds in denominations of the entire principal amount of a particular maturity; such Bonds to be registered in the name of the Bond Depository (as defined in (g) below) or its nominee. The Bonds shall be solely in the denominations of the entire principal amount of each particular maturity except as provided in paragraph (b) or (c).

(b) Upon (i) a determination by the Issuer that the Bond Depository is no longer able to carry out its functions or is otherwise determined unsatisfactory by the Issuer in its sole discretion or (ii) a determination by the Bond Depository that the Bonds are no longer eligible for its depository services or (iii) a determination by the Issuer that the Bond Depository has resigned or discontinued its services for the Bonds, the Issuer shall either (i) designate a substitute Bond Depository in accordance with paragraph (d) or (ii) provide for the exchange of Depository Bonds for Bonds in the denominations provided in Section 3(a).

(c) If the Issuer determines to provide for the exchange of Depository Bonds for Bonds in the denominations provided in Section 3(a), the Issuer shall so notify the Bond Depository for notification of the beneficial owners thereof and provide for such exchange.

(d) Any substitute Bond Depository shall be a "clearing corporation" as defined in North Dakota Uniform Commercial Code, North Dakota Century Code, § 41-08-02, and shall be a qualified and registered "clearing agency" as provided in § 17A of the Securities Exchange Act of 1934, as amended. The substitute Bond Depository shall provide for (i) immobilization of the Depository Bonds, (ii) registration and transfer of beneficial ownership of interests in the Depository Bonds by book entries made on records of the Bond Depository and participating entities, and (iii) payment of principal of, premium, if any, and interest to the Bond Depository participating entities and beneficial owners.

(e) So long as the Bonds are Depository Bonds, the following provisions shall apply unless amended by the Bond Depository. The principal of the Bonds shall be payable when due in next day funds to the Bond Depository, initially Cede & Co. as nominee of the Depository Trust Company at The Depository Trust Company, Muni Redemption Department, 570 Washington Boulevard, Jersey City, New Jersey 07310, Attn: Underwriting Packaging Department (or such other nominee or address as the Depository shall specify in writing to the Issuer) and if the payment is of only part of the principal hereof, the Issuer shall mail by first class mail to the Bond Depository a written statement of the principal amount paid as to the Bonds of each maturity outstanding following such payment, and upon such payment the Bond Depository as registered owner may in its discretion make a notation on a register of partial payments attached to the Bond of the principal amount paid, provided that the Bond Depository may at its option surrender the Bonds for exchange for a Bond registered with the new principal amount and provided the Bond shall be surrendered for payment upon redemption in full or at maturity. Such notation if made by the Bond Depository, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of the Bonds outstanding. Interest is payable in next day funds from the Issuer to the Bond

Depository or its nominee, at its address as it appears on the bond registration books of the Issuer. Each payment of interest and/or principal shall specifically separate such payment amount by CUSIP number identification provided to the Bond Depository. The transfer permitted pursuant to Section 15 of this Resolution shall occur only with respect to Bonds of a minimum denomination of the remaining principal amount of an entire maturity thereof so long as the Bonds are Depository Bonds. Upon a partial redemption of a Bond which results in the stated amount thereof being reduced, the Bond Depository, or its nominee, may in its discretion make notation on a register of partial payments attached to the Bond of such redemption, stating the amount so redeemed. Such notation, if made by the Bond Depository, or its nominee, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of the Bond outstanding. The Bond Depository, or its nominee, may surrender the Bond to the Issuer (with, if the Issuer so requires, a written instrument of transfer in form satisfactory to the Issuer duly executed by the Bond Depository, or its nominee, or his attorney duly authorized in writing) and the Issuer shall execute and deliver to the Bond Depository, or its nominee, without service charge, a new Bond of the same series having the same stated maturity and interest rate and of the authorized denomination in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

(f) “**Depository Bonds**” shall mean Bonds which pursuant to an Issuer determination are available to the beneficial owners thereof only in book entry form (with no delivery of physical certificates except to the Depository) pursuant to a book entry system operated by the Depository.

(g) “**Bond Depository**” shall mean Depository Trust Company or any substitute depository pursuant to (d) above.

(h) In the event of any solicitation from and voting by holders of the Bonds, the Issuer may establish a record date or from time to time record dates, which date of establishment shall be not less than fifteen (15) days prior to such record date and upon establishment said record date shall immediately be transmitted to the Bond Depository for such purpose and such other policies and procedures as may be necessary or helpful in soliciting, evidencing, and counting such consents or revocations thereof and do not violate or are not in conflict with the provisions of the Resolution. The record date shall be that date on which the registered owner to which any mailing of a solicitation is sent are determined, but shall not give the registered owner of the Bonds any rights to vote upon ceasing to be a registered owner. Additional record dates may be established to solicit subsequent registered holders.

(i) The Mayor or City Auditor is authorized and directed to execute and deliver a global Letter of Representation to Depository Trust Company, if not previously filed, and such other documents in connection with the book entry only system for the Bonds as required from time to time by Depository Trust Company.

15. Exchange and Transfer. In the event that any transfer or exchange of Bonds is permitted under Section 14(b) hereof, such transfer or exchange shall be accomplished upon receipt, by the Bond Registrar from the registered owner of the Bonds to be transferred or exchanged, of appropriate instruments of transfer to the transferees. In the event Bond certificates are issued to holders other than Cede & Co., its successor as nominee for DTC as

holder of all the Bonds, or other securities depository as holder of all the Bonds, the provisions of the Resolution shall also apply to, among other things, the printing of such certificates and the method of payment of principal of and interest on such certificates.

16. Repealer. All prior resolutions and other acts or proceedings of this governing body which are in any way inconsistent with the terms of this Resolution are hereby amended to the extent necessary to give full force and effect to this Resolution.

Nothing herein contained shall be deemed to modify, amend, violate, repudiate or repeal any provision or covenant contained in any Prior Bond, or any resolution pursuant to which any Prior Bond has been issued and is outstanding, to the extent that a modification, amendment, violation, repudiation or repealer would impair the obligation or contract owed to any holders of such Prior Bonds or would otherwise be invalid or ineffective.

17. Continuing Disclosure. The City Auditor is hereby authorized to execute, on behalf of the Issuer, the Continuing Disclosure Certificate in a form substantially similar to that attached as **Attachment C** hereto, which is hereby incorporated herein and made a part hereof.

Mayor

Attest:

City Auditor

Attachment A

SCHEDULE OF MATURITIES AND INTEREST RATES:

SERIES 2017D

| <u>May 1,</u> | <u>Amount</u> | <u>Interest Rate</u> | <u>May 1,</u> | <u>Amount</u> | <u>Interest Rate</u> |
|---------------|---------------|----------------------|---------------|---------------|----------------------|
| 2022 | \$ | % | 2030 | \$ | % |
| 2023 | | | 2032 | | |
| 2024 | | | 2031 | | |
| 2025 | | | 2032 | | |
| 2026 | | | 2033 | | |
| 2027 | | | 2034 | | |
| 2028 | | | 2035 | | |
| 2029 | | | 2036 | | |

Purchaser: _____

Aggregate Principal Amount: \$ _____

Purchase Price: \$ _____

Average Annual True Interest Cost: _____%

First Interest Payment Date: May 1, 2018

Use of Funds.

Transfers to the Escrow Account

Bond Proceeds \$ _____

Other Issuer Funds _____

Total \$ _____

Bond Proceeds to be used to pay Costs of Issuance (other
than Underwriter's Discount) \$ _____Optional Redemption.

The Bonds maturing on or after May 1, 2028, are subject to optional redemption on May 1, 2027, and any date thereafter at a price of par plus accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption

The Bonds maturing May 1, 20____ are Term Bonds subject to mandatory sinking fund redemption in part on May 1, 20____ in the principal amount of \$____ at a redemption price equal to 100% of the principal amount to be redeemed together with accrued interest to the redemption date.

Attachment B

FORM OF BONDS

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF NORTH DAKOTA

COUNTY OF CASS

CITY OF FARGO

REFUNDING IMPROVEMENT REFUNDING BOND, SERIES 2017D

No. R-____ \$_____

| <u>INTEREST RATE</u> | <u>MATURITY</u> | <u>DATE OF ORIGINAL ISSUE</u> | <u>CUSIP</u> |
|----------------------|-----------------|-----------------------------------|--------------|
| _____% | May 1, 20____ | _____, 20__ | 30747M____ |

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

KNOW ALL MEN BY THESE PRESENTS that the City of Fargo, Cass County, North Dakota, (the "Issuer") acknowledges itself to be specially indebted and for value received promises to pay to the registered owner specified above or registered assigns, the principal amount specified above, but only from its SERIES 2017D REFUNDING IMPROVEMENT REFUNDING BOND FUND (the "Bond Fund") on the maturity date specified above, with interest thereon from the Date of Original Issue set forth above at the annual rate specified above, payable on May 1 and November 1 in each year, commencing May 1, 2018, to the holder of record on the close of the 15th day (whether or not a business day) of the immediately preceding month, all subject to the provisions referred to herein with respect to the redemption of the principal of this Bond before maturity. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by City Auditor of Fargo or its successor, as paying agent (the "Paying Agent").

This Bond is one of an issue designated the CITY OF FARGO REFUNDING IMPROVEMENT BONDS, SERIES 2017D (the "Bonds"), in the aggregate principal amount of \$_____, all of like original issue date and tenor except as to serial number, maturity date, interest rate, and redemption privilege, issued, pursuant to a resolution adopted by the governing body of the

Issuer on _____, 2017 (the “Bond Resolution”). The Bonds are being issued to finance the refunding of the Issuer’s REFUNDING IMPROVEMENT BONDS, SERIES 2013C (the “Prior Bonds”). The Bonds are payable solely from, and secured by, (i) certain special assessments and certain improvement warrants issued with respect to such special assessments; (ii) a portion of the investments held in the escrow account (the “Escrow Account”) established pursuant to an escrow agreement dated the date hereof (the “Escrow Agreement”), by and between the Issuer and Wells Fargo, National Association, Minneapolis, Minnesota, as escrow agent (the “Escrow Agent”); and (iii) in certain circumstances, taxes to be levied by the Issuer, all as more fully described in this Bond and the Bond Resolution.

Proceeds of the Bonds, together with other available funds of the Issuer will be used for the purpose of crossover refunding the May 1, 2024, through May 1, 2039, maturities of the Prior Bonds (the “Refunded Prior Bonds”) on May 1, 2021 (the “Crossover Date”). The Prior Bonds were issued for the purpose of refunding outstanding special assessment improvement warrants of the Issuer (the “Warrants”) issued for improvement districts of the Issuer (the “Districts”) for the purpose of paying the costs of local improvements in a particular District.

All collections of the special assessments appropriated to pay the Warrants, and any deficiency tax levies, are to be used and applied in said fund for the payment of principal of and interest on the Prior Bonds and the Bonds. Prior to the Crossover Date, all of the Warrants will remain pledged to the payment of the debt service on the Prior Bonds. Prior to the Crossover Date, debt service on the Bonds will be paid from amounts on deposit in the Escrow Account. On the Crossover Date, the unpaid principal amount of the Refunded Prior Bonds is required to be paid in full from amounts on deposit in the Escrow Account. After the Crossover Date, the Warrants will be held in trust in the Bond Fund as security for the Bonds and all collections of special assessments thereon and of any deficiency taxes levies are required to be used for the payment of debt service on the Bonds.

The Bonds maturing on or after May 1, 2028, are subject to optional redemption on May 1, 2027, and any date thereafter at a price of par plus accrued interest to the date of redemption.

In the event Bonds are called for optional redemption in part, the maturities, and the Bonds within a maturity, shall be selected by the Issuer in such manner as the Issuer shall determine. Not less than 30 days prior to the date specified for redemption and prepayment of any of the Bonds, the Issuer will cause notice of the call thereof to be sent by mail to the Bond Registrar, the Paying Agent, and the registered owner of the Bond to be redeemed, in whole or in part, at the address shown on the registration books of US Bank, National Association, or its successor, as bond registrar (the “Bond Registrar”).

The Bonds maturing May 1, 20__, shall be known as Term Bonds. The Term Bonds are subject to mandatory sinking fund redemption in part at a Redemption Price equal to 100% of the principal amount thereof, together with accrued interest to the Redemption Date on May 1 of the following years and in the following principal amounts:

| Redemption Date (May 1) | Principal Amount |
|----------------------------|---------------------|
| 20__ | \$ _____ |
| 20__ * | _____ |
| _____ | |
| *maturity | |

The Bonds maturing May 1, 20__, shall be known as Term Bonds. The Term Bonds are subject to mandatory sinking fund redemption in part at a Redemption Price equal to 100% of the principal amount thereof, together with accrued interest to the Redemption Date on May 1 of the following years and in the following principal amounts:

| Redemption Date (May 1) | Principal Amount |
|----------------------------|---------------------|
| 20__ | \$ _____ |
| 20__ * | _____ |
| _____ | |
| *maturity | |

In the event Bonds are called for prior mandatory sinking fund redemption, the Bonds to be redeemed within a maturity shall be selected by the Issuer in such manner as the Issuer shall determine. Not less than 30 days prior to the date specified for redemption and prepayment of any of the Bonds, the Issuer will cause notice of the call thereof to be sent by mail to the Bond Registrar, the Paying Agent, and the registered owner of this Bond to be redeemed, in whole or in part, at the address shown on the registration books of the Bond Registrar.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been executed by the Bond Registrar by manual signature of one of its authorized representatives.

As provided in the Bond Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the Issuer at the principal office of the Bond Registrar, by the registered owner hereof in person or by its attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or attorney, and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange, the Issuer will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate, and maturing on the same date, subject to reimbursement for any tax, fee, or governmental charge required to be paid with respect to such transfer or exchange. The Issuer and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the Issuer nor the Bond Registrar shall be affected by any notice to the contrary.

So long as the Bonds are Depository Bonds (as defined in the Bond Resolution), the following provisions shall apply as may be amended from time to time by the Bond Depository. The principal of the Bonds shall be payable when due in next day funds to Cede & Co. as nominee of the Depository Trust Company (the "Bond Depository") at The Depository Trust

Company, Muni Redemption Department, 570 Washington Boulevard, Jersey City, New Jersey 07310, Attn: Underwriting Packaging Department (or such other nominee or address as the Bond Depository shall specify in writing to the Issuer), and if the payment is of only part of the principal hereof, the Issuer shall mail by first-class mail to the Depository a written statement of the principal amount paid as to the Bonds of each maturity outstanding following such payment, and upon such payment the Bond Depository as Holder may in its discretion make a notation on a register of partial payments attached to the Bond of the principal amount paid, provided that the Bond Depository may at its option surrender the Bonds for exchange for a Bond registered with the new principal amount and provided the Bond shall be surrendered for payment upon redemption in full or at maturity. Such notation, if made by the Bond Depository, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of the Bonds Outstanding. Interest is payable in next day funds from the Issuer to Cede & Co. as nominee of the Depository Trust Company, at its address as it appears on the bond registration books of the Issuer. Each payment of interest and/or principal shall specifically separate such payment amount by CUSIP number identification provided to the Bond Depository. The transfer permitted pursuant to Section 15 of the Bond Resolution shall occur only with respect to Bonds of a minimum denomination of the remaining principal amount of an entire maturity thereof so long as the Bonds are Depository Bonds. Upon a partial redemption of a Bond which results in the stated amount thereof being reduced, the Bond Depository may in its discretion make notation on a register of partial payments attached to the bond of such redemption, stating the amount so redeemed. Such notation, if made by the Bond Depository, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of the Bonds Outstanding. The Bond Depository may surrender a Bond to the Issuer (with, if the Issuer so requires, a written instrument of transfer in form satisfactory to the Issuer duly executed by the Bond Depository or its attorney duly authorized in writing) and the Issuer shall execute and deliver to the Bond Depository of such Bond, without service charge, a new Bond having the same stated maturity and interest rate and of the authorized denomination in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED, AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of North Dakota to be done, to exist, to happen and to be performed precedent to and in the valid issuance of this Bond have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required; that the Issuer has duly created the SERIES 2017D REFUNDING IMPROVEMENT REFUNDING BOND FUND as a separate and special fund and has appropriated thereto the Warrants and payments thereon, and will use due diligence to collect said improvement warrants and the special assessments and any taxes appropriated for their payment; the Issuer has reserved the right and privilege of issuing additional improvement warrants on the funds of the Districts, if and to the extent necessary to complete payment of the cost of the improvements, and the right and privilege of refunding such warrants by the issuance of additional series of refunding improvement bonds, payable on a parity with the Bonds of this series, provided that the total amount of special assessments and taxes appropriated for payment of the cost of the improvements shall be not less than the total amount of warrants issued with respect thereto; that the governing body is required by law to levy a tax upon all the taxable property in the corporate limits of the Issuer, without limitation as to rate or amount, to meet any deficiency in any of said improvement district funds for the payment of all warrants drawn thereon, with interest; and that all collections of special assessments and taxes appropriated for the payment of said improvement warrants are required by law to be credited to the Bond Fund and applied in payment of the principal of and interest on the Bonds and any other series issued

pursuant to the authority hereinbefore reserved; all as more fully stated in the Bond Resolution; and that the issuance of this Bond has not caused the indebtedness of the Issuer to exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF the City of Fargo, North Dakota, by its governing body, has caused this Bond to be executed in its behalf by the manual or facsimile signature of the Mayor and City Auditor, and sealed with its official seal, and has caused the certificate appearing on the following page to be executed by the manual or facsimile signatures of said officers.

CITY OF FARGO

(S E A L)

Mayor

City Auditor

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Bond Resolution mentioned within.

CITY AUDITOR, as Bond Registrar

By: _____
Authorized Representative

CERTIFICATE AS TO LEGAL OPINION

We certify that attached is the legal opinion rendered by Bond Counsel on the issue of Bonds which includes the within Bond, dated as of the date of delivery of and payment for the Bonds.

City Auditor

Mayor

The following abbreviations when used in the inscription on the face of this Bond, shall be construed as though they were written in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UTMA-ACT - _____ Custodian _____
(Custodian) (Minor)
under Uniform Transfer to Minors Act _____
(State)

Additional abbreviations may also be used.

* * * * *

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto _____
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Insert social security or other identifying number of Assignee: _____

DATED: _____, 20__

Assignor: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by a member of a major stock exchange or a commercial or bank trust company.

NOTICE: The signature to this Assignment must correspond to the name as it appears upon the face of the within Bond in every particular, without alteration, enlargement or any change whatsoever.

Attachment C

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Fargo, North Dakota (the “Issuer”), in connection with the Issuer’s \$ _____ REFUNDING IMPROVEMENT BONDS, SERIES 2017D (the “Bonds”). The Bonds are being issued pursuant to an Authorizing Resolution adopted by the governing body of the Issuer on _____, 2017 (the “Resolution”), and delivered to the purchaser on the date hereof. The Issuer hereby covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Owners of the Bonds in order to assist the Participating Underwriters within the meaning of SEC Rule 15c2-12(b)(5) (the “Rule”) in complying with the Rule. This Disclosure Certificate constitutes the written undertaking and agreement of the Issuer for the benefit of the Owners of the Bonds as required by the Rule.

SECTION 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means the annual financial information (as defined in the Rule), including audited financial statements, to be provided to the MSRB in an electronic format prescribed by the MSRB pursuant to paragraph 5(i)(A) and (B) of the Rule, as described in Section 3 and 4 of this Disclosure Certificate.

“EMMA” means the Electronic Municipal Market Access system established by the MSRB with the support of the SEC, or any successor system, which can be accessed on the date hereof at www.emma.msrb.org.

“Financial Statements” means audited or, if unavailable, unaudited general purpose financial statements of the Issuer prepared in accordance with generally accepted accounting principles, as in effect from time to time or as required to be modified as a matter of law. If unaudited financial statements are provided, audited financial statements will be provided when and if available.

“Fiscal Year” means the fiscal year of the Issuer.

“Final Official Statement” means the deemed final official statement relating to the Bonds dated _____, 2017, which constitutes the final official statement delivered in connection with the Bonds, which is available from the MSRB.

“Issuer” means the City of Fargo, North Dakota, which is the obligated person (as defined in the Rule) with respect to the Bonds.

“Material Event” means any of the events listed in paragraph 5(i)(C) and paragraph 5(i)(D) of the Rule, which are set forth in Section 5(a) and (d) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board on the date hereof located at 1300 I Street, Suite 1000, Washington, DC 20005.

“Owner” means the person in whose name a Bond is registered or a beneficial owner of such a Bond.

“Participating Underwriter” means any of the original underwriter(s) of the Bonds (including the purchasers) required to comply with the Rule in connection with the offering of the Bonds.

“Rule” means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and including written interpretations thereof by the SEC.

“SEC” means the Securities and Exchange Commission.

SECTION 3. Provision of Annual Financial Information and Financial Statements.

(a) For each Fiscal Year commencing with the Fiscal Year ending December 31, 2016 the Issuer shall provide to the SRB, not later than December 31 of the following Fiscal Year and in an electronic format as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate and which shall include the CUSIP numbers for the all outstanding Bonds and such other identifying information as may be required from time to time by the Rule. The Annual Report shall be submitted to the MSRB at EMMA or as otherwise directed by the MSRB and may be submitted as a single document or as separate documents comprising a package, and may incorporate by specific reference information in documents available to the public on the MSRB’s internet website or filed with the SEC; provided that the Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report. If the ending date of the Fiscal Year is changed, the deadline for providing the Annual Report shall be not later than 12 months after the end of each Fiscal Year.

(b) If the Issuer is unable or fails to provide an Annual Report by the date required in subsection (a) to the MSRB, the Issuer shall provide a notice of such failure to the MSRB as set forth in Section 5(b) hereof.

SECTION 4. Content of Annual Reports. The Issuer’s Annual Report shall contain or incorporate by reference the annual Financial Statements and annual financial information similar to that set forth in the following sections of Appendix A of the Final Official Statement:

- (1) Economic and Demographic Information;
- (2) Financial Summary;
- (3) City Indebtedness;
- (4) Outstanding Indebtedness;
- (5) Financial Information; and
- (6) Property Valuation and Taxes.

SECTION 5. Reporting of Material Events.

(a) The Issuer shall provide to the MSRB in an electronic format prescribed by the MSRB notice of any of the following events with respect to the Bonds in a timely manner not in excess of ten (10) business days after the occurrence of the event, which notice shall be submitted to the MSRB at EMMA, or as otherwise directed by the MSRB:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;

- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modification to rights of security holders, if material;
- (8) Bond Calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the securities, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the obligated person;
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; or
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) If the Issuer determines that it has failed to give notice of a Material Event as set forth above or to file the Annual Report in a timely fashion as required herein, the Issuer shall promptly file a notice of such occurrence to the MSRB in an electronic format prescribed by the MSRB, which notice shall be submitted to the MSRB at EMMA or as otherwise directed by the MSRB.

SECTION 6. Reporting Generally. The Issuer shall file its Annual Report, each notice of a Material Event, and each notice required by subsection (b) of Sections 3 and 5 of this Disclosure Certificate with the CUSIP numbers for all outstanding Bonds specified and such other identifying information as may be required from time to time by the Rule or by the MSRB. Each such item shall be submitted to the MSRB at EMMA, or as otherwise directed by the Rule or the MSRB, in an electronic format prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Bonds.

SECTION 8. Agent. The Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate and without consent of the Owners of the Bonds, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver (i) is required by an amendment of the Rule by the SEC or procedures relating to the Rule by the MSRB, (ii) is to clarify an ambiguity or error, or (iii) does not provide for undertakings which violate the Rule or procedures of the MSRB then in effect or eliminates undertakings then required by the Rule or otherwise required by the SEC or the

MSRB with respect to the Rule, which may be evidenced by a written opinion of legal counsel selected by the Issuer to the effect that such amendment or waiver would not, in and of itself, violate the Rule, requires undertakings which would violate the Rule or eliminates undertakings required by the Rule. If the Issuer determines that any such amendment or waiver materially changes the information provided to the MSRB or the timing of the information to be provided and that such information has not otherwise been provided to the MSRB in an Annual Report or Material Event filing, it shall provide the MSRB notice of such amendments as additional information pursuant to Section 9 hereof.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from providing any other information to the public, using the means of filing with the MSRB as set forth in this Disclosure Certificate or any other means of communication. Such information may include any other information in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information and may state in the disclosure that it does not intend to update such information.

SECTION 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Bonds and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, I have executed this Disclosure Certificate in my official capacity on behalf of the City of Fargo, North Dakota effective the ____ day of _____, 2017.

CITY OF FARGO, NORTH DAKOTA

By: _____
Steven Sprague
City Auditor

CERTIFICATE OF CITY AUDITOR

The undersigned City Auditor of the City of Fargo DOES HEREBY CERTIFY that the foregoing pages constitute a true and correct copy of the resolution of the Board of Commissioners of the City of Fargo at an open public meeting at which a quorum was present, duly called and lawfully assembled at _____ o'clock _____ on the _____ day of _____, 2017, and as follows:

COMMISSIONER _____ introduced the foregoing resolution and moved its adoption. The motion for the adoption of the foregoing resolution was duly seconded by COMMISSIONER _____, and upon roll call vote, the following voted in favor thereof: COMMISSIONERS _____.
The following were absent and not voting: _____,
and the following voted against the same: _____,
whereupon the resolution was declared duly passed and adopted the _____ day of _____, 2017.

WITNESS my hand this _____ day of _____, 2017.

City Auditor