

FARGO CITY COMMISSION AGENDA
Monday, March 4, 2024 - 4:00 p.m.

Roll Call.

PLEASE NOTE: The Board of City Commissioners will convene at 4:00 p.m. in the City Commission Chambers and retire into Executive Session in the Red River Room for the purpose of attorney consultation regarding Case Number 09-2023-CV-02540 titled "City of Fargo v. State of North Dakota" and that discussing the risks, strengths or weaknesses of an action of the public entity in open meeting will have a negative fiscal effect on the bargaining and/or litigation position of the City of Fargo. An Executive Session in accordance with North Dakota Century Code Section 44-04-19.2 for said matters is authorized pursuant to North Dakota Century Code §44-04-19.1 subsection 2.

Regular Meeting at 5:00 P.M.

City Commission meetings are broadcast live on TV Fargo Channel 56 and online at www.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. They are also included in the video archive at www.FargoND.gov/CityCommission.

- A. Pledge of Allegiance.
- B. Roll Call.
- C. Approve Order of Agenda.
- D. Minutes (Regular Meeting, February 20, 2024).

CONSENT AGENDA – APPROVE THE FOLLOWING:

- 1. Letter of Support for the Synclaire Events Center project to the ND Opportunity Fund.
- 2. Letter of Support for the Anvil Design and Manufacturing project to the ND Opportunity Fund.
- 3. 2nd reading and final adoption of an Ordinance Amending Section 31-0102 of Article 31-01 of Chapter 31 of the Fargo Municipal Code Relating to the International Property Maintenance Code; 1st reading, 2/20/24.
- 4. 2nd reading and final adoption of an Ordinance Rezoning a Certain Parcel of Land Lying in Rheault Second Addition to the City of Fargo, Cass County, North Dakota; 1st reading, 2/20/24.
- 5. Site Authorizations for Games of Chance:
 - a. Arc Upper Valley at CJ's Tavern.
 - b. Boys and Girls Club of the Red River Valley at Fargo Billiards/Gastropub.
 - c. Horse Race North Dakota at The Old Broadway.
- 6. Applications for Games of Chance:
 - a. BPOE Elks Lodge #260 for a calendar raffle every Friday 3/8/24-12/27/24.
 - b. St. Joseph's School for a raffle on 4/20/24.

- c. Nordic Culture Clubs for a raffle on 4/6/24.
 - d. Jeremiah Program FM for a raffle on 5/3/24.
 - e. FMWF Chamber of Commerce for a raffle on 7/24/24.
 - f. Love your Buns for a raffle on 3/16/24.
 - g. Kappa Delta Sorority for a raffle on 3/28/24.
 - h. Lend A Hand Up for a raffle on 3/16/24.
 - i. Benefit for Krista Stroh on 3/17/24; Public Spirited Resolution.
 - j. Sons of Norway for a raffle on 5/17/24.
7. 2023 CIP Revisions.
 8. Drain Reconstruction and Exchange Agreement (Cass County Drain No. 10), Limited Warranty Deeds and Access Easements with Southeast Cass Water Resource District and Sysco North Dakota, Inc. d/b/a Sysco Food Services of North Dakota, Inc.
 9. Consent to Construction Agreement with Paul and Kathryn Lindquist for property located at 1443 75th Avenue South.
 10. Consent to Construction Agreement with Franklin T. and Wendy S. Fisher for property located at 1455 75th Avenue South.
 11. Bid awards for Project No. NR-24-B1:
 - a. General construction contract to Key Contracting, Inc. in the amount of \$4,902,904.00.
 - b. Electrical construction contract to Sun Electric, Inc. in the amount of \$166,000.00.
 12. Bid award to Industrial Builders, Inc. in the amount of \$2,549,697.75 for Project No. FM-24-A1.
 13. Bid award to Key Contracting, Inc. in the amount of \$8,672,957.00 for Project No. NR-24-A1.
 14. Bid award to Asphalt Surface Tech Corp in the amount of \$90,810.00 for Project No. PR-24-C1.
 15. Bid advertisement for Project No. SR-24-B.
 16. Change Order No. 2 in the amount of \$46,950.74 and time extension to the substantial and final completion dates to 6/3/23 and 5/31/24 for Improvement District No. BN-22-L1.
 17. Consulting Engineering Services with Moore Engineering, Inc. for Improvement District No. BR-26-G0.
 18. Memorandum of Understanding Regarding Easements and Restoration of Parking Surface, Easement (Temporary Construction Easement), Permanent Easements (Storm Sewer Lift Station and Utility), Permanent Easement (Water Main) and Permanent Easement (Storm Sewer and Utility) with the Park District of the City of Fargo (Improvement District No. NR-24-B1).
 19. Bid award to Asphalt Preservation Company, Inc. in the amount of \$1,617,606.87 for Improvement District No. PR-24-E1.
 20. Create Improvement District No. BN-23-F (New Paving and Utility Construction).

21. Property Damage Release with Abrahamson Services LLC dba Valley Green & Associates and SECURA Insurance Company.
22. Receive and file General Fund – Budget to Actual through 1/31/24.
23. Task Order No. 1 with KLJ Engineering Inc. in an amount not to exceed \$248,100.00 for Fire Station No. 5 (RFP24010).
24. Addendum to Provision of Nursing Services for the Northern Cass Public School District.
25. Letter of Agreement with AE2S Communications to provide communications and marketing assistance to Fargo Cass Public Health.
26. Notice of Grant Award with the ND Department of Health and Human Services for Title X Family Planning Program (CFDA #93.217).
27. Piggyback purchase through the State of North Dakota NASPO ValuePoint Master Agreement with Hewlett Packard Enterprise Inc. for the purchase of a dHCI server and storage solution for the RRRDC (PBC24133).
28. Third Amendment to Lease Agreement with Boas Northport Fargo LLC.
29. Resolution approving Plat of Trollwood Land Three.
30. Agreement between City of Fargo and Range Renovation Consulting, Inc.
31. Bid award to Q3 Contracting for Concrete Utility Cut Repairs (RFP24114).
32. Bid award to Core and Main for the purchase of Water Main Materials, Miscellaneous Water Distribution Materials, Fire Hydrants/Parts and Miscellaneous Street Materials (RFP24116).
33. Bills.

REGULAR AGENDA:

34. **RESIDENT COMMENTS (Fargo residents will be offered 2.5 minutes for comment with a maximum of 30 minutes total for all resident comments. Residents who would like to address the Commission, whether virtually or in person, must sign-up at FargoND.gov/VirtualCommission).**

***Public Input Opportunity* - PUBLIC HEARINGS - 5:15 pm:**

35. **PUBLIC HEARING** – Renaissance Zone Project for Block 8, LLC for the rehabilitation of a commercial property located at 814 Main Avenue.
36. **PUBLIC HEARING** - Sewer Repair Assessments for 2023.
37. **PUBLIC HEARING** - Special Assessment of Nuisance Abatement Fees.
38. **PUBLIC HEARING** - Application to transfer the Class “ABH” Alcoholic Beverage License from Fargo Lodging Associates, LLC d/b/a Hilton Garden Inn to FGI Hospitality LLC d/b/a Hilton Garden Inn Fargo located at 4351 17th Avenue South.
39. **PUBLIC HEARING** - Application for a Class “FA” Alcoholic Beverage License for Benedicts FAR LLC d/b/a Benedict’s Fargo to be located at 3165 33rd Street South.

40. **PUBLIC HEARING** - Application filed by Lashkowitz 4 for a Payment in Lieu of Tax Exemption (PILOT) to be located at 101 2nd Street South which the applicant will use primarily for 110 units of affordable housing separated into two projects.
41. **PUBLIC HEARING** - Application filed by Lashkowitz 9 for a Payment in Lieu of Tax Exemption (PILOT) to be located at 101 2nd Street South which the applicant will use primarily for 110 units of affordable housing separated into two projects.
42. Presentation by Gate City Bank regarding the Neighborhood Revitalization Initiative (NRI) Program.
43. Presentation of the Proposed Board of City Commissioners Governance Policies.
44. Liaison Commissioner Assignment Updates.


People with disabilities who plan to attend the meeting and need special accommodations should contact the Commission Office at 701.241.1310 at least 48 hours before the meeting to give our staff adequate time to make arrangements.

Minutes are available on the City of Fargo website at www.FargoND.gov/CityCommission.



MEMORANDUM

35

TO: City Commission
FROM: Nicole Crutchfield, Planning Director 
DATE: February 28, 2024
RE: Renaissance Zone Applications for Block 8, LLC (349-F) for a project located at 814 Main Avenue

The City received Renaissance Zone (RZ) applications from Block 8, LLC to rehabilitate a commercial building at 814 Main Avenue. Pursuant to the application, the intent of the project is to rehabilitate the existing building to renovate the interior into a retail space and update the exterior facade. This would include relocating the entrance, adding windows, and a complete remodel of the interior space. Occupancy is expected in July 2024. Attached is a copy of the staff report and corresponding materials.

The application initially requested an 8-year tax benefit. Legislative changes in 2023 allowed for up to an 8-year benefit, so long as the change was supported locally by the school district, county and city. Staff brought forward that change to the Renaissance Zone Authority and the Fargo School District, who supported the change. However, the Cass County Commission did not support the change. Therefore, the benefit remains at 5 years. The applicant revised the application to reflect the benefit timeline. The investment and scope of work has not changed.

As indicated in the attached documentation, the project meets all state and local requirements for approval and is consistent with goals and objectives as established in the Fargo Renaissance Zone Development Plan. The application indicates an investment of approximately \$875,000, which is approximately \$105 per square foot and exceeds the minimum investment threshold as set forth in the plan.

The RZA recommended approval (with a 7-1 vote) on December 21, 2023.

Recommended Action: Approve the Renaissance Zone rehabilitation application for Block 8, LLC and grant state income tax and property tax exemptions as recommended by the Renaissance Zone Authority.



**Staff Report
Renaissance Zone Application for
Block 8 LLC (349-F)
814 Main Ave**

Project Evaluation:

The City of Fargo received a Renaissance Zone application from Block 8 LLC to construct a commercial rehabilitation project at 814 Main Ave. Pursuant to the application, the intent of the project is to rehabilitate the existing building to renovate the interior into a retail space and update the exterior facade. This would include relocating the entrance, adding windows, and a complete remodel of the interior space. The building will remain single story in height and approximately 8,316 square feet.

The Planning Department has reviewed the application and has provided a project ranking based on the analysis below.

1. **Renaissance Zone Plan Goals:** Use consistent with the RZ Plan (as per Visions and Goals): As noted in the 2019 Renaissance Zone Development Plan. *(portions of responses are from applicant, as noted)*
 - a. *Grow as a Neighborhood:* Invest in housing to increase the population living Downtown and maintain Downtown's diversity.
The project does not provide any housing.
 - b. *Prosper as a Business Center:* Increase the number and types of jobs Downtown.
There are two tenant spaces proposed, per the floor plan. One identified tenant is expanding their space from their current location, which will allow them to add more services and additional staff.
 - c. *Thrive as a Destination:* Create a unique Downtown experience with an activated riverfront and vibrant sidewalks and public spaces that serve as the backdrop of the community's social life.
The applicant states that the project tenant provides a retail experience for a growing list of steady, repeat customers, many of which live within walking distance. The scope of work includes adding more windows on the north and east building facades, which enhances the pedestrian experience along the building.
 - d. *Be a model for Inclusive Growth and Development:* Protect Downtown's diversity and evolve as a model for equitable growth and development.
The project does not address diversity, public amenities, or needs for specific populations.
 - e. *Complete our Streets:* Make complete streets common place and encourage trips by foot, bicycle, and bus, as well as car.
Many clients live within walking distance of this location as evidenced by the tenant's 30-year history at a downtown location with essentially no parking. This new location provides off-street parking which is anticipated to promote more business opportunities and better access for new customers. MATBUS routes 13, 14, 15, and 18 are within a quarter mile of the subject property, running along 11 Street and Northern Pacific Avenue North.
 - f. *Park Smart:* Manage parking resources to meet the needs of drivers, while also making room for new development and activity.
There are 13 parking spaces existing that will remain on the subject property. Additionally, across the alley to the south is a parking lot under the same ownership with 48 parking spaces with an area for bikes. The block

also includes additional parking behind the building for staff and other businesses located on this block. The owner intends to work with adjoining businesses to make sure parking is available for all businesses.

- g. *Play with purpose:* Develop a system of connected all-season green spaces designed for people (of a range of ages and interests) and purpose (as infrastructure that absorbs stormwater). The existing building and parking do not currently include any extensive green spaces or storm water retainage. Plans include the addition of green space around the perimeter of the parking lot behind the building.

(13/20 points)

2. **Investment Thresholds:** Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in this RZ Plan?

According to the application, the structure accommodates 8,316 square feet, as follows:

- *Proposed Building Total:* approximately 8,316 SF
- *Commercial:* approximately 8,316 SF

Overall, the application estimates a total capital investment of \$875,000. This equates to roughly a \$105.22 investment per square foot on the commercial space.

(10/10 points)

3. **High Priority Land Use:** The new construction or proposed improvements are representative of “High Priority Land Uses” as defined by this RZ Plan (page 9).

- a. **Primary Sector Business:**
Staff is not aware that the applicant is specifically targeting primary sector business, but project provides space for such uses.
- b. **Active Commercial, Specialty Retail or Destination Commercial:**
Tenants will include a retail space for specialty retail.
- c. **Mixed Use Development:**
The project is not mixed-use.

(14/20 points)

4. **Targeted Areas:** Is the investment located in a “Targeted Area” as defined by this RZ Plan? Consideration shall be given to whether this property has been vacant or underutilized for a period of time and/or whether the property is specifically targeted for clearance.

- a. **Parcels that have been vacant or underutilized for an extended period of time:**
The subject property had a restaurant but has sat vacant since around February of 2023.
- b. **Parcels specifically targeted for clearance:**
The RZ Plan identifies Block 20 for: Preservation; opportunities for increased housing on upper floors and redevelopment of surface parking lots.

(10/10 points)

5. **Urban Design:** Is the project representative of strong urban design principles?

The building will keep its original storefront design as well as add windows and signage. The building was constructed in the 1960s, and the rehab maintains the character of the building while adding windows and transparency along newly constructed Main Avenue. The project includes urban design principles of form and proximity/adjacency to amenities. The existing building contemplates the interface of the structure to the right-of-way. The overall project includes existing surface level parking on the property and to the south as well tucked behind the Main Avenue street frontage. The project is located within the DMU, Downtown-Mixed Use zoning district and will have to meet the architectural intent of that zoning district requirements as well.

(7/10 points)

6. **Investment Analysis:** Consideration and analysis as to the total actual investment.

As proposed, the redevelopment project and improvement costs exceed both the 50% (true and full value of the building) and \$40 per square foot requirement for commercial rehabilitation. As previously noted, the application represents a total estimated investment of investment of \$875,000, which equates to roughly a \$105.22 investment per square foot.

(10/10 points)

7. **Business Relocation:** Consideration as to whether the project will include or accommodate the relocation of a business from another North Dakota community?

The project does not involve the movement or relocation of a business from another community. The current business is expanding from a different downtown Fargo location to operate in a larger space to be prepared with this project.

(10/10 points)

8. **Street Activation:** Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective?

Renaissance Zone projects are anticipated to be conscience of four-sided design, which has been seen with other projects within the downtown, this project will be a rehabilitation of an existing building. Having been built in 1962, portions of the storefront will be updated as to fit in with the historical feel of downtown Fargo with additional windows.

(8/10 points)

Summary:

This application received a score of 82 on a 100-point scale. The applicant met criteria and the use is consistent with the RZ Plan. In addition, the proposed project surpasses the local capital improvement requirement of \$40 per square foot requirement for commercial rehabilitation. The amount invested in the project exceeds state and local guidelines. The project does involve the relocation of commercial businesses from another area in Fargo. The applicant will not be seeking any historic preservation tax credits. This project will make use of a lot that is currently underutilized.

Staff believes that this project will be a benefit to the downtown community and will positively contribute to the health of surrounding neighborhood and nearby businesses and is recommending approval.

Suggested motion:

Recommend approval to the Fargo City Commission to approve the application submitted by Block 8 LLC and to grant the property tax exemption and the State income tax exemptions as allowed by the ND Renaissance Zone law contingent upon completion of the project and verification of costs.

Minimum Criteria (New Construction Proposals)			
Criteria:		Staff Rating	Possible Points
1	Use consistent with the plan (as per Vision and Goals)	13	20
2	Does the investment comply with minimum investment thresholds (locally determined) for residential and commercial projects as set forth in the RZ Plan?	10	10
3	The new construction or proposed improvements are representative of "High Priority Land Uses" as defined in the RZ Plan: <ul style="list-style-type: none"> • Primary sector business, industry and talent-dependent Enterprises • Active Commercial, Specialty Retail and/or Destination Commercial • Mixed use development (combination of housing, commercial, and/or retail uses in a horizontal or vertical fashion) 	14	20
4	The investment is located in a 'Target Area' as defined by the RZ Plan: <ul style="list-style-type: none"> • Parcels that have been vacant or underutilized for an extended period of time • Parcels specifically targeted for clearance 	10	10
5	Is the project representative of strong urban design principles?	7	10
6	Consideration and analysis as to the total actual investment in the project: <ul style="list-style-type: none"> • Consideration can be given for the level of capital investment in a project. (i.e., additional consideration can be given for higher levels of investment) 	10	10
7	Consideration as to whether the project will include or accommodate the relocation of a business from another North Dakota community: <ul style="list-style-type: none"> • Commercial tenants that are re-locating within the Downtown Area (as defined by the 1996 Downtown Area Plan) are not eligible for tax incentives without special approval from the Zone Authority • Commercial tenants that are relocating from a North Dakota community (other than Fargo) to the Fargo Renaissance Zone are not eligible for tax incentives without special approval from the Zone Authority. 	10	10
8	Will the project fit contextually and will the project contribute or enhance the area from an architectural perspective?	8	10
	• Total Rating (100 possible points)	82	100



These data are provided on an "AS-IS" basis, without warranty of any type, expressed or implied, including but not limited to any warranty as to their performance, merchantability, or fitness for any particular purpose.

349-F Block 8 LLC

1:2,257	12/4/2023 10:06 AM
This map is not a substitute for accurate field surveys or for locating actual property lines and any adjacent features.	





Planning & Development
 225 4th Street North
 Fargo, North Dakota 58102
 Office: 701.241.1474 | Fax: 701.241.1526
 Email: Planning@FargoND.gov
www.FargoND.gov

APPLICATION FOR RENAISSANCE ZONE PROJECT

Property owners, business owners, developers or investors interested in pursuing a Renaissance Zone project should review the *2019 RZ Plan*. The RZ Plan delineates the current geographical boundaries of the program (only certain blocks within the downtown core are included) and provides additional detail on minimum investment requirements and applicable program goals and objectives that must be met.

Application submitted for (check all that apply):

- | | |
|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> New Construction | <input type="checkbox"/> Commercial Lease |
| <input type="checkbox"/> Purchase with Major Improvements | <input checked="" type="checkbox"/> Rehabilitation: <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential |
| <input type="checkbox"/> Primary Residential Purchase | <input type="checkbox"/> Block Addition |

Property Owner Information	
Name <i>(printed)</i> :	Kevin Bartram
Name <i>(printed)</i> :	Block 8, LLC
Address:	505 N. Broadway, Suite 201 Fargo, ND 58102

Contact Person Information <i>(if different than owner)</i>	
Name <i>(printed)</i> :	
Address:	

Parcel Information	
Address:	814 Main Avenue
Unit Number:	
Renaissance Zone Block Number:	20
Legal Description <i>(attach separate sheet if more space is needed)</i> :	Original Townsite, Block 8, Lots 3 & 4
	Original Townsite, Block 8, Lots 3 & 4
Parcel Number:	01-2240-01135-000

- Is this property listed on or a contributing structure to the National Register of Historic Places? Yes No
- Do you intend to apply for a Historic Preservation Tax Credit in conjunction with this project? Yes No

Project Information	
Total Project Cost: (Qualified Capital Improvements) \$875,000	
Current Use of Property: Vacant; formerly Mexican Village	
Anticipated Use Upon Completion: Retail	
Expected Date of Purchase: 7-31-20	Expected Date of Occupancy: July, 2024
Estimated Property Tax Benefit: (Over five year exemption period) 78,125 (5 years)	Estimated State Income Tax Benefit: (Over five year exemption period) 15,000 (5 years)
Current Employees: (Full-time equivalent) 8 full-time & 4 part-time	Anticipated Employees: (Full-time equivalent) 10 full-time & 8 part-time

Scope of Work
Demolish the interior down to the structure and reconstruct as a retail space including relocating the entrance, adding windows, and a complete remodeling of the interior space.

Additional Project Information

New Construction/Rehabilitation/Purchase with Improvements Only

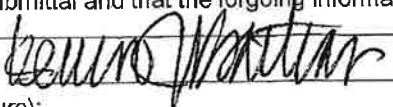
Current Building Value: (Taxable Improvement Value) \$1,028,700	Estimated Building Value Upon Completion: (Taxable Improvement Value) \$1,900,000
Building Area Upon Completion (SF): 8,316 SF	Number of Stories Upon Completion: One

Commercial Lease Only

Lease Area Upon Completion (SF): 8,316 SF			
Type of Business: Retail Sales			
<input type="checkbox"/> New business moving to the Renaissance Zone	<input type="checkbox"/> Expanding Business moving to the Renaissance Zone	<input checked="" type="checkbox"/> Existing Business Expanding within the Renaissance Zone	<input type="checkbox"/> Continuation of a lease moving from one Renaissance Zone Project to another Renaissance Zone Project

Residential Purchase Only

Will this be your primary place of Residency?:

Acknowledgement – We hereby acknowledge that we have familiarized ourselves with the rules and regulations to the preparation of this submittal and that the forgoing information is true and complete to the best of our knowledge.	
Owner (Signature): <u></u>	Date: <u>2.16.24</u>
Joint Owner (Signature): _____	Date: _____
Representative (Signature): _____	Date: _____

THE FOLLOWING CHECKLIST MUST BE COMPLETED AND SUBMITTED WITH THE APPLICATION FORM:

		Submitted	N/A
Renaissance Zone Project	Current photos of property, relevant to project scope and proposed renderings of the proposed project	<input checked="" type="checkbox"/>	
	<u>Certificate of Good Standing</u> from the Office of the State Tax Commissioner	<input checked="" type="checkbox"/>	
	<u>Business Incentive Agreement</u> from the Department of Commerce for all non-residential projects	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	For residential purchases provide proof of ownership and closing date	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Goals and objectives as outlined in the 2015 Fargo Renaissance Zone Development Plan (Attachment A)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

APPLICATION DEADLINES:

The Renaissance Zone Authority regularly meets on the Fourth Wednesday of each month at 8:00 am in the in the City Commission Chambers at 225 4th Street North, Fargo, ND 58102. For consideration during a monthly meeting:

- Renaissance Zone applications are due by 4:30 pm on the **last weekday of each month.**


REQUIREMENTS, POLICIES, AND GUIDELINES:

The Renaissance Zone is administered according to the following written documents, each of which are available on the City of Fargo's website.

- Renaissance Zone Designation
 - o City of Fargo Renaissance Zone Development Plan
 - o North Dakota Renaissance Zone Program Guidelines

CERTIFICATION:

Applicant certifies that, to the best of his/her knowledge and belief, the information contained in the application and attached hereto is true and correct. Applicant also certifies that he/she understands all written requirements, policies, and guidelines of the Fargo Renaissance Zone Authority, the City of Fargo, and/or the State of North Dakota governing the use of the procedure or program being applied for:


Kevin J. Bartram
2-6-24

 (Applicant's Signature) (Printed Name) (Date)

If the property owner(s) and applicant are different, the property owner certifies that he/she has full knowledge of this application and consents to its submission:

 (Applicant's Signature) (Printed Name) (Date)

 (Applicant's Signature) (Printed Name) (Date)

Goals of the Fargo Renaissance Zone Plan

Is the proposed use of the project consistent with the RZ Plan? As noted in the Renaissance Zone Development Plan the desired land use will contribute to a number of goals:

1. *Grow as a Neighborhood.* How will this project invest in housing to increase the population living Downtown and maintain Downtown's diversity?

Helps provide more retail and entertainment options for this part of downtown.

2. *Prosper as a Business Center.* How will this project increase the number and type of jobs Downtown (or accessible from Downtown)?

The Tenant is expanding their space from 4,600 SF to 8,316 SF which will allow them to add more services and additional staff.

3. *Thrive as a Destination.* How will this project create a unique Downtown experience with an activated riverfront and vibrant sidewalks and public spaces that serve as the backdrop to the community's social life?

The project Tenant provides a retail experience for a growing list of steady, repeat customers, many of which live within walking distance.

4. *Be a Model for Inclusive Growth and Development.* How will this project protect Downtown's diversity and evolve as a model for equitable growth and development?

The Tenant's business by its nature is an inclusive business where all are welcome.

5. *Complete our Streets.* How will this project make complete streets common place and encourage trips by foot, bicycle, and bus, as well as car?

Many clients live within walking distance of this location as evidenced by the Tenant's 30 year history at a downtown location with essentially no parking. This new location provides off-street parking which is anticipated to promote more business opportunities and better access for new customers.

6. *Park Smart.* How will this project manage parking resources to meet the needs of drivers, while also making room for new development and activity?

The site includes off-street customer parking for 20-25 vehicles plus additional parking behind the building for staff and other businesses located on this block. The Landlord works with adjoining businesses to make sure parking is available for all businesses.

7. *Play with Purpose.* Will this project develop a system of connected all-season green spaces designed for people (of a range of ages and interests) and purpose (as infrastructure that absorbs stormwater)?

The existing building and parking do not currently include any extensive green spaces or storm water retainage. Plans include the addition of green space around the perimeter of the parking lot behind the building.



Existing view looking west on Main Avenue



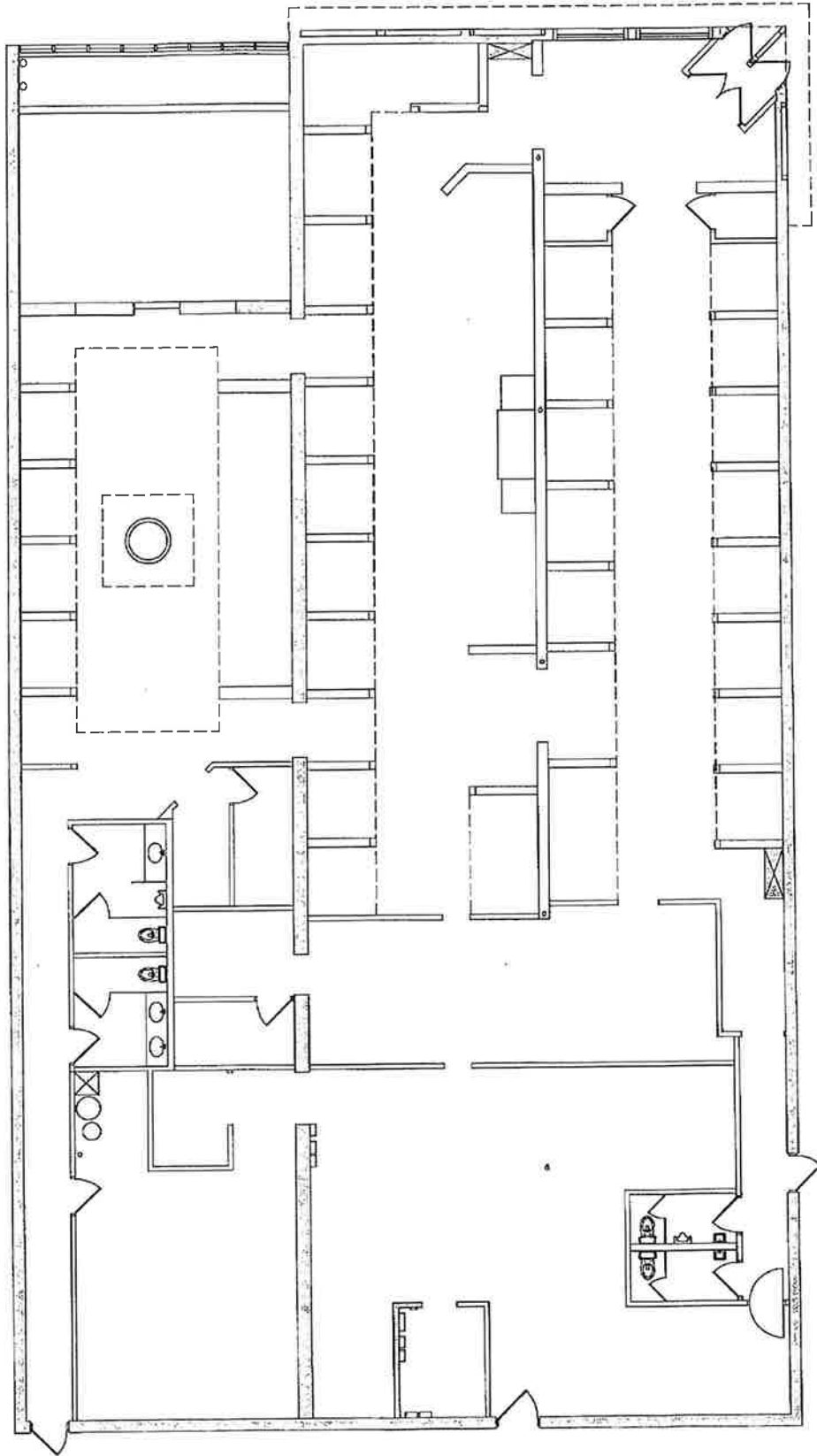
Existing view looking east on Main Avenue



Proposed view looking west on Main Avenue

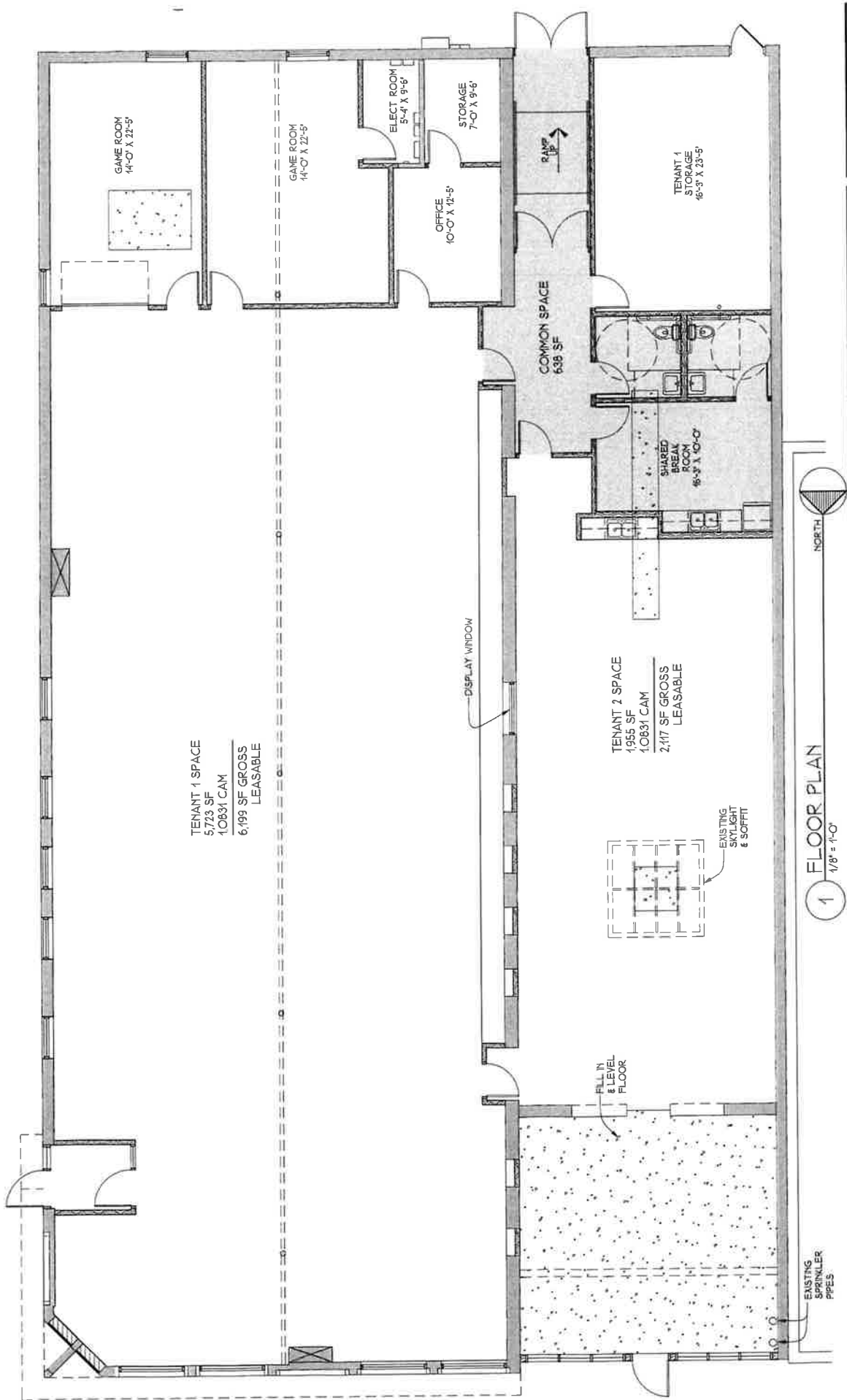


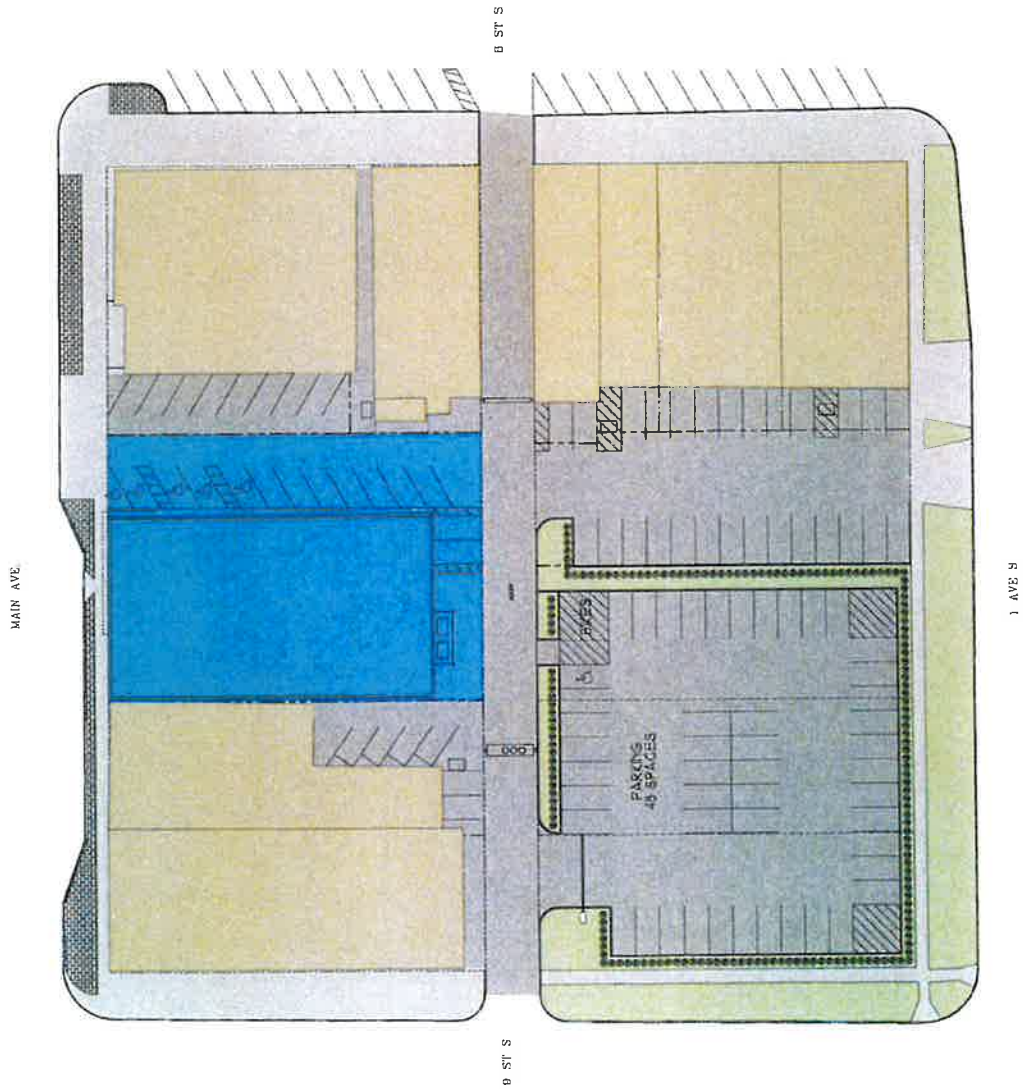
Proposed view looking east on Main Avenue



1 EXISTING FLOOR PLAN







■ Area of Renaissance Zone submittal



1 SITE PLAN

NOTICE OF HEARING
FOR SPECIAL ASSESSMENT OF
SEWER REPAIRS

36

The Board of City Commissioners of the City of Fargo, North Dakota, will conduct a Public Hearing on special assessments for Sewer Repairs on Monday, March 4, 2024, at 5:00 o'clock p.m. in the City Commission Room, City Hall, Fargo, North Dakota. Affected property owners were provided a notice mailed to them directly.

Any person aggrieved may appeal from the action of the Board of City Commissioners by filing with the City Auditor, prior to March 4, 2024, a written Notice of Appeal stating therein the grounds upon which the appeal is based. Any person having filed such a Notice may appear before the Board of City Commissioners to present reasons why the action of the Board of City Commissioners should not be confirmed.

City Auditor's Office
(February 21 & February 28, 2024- Legals)

INSTRUCTIONS TO THE FORUM

Please publish on Wednesday, February 21 & February 28, 2024 – Legals.

I will need an affidavit of publication.

Bill to: CITY AUDITOR'S OFFICE
ATTN MICHELLE
P.O. BOX 2471
FARGO ND 58107

If you have any questions, please call 241-1301.
Steve Sprague

23-1725

37

NOTICE OF HEARING
FOR SPECIAL ASSESSMENT OF
NUISANCE ABATEMENT FEES

The Board of City Commissioners of the City of Fargo, North Dakota, will conduct a Public Hearing on special assessments for Nuisance Abatement fees, provided in the list below, on Monday, March 4, 2024, at 5:15 o'clock p.m. in the City Commission Room, City Hall, Fargo, North Dakota.

Address	Parcel	Assessment	Reason
1208 Universtiy Dr South	01-1860-00170-000	805.00	Code Enforcement
1341 15th St South	01-2040-01120-000	1,785.00	Code Enforcement
1449 4th Ave South	01-0340-00330-000	5,637.50	Code Enforcement
1809 14th Ave South	01-1240-00180-000	340.00	Code Enforcement
924 7th St N	01-1130-00560-000	1,115.00	Code Enforcement
1710 1st Ave South	01-0060-00130-000	1,250.00	Code Enforcement
421 15th Ave N	01-1280-00370-000	800.00	Code Enforcement
1006 8th St South	01-0780-02110-000	3,100.00	Dutch Elm Removal
135 32nd Ave North	01-3500-01010-200	1,297.50	Dutch Elm Removal
1546 14th Street South	01-2040-03780-000	2,500.00	Dutch Elm Removal
811 7th Ave North	01-1120-00050-000	2,600.00	Dutch Elm Removal
1331 10th Ave North	01-1640-00990-000	396.00	Dutch Elm Removal
2901 Main Ave	01-8724-00200-000	337.50	Dutch Elm Removal
714 Oak Street	01-1760-00671-000	1,200.00	Dutch Elm Removal
813 7th Ave N	01-1120-00040-000	2,600.00	Dutch Elm Removal
1001 South Dr	01-2660-00290-000	1,250.00	Dutch Elm Removal
1010 8th St South	01-0780-02120-000	3,100.00	Dutch Elm Removal
1505 -1509 5th Ave S	01-0340-00711-000	4,850.00	Dutch Elm Removal
390 6th Ave South	01-1440-00160-000	3,650.00	Dutch Elm Removal
826 21st Street South	01-1270-00370-000	3,500.00	Dutch Elm Removal 5 yr
514 9th St South	01-2140-00980-000	5,500.00	Dutch Elm Removal 5 yr
1024 1st Ave N	01-2382-02705-000	1,875.00	Dutch Elm Removal 5 yr

23-1730

721 40th St N	01-0050-00141-000	227.50	Mowing
1126 18th St N	01-0100-00390-000	227.50	Mowing
1108 18th St N	01-0100-00430-000	342.50	Mowing
708 19th St N	01-0100-02295-000	190.00	Mowing
3855 River Dr South	01-0290-00810-000	227.50	Mowing
1510 5th Ave S	01-0340-00820-000	227.50	Mowing
1518 11th St N	01-0380-01220-000	323.75	Mowing
912 12th Ave N	01-0440-00850-000	340.00	Mowing
1015 12th St N	01-0440-02060-000	190.00	Mowing
1648 8th Ave S	01-0560-01370-000	227.50	Mowing
1436 5th Ave S	01-0700-02340-000	455.00	Mowing
3013 Bohnet Blvd N	01-0735-00370-000	340.00	Mowing
402 22nd St S	01-0740-02420-000	152.50	Mowing
1625 13th Ave S	01-0960-00230-000	265.00	Mowing
824 9th St N	01-1130-00120-000	152.50	Mowing
1033 5th St N	01-1160-02360-000	680.00	Mowing
1801 13th Ave S	01-1200-00090-000	265.00	Mowing
2009 13th Ave S	01-1200-00320-000	227.50	Mowing
2920 35th Ave S	01-1395-00230-000	133.75	Mowing
414 7th Ave S	01-1440-01030-000	265.00	Mowing
902 University Dr N	01-1620-00550-000	190.00	Mowing
707 1st St N	01-1760-00600-000	302.00	Mowing
1303 14 1/2 St S	01-2040-00760-000	227.50	Mowing
1309 14 1/2 St S	01-2040-00770-000	227.50	Mowing
1444 16th St S	01-2040-02470-000	152.50	Mowing
1501 15th St S	01-2040-04450-000	717.50	Mowing
1454 10th St N	01-2220-03860-000	227.50	Mowing
1437 University Dr N	01-2220-04380-000	452.50	Mowing

67 Prairiewood Dr S	01-2330-00780-000	452.50	Mowing
4701 13th Ave S	01-2333-00405-000	190.00	Mowing
1341 3rd Ave N	01-2340-01530-000	738.75	Mowing
416 11th Ave S	01-4100-01510-000	720.00	Mowing
1902 52nd St S	01-6050-00013-000	133.75	Mowing
2087 52nd St S	01-6050-00223-000	302.50	Mowing
2213 58th Ave S	01-6210-00695-000	305.00	Mowing
2819 Umber Ct S	01-8400-00141-000	115.00	Mowing
6241 55th Ave S	01-8449-02110-000	133.75	Mowing
4212 Pine Parkway S	01-8511-01170-000	115.00	Mowing
7270 16th St S	01-8530-00170-000	661.25	Mowing
7271 Eagle Pointe Dr S	01-8530-00220-000	567.50	Mowing
7464 20th St S	01-8571-00770-000	302.50	Mowing
7452 20th St S	01-8571-00780-000	115.00	Mowing
1546 66th Ave S	01-8659-00960-000	190.00	Mowing
6835 16th St S	01-8659-03320-000	190.00	Mowing
7232 26th St S	01-8715-00270-000	417.50	Mowing
7279 26th St S	01-8715-00340-000	115.00	Mowing
7231 26th St S	01-8715-00380-000	171.25	Mowing
7246 29th St S	01-8725-00420-000	588.75	Mowing
2554 66th Ave S	01-8742-00240-000	190.00	Mowing
7315 Aquiline Dr S	01-8772-00090-000	227.50	Mowing
7331 22nd St S	01-8772-00110-000	190.00	Mowing
3785 Chinook Dr S	01-8788-00310-000	190.00	Mowing

Any person aggrieved may appeal from the action of the Board of City Commissioners by filing with the City Auditor, prior to March 4, 2024, a written Notice of Appeal stating therein the grounds upon which the appeal is based. Any person having filed such a Notice may appear before the Board of City Commissioners to present reasons why the action of the Board of City Commissioners should not be confirmed.

City Auditor's Office
(Feb 21 & Feb 28, 2024 - Legals)

38

MEMORANDUM

TO: Liquor Control Board

FROM: Steven Sprague, City Auditor

SUBJECT: Liquor License Application – Hilton Garden Inn

DATE: February 15, 2024

The following application for a liquor license was received by the Auditor's office and reviewed by the Liquor Control Board:

License Class: ABH – Full Service Hotel
Business Name: Hilton Garden Inn
Location: 4351 17th Avenue South
Applicants: Aaron Johnson

This application is for the transfer of a Class ABH liquor license. This facility will continue to operate as a full service hotel.

Being no significant concerns, staff & Liquor Control recommend approval of the issuance of a Class ABH alcoholic beverage license to FGI Hospitality LLC d/b/a Hilton Garden Inn Fargo. The complete application is available for review in the Auditor's Office.

Recommended Motion:

Move to approve the issuance of a Class ABH alcoholic beverage license to FGI Hospitality LLC d/b/a Hilton Garden Inn Fargo.

TRANSFER OF AN ALCOHOLIC BEVERAGE LICENSE

Legal Company Name: FGI Hospitality LLC

(Must match State of North Dakota registration name)

DBA Name: Hilton Garden Inn Fargo

License Transferred From: Raymond Mangement Company

****Applicant must include letter from current license holder approving transfer of license****

Is the establishment applying for (or has) a food license under the same name? Yes No

Business location address: 4351 17th Ave S

Mailing address: Same as above

Business E-mail address: sara@kajhospitality.com

Local Manager E-mail address: ~~christine@kajhospitality.com~~ tnasello@kajhospitality.com

Best Contact Phone number: (605) 231-5815

Anticipated Date of Opening: 01/31/2024

Please contact the Auditor's Office at 701-241-1301 or 241-8108 to determine the appropriate License Classification Type that would fit your business model.

The following section to be completed by City Staff:

Date Received: 1/31/24 Class of License: ASLT

Investigations Fee Paid (\$250) Yes No Date Paid: 1/31/24 Check/CC # 11600

Police Department review completed by: _____ Date: _____

(Attached recommendation report):

_____ Approval Recommendation

_____ Denial Recommendation

Chief of Police

Date



Raymond
Management Company

4601 Frey Street, Suite 400
Madison, WI 53705

January 11, 2024

City of Fargo
225 4th Street North
Fargo, ND 58102

RE: Liquor License for Hilton Garden Inn - Fargo

Dear City of Fargo:

Fargo Lodging Associates, LLC c/o Raymond Management Company, Inc. is the current owner of the Hilton Garden Inn at 4351 17th Ave S., Fargo, ND 58103. The property is under contract to be sold to KAJ Hospitality with an expected closing date on January 31, 2024. Fargo Lodging Associates, LLC gives permission to transfer the liquor license to KAJ Hospitality pending the sale of the property.

Please feel free to contact me with any questions.

Sincerely,

Lisa Steinhauer

Real Estate Coordinator
Raymond Management Company | 4601 Frey St. Suite 400 Madison, WI 53705
Direct: (608) 692-8353



FARGO POLICE DEPARTMENT

A SAFE AND UNIFIED COMMUNITY BUILT ON TRUST, ACCOUNTABILITY AND INCLUSION

CRIMINAL INVESTIGATIONS DIVISION

MEMORANDUM

To: Chief David Zibolski

From: Sergeant Jerrod Wagner 

Date: 02.01.2024

RE: Alcoholic Beverage License Application, Class "ABH", KAJ HOSPITALITY

Application for a class "ABH" Alcoholic Beverage License from
KAJ HOSPITALITY, Located at 4351 17TH AVE S FARGO ND 58103.

In accordance with Section 25-1505 of the Fargo Municipal Code, I have conducted an investigation into the character, reputation and fitness of the applicant(s) listed on the supplied application.

During this investigation, I examined the applicants' credit reports and public record criminal backgrounds.

The following information was discovered through this investigation:

AARON W JOHNSON (08/31/1980)

Criminal History -

A search of Fargo Police Department criminal records, North Dakota public records (publicsearch.ndcourts.gov), South Dakota public records and Minnesota public records (<https://chs.state.mn.us>) showed no criminal history.

Credit History -

Aaron Johnson's credit history was reviewed. There are no prior bankruptcies, recent past due accounts or debts turned over to collections.

Investigation Notes

This application is for a class "ABH" alcoholic beverage license (Authorizes the licensee to sell On-Sale and Off-sale Beer, Wine and Spirits) for KAJ Hospitality.

Business Location

Hilton Garden Inn is located at 4351 17th Ave S Fargo, ND 58103. Other businesses in the area with alcoholic beverage licenses are Buffalo Wild Wings, Twin Peaks, and Granite City.

Conclusion

This background investigation is being forwarded for your review and recommendation to the City of Fargo Liquor Control Board.

RECEIVED
FARGO POLICE DEPARTMENT

FEB 02 2024

MATT CHRISTENSEN
LIEUTENANT
REF: CAPT AHLFELDT

RECEIVED
FARGO POLICE DEPARTMENT

FEB 06 2024

WILLIAM S AHLFELDT
CAPTAIN
REF: A.C. STEFONOWICZ

- FORWARD

RECEIVED
FARGO POLICE DEPARTMENT

FEB 06 2024

TRAVIS STEFONOWICZ
ASSISTANT CHIEF OF POLICE
REF: Chief Zibolski - PLE

RECEIVED
FARGO POLICE DEPARTMENT

FEB 09 2024

DAVID B ZIBOLSKI
CHIEF OF POLICE
REF: J SPRAGUE

- RECOMMEND APPROVAL

39

MEMORANDUM

TO: Liquor Control Board
FROM: Steven Sprague, City Auditor
SUBJECT: Liquor License Application – Benedict's Fargo
DATE: January 26, 2024

The following application for a liquor license was received by the Auditor's office and reviewed by the Liquor Control Board:

License Class: FA – Full service– bar allowed, food sales must exceed alcohol
Business Name: Benedict's Fargo
Location: 3165 33 Street South
Applicants: Mike Rakun

This application is for the issuance of a Class FA liquor license. This is a full service breakfast and lunch restaurant.

No concerns since 2001. The background check was approved by the Police Chief. Staff & Liquor Control recommend approval of the issuance of a Class FA alcoholic beverage license to Benedicts FAR LLC d/b/a Benedict's Fargo. The complete application is available for review in the Auditor's Office.

Recommended Motion:

Move to approve the issuance of a Class FA alcoholic beverage license to Benedicts FAR LLC d/b/a Benedict's Fargo.



APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE

Legal Company Name: Benedicts FAR LLC
(Must match State of North Dakota registration name)

DBA Name: Benedict's Fargo

Is the establishment applying for (or has) a food license under the same name? Yes No

Business location address: 3165 33rd Street South, Fargo ND 58103

Mailing address: 3165 33rd Street South, Fargo ND 58103

Business E-mail address: Mikerakun@hotmail.com

Local Manager E-mail address: Mikerakun@hotmail.com

Best Contact Phone number: (612) 799-0418

Anticipated Date of Opening: March 1, 2024

Please contact the Auditor's Office at 701-241-1301 or 241-8108 to determine the appropriate License Classification Type that would fit your business model.

The following section to be completed by City Staff:

Date Received: 1-3-24 Class of License: FA Transfer: Yes No

Investigations Fee Paid (\$250) Yes No Date Paid: 1-3-24 Check/CC # 10195

Police Department review completed by: _____ Date: _____

(Attached recommendation report):

_____ Approval Recommendation

_____ Denial Recommendation

Chief of Police

Date



FARGO POLICE DEPARTMENT

A SAFE AND UNIFIED COMMUNITY BUILT ON TRUST, ACCOUNTABILITY AND INCLUSION

CRIMINAL INVESTIGATIONS DIVISION

MEMORANDUM

To: Chief David Zibolski

From: Sergeant Jerrod Wagner *JW*

Date: 01.08.2024

RE: Alcoholic Beverage License Application, Class "FA", Benedicts FAR LLC

**Application for a class "FA" Alcoholic Beverage License from
Benedicts FAR LLC "Benedicts Fargo", Located at 3165 33rd St South.**

In accordance with Section 25-1505 of the Fargo Municipal Code, I have conducted an investigation into the character, reputation and fitness of the applicant(s) listed on the supplied application.

During this investigation, I examined the applicants' credit reports and public record criminal backgrounds.

The following information was discovered through this investigation:

Michael Anthony Rakun

Criminal History -

A search of Fargo Police Department criminal records, North Dakota public records (publicsearch.ndcourts.gov) and Minnesota public records (<https://chs.state.mn.us>) showed the following convictions;

- 07.26.2001 Conviction for "IMPLIED CONSENT" This was not disclosed in the background packet.
- 11.16.2001 Conviction for "DRIVING WHILE UNDER THE INFLUENCE-ALCOHOL". This was not disclosed in the background packet.

Credit History -

Michael Rakun's credit history was reviewed. There are no prior bankruptcies, recent past due accounts or debts turned over to collections.

Investigation Notes

- On 01.10.2024 I received a call back from Michael and spoke to him about not disclosing the DUI conviction from 2001. Michael said that he thought it was not part of his criminal history anymore since it happened so long ago. I advised Michael that it still shows up on his driver's license records as a conviction. Michael was apologetic for not disclosing it and said he just assumed it would no longer show up.

This application is for a class "FA" alcoholic beverage license (Authorizes the licensee to sell On-sale only, Bar is allowed Beer, Wine and Spirits) for Benedicts FAR LLC "Benedicts Fargo".

Business Location

Benedict's Fargo is located at 3165 33rd St South. Other businesses in the area with alcoholic beverage licenses are "Double Down" which holds a Class A license.

Conclusion

This background investigation is being forwarded for your review and recommendation to the City of Fargo Liquor Control Board.

RECEIVED
FARGO POLICE DEPARTMENT

JAN 12 2024

MATT CHRISTENSEN
LIEUTENANT
REF: AC STEFONOWICZ

RECEIVED
FARGO POLICE DEPARTMENT

JAN 12 2024

TRAVIS STEFONOWICZ
ASSISTANT CHIEF OF POLICE
REF: Chet Libalski

RECEIVED
FARGO POLICE DEPARTMENT

JAN 18 2024

DAVID B ZIBOLSKI
CHIEF OF POLICE *DZ*
REF: S. SPRAGUE

- Recommend Approval



40

February 15, 2024

Board of City Commissioners
City Hall
Fargo, ND 58102

RE: Lashkowitz 4 & 9

Dear Commissioners:

Attached are the applications made by Fargo Housing & Redevelopment Authority, on behalf of Lashkowitz 4 and Lashkowitz 9, for a payment in lieu of tax (PILOT) according to N.D.C.C. Chapter 40-57.1. The PILOT requested is for a new, low-income housing building at 101 2nd St S, consisting of 110 units split into two projects:

- Lashkowitz 4 – 83 units
- Lashkowitz 9 – 27 units

Notices to competitors have been published. The Economic Development Incentive Committee (EDIC) has met to consider this application. No potential competitors appeared at the EDIC meeting. This project meets our current policy. The applicant will pay the full land taxes annually of approximately \$9,400.

The recommendation of the EDIC is to approve a 17-year payment in lieu of taxes (PILOT) where the building value will be 100% exempt for the duration.

SUGGESTED MOTION:

Approval of a 17-year, 100% improvement value exemption PILOT for Lashkowitz 4 and Lashkowitz 9, a low-income housing project located at 101 2nd St S.

Sincerely,

Michael Splonskowski

Mike Splonskowski
City Assessor

Application For Property Tax Incentives For New or Expanding Businesses

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

Project Operator's Application To Fargo
City or County

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

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

This application is a public record

Identification Of Project Operator

1. Name of project operator of new or expanding business Lashkowitz 4

2. Address of project 101 South Second Street
City Fargo County Cass

3. Mailing address of project operator 325 Broadway
City Fargo State ND Zip 58102

4. Type of ownership of project
 Partnership Subchapter S corporation Individual proprietorship
 Corporation Cooperative Limited liability company

5. Federal Identification No. or Social Security No. _____

6. North Dakota Sales and Use Tax Permit No. _____

7. If a corporation, specify the state and date of incorporation _____

8. Name and title of individual to contact Chris Brungardt, CEO Fargo Housing and Redevelopment Authority
Mailing address 325 Broadway
City, State, Zip Fargo ND 58102 Phone No. 701.715.4171

Project Operator's Application For Tax Incentives

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

<input type="checkbox"/> Property Tax Exemption	<input checked="" type="checkbox"/> Payments In Lieu of Taxes
_____ Number of years	<u>2024</u> Beginning year <u>2041</u> Ending year
_____ Percent of exemption	_____ Amount of annual payments (attach schedule if payments will vary)

10. Which of the following would better describe the project for which this application is being made:
 New business project Expansion of a existing business project

Description of Project Property

11. Legal description of project real property

Lot 3, Block 4, North Dakota Urban Renewal

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 April 2024

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

The Lashkowitz Riverfront will consist of 110 units of affordable housing separated into two projects;
Lashkowitz Riverfront 4 and Lashkowitz Riverfront 9. LR-4 will consist of 83 units of 1, 2, and 3 bedroom
apartments providing deep subsistiy to all income levels ranging between 0 and 50% AMI

c. Projected number of construction employees during the project construction 150-200

14. Approximate date of commencement of this project's operations May 2025

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

a. Land..... \$ 634,200

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

c. Newly constructed buildings and structures when completed \$ 18,924,000

d. Total..... \$ 19,558,200

e. Machinery and equipment \$ _____

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..... \$ _____

c. Newly constructed buildings and structures when completed..... \$ 946,200

d. Total taxable valuation of property eligible for exemption (Add lines b and c)..... \$ 946,200

e. Enter the consolidated mill rate for the appropriate taxing district 296.00

f. Annual amount of the tax exemption (Line d multiplied by line e) \$ 280,075.00

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).

Affordable rental property serving low income households. The building will have FHRA's Project Based Vouchers attached which will allow for deep housing subsidies for incomes as low as \$0.

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

The bulding will have typical apurtances associated with a 5 story apartment building. Including two elevators.

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	New/Expansion Project only	New/Expansion Project only	New/Expansion Project only	New/Expansion Project only
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Annual revenue	<u>1,038,286</u>	<u>1059,051</u>	<u>1,080,231</u>	<u>1,101,836</u>	<u>1,123,873</u>
Annual expense	<u>954,276</u>	<u>966,288</u>	<u>979,660</u>	<u>991,404</u>	<u>1,004,529</u>
Net income	<u>84,010</u>	<u>92,763</u>	<u>101,571</u>	<u>110,432</u>	<u>119,344</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	New/Expansion Project only	New/Expansion Project only	New/Expansion Project only	New/Expansion Project only
		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
No. of Employees	(1) <u> </u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	(2) <u> </u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Estimated payroll	(1) <u> </u>	<u>120,637</u>	<u>124,256</u>	<u>127,984</u>	<u>131,823</u>	<u>135,778</u>
	(2) <u> </u>	<u>26400</u>	<u>27,192</u>	<u>28,008</u>	<u>28,848</u>	<u>29,713</u>

(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).
FHRA has recieved PILOTs for other current affordable housing projects such as the 96 unit New Horizons and the 84 unit Elliott Place.

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
YWCA, Beyond Shelter, Jerimah Program

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, Chris Brungardt, 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.

Chris Brungardt Signature CEO Title 1/17/2024 Date

Application For Property Tax Incentives For New or Expanding Businesses

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

Project Operator's Application To Fargo
City or County

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

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

This application is a public record

Identification Of Project Operator

1. Name of project operator of new or expanding business Lashkowitz 9

2. Address of project 101 South Second Street
City Fargo County Cass

3. Mailing address of project operator 325 Broadway
City Fargo State ND Zip 58102

4. Type of ownership of project
 Partnership Subchapter S corporation Individual proprietorship
 Corporation Cooperative Limited liability company

5. Federal Identification No. or Social Security No. _____

6. North Dakota Sales and Use Tax Permit No. _____

7. If a corporation, specify the state and date of incorporation _____

8. Name and title of individual to contact Chris Brungardt, CEO Fargo Housing and Redevelopment Authority
Mailing address 325 Broadway
City, State, Zip Fargo ND 58102 Phone No. 701.715.4171

Project Operator's Application For Tax Incentives

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

<input type="checkbox"/> Property Tax Exemption	<input checked="" type="checkbox"/> Payments In Lieu of Taxes
_____ Number of years	<u>2024</u> Beginning year <u>2041</u> Ending year
_____ Percent of exemption	_____ Amount of annual payments (attach schedule if payments will vary)

10. Which of the following would better describe the project for which this application is being made:
 New business project Expansion of a existing business project

Description of Project Property

11. Legal description of project real property

Lot 3, Block 4, North Dakota Urban Renewal

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 April 2024

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

The Lashkowitz Riverfront will consist of 110 units of affordable housing separated into two projects;

Lashkowitz Riverfront 4 and Lashkowitz Riverfront 9. LR-9 will consist of 27 units of 1, 2, and 3 bedroom
apartments providing deep subsistiy to all income levels ranging between 0 and 50% AMI

c. Projected number of construction employees during the project construction 150-200

14. Approximate date of commencement of this project's operations May 2025

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

a. Land..... \$ 634,200

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

c. Newly constructed buildings and structures when completed \$ 5,976,000

d. Total..... \$ 6,610,200

e. Machinery and equipment \$ _____

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..... \$ _____

c. Newly constructed buildings and structures when completed..... \$ 298,800

d. Total taxable valuation of property eligible for exemption (Add lines b and c)..... \$ 298,800

e. Enter the consolidated mill rate for the appropriate taxing district 296.00

f. Annual amount of the tax exemption (Line d multiplied by line e) \$ 88,445.00

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).

Affordable rental property serving low income households. The building will have FHRA's Project Based Vouchers attached which will allow for deep housing subsidies for incomes as low as \$0.

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

The bulding will have typical apurtances associated with a 5 story apartment building. Including two elevators.

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	New/Expansion Project only	New/Expansion Project only	New/Expansion Project only	New/Expansion Project only
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Annual revenue	<u>340,172</u>	<u>346,975</u>	<u>353,914</u>	<u>360,992</u>	<u>368,212</u>
Annual expense	<u>312,265</u>	<u>316,160</u>	<u>320,171</u>	<u>324,306</u>	<u>328,563</u>
Net income	<u>27,907</u>	<u>30,815</u>	<u>33,743</u>	<u>36,686</u>	<u>39,649</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	New/ Expansion Project only	New/ Expansion Project only	New/ Expansion Project only	New/ Expansion Project only
		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
No. of Employees	(1) _____	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	(2) _____	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Estimated payroll	(1) _____	<u>120,637</u>	<u>124,256</u>	<u>127,984</u>	<u>131,823</u>	<u>135,778</u>
	(2) _____	<u>26400</u>	<u>27,192</u>	<u>28,008</u>	<u>28,848</u>	<u>29,713</u>

(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).
FHRA has recieved PILOTs for other current affordable housing projects such as the 96 unit New Horizons and the 84 unit Elliott Place.

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
YWCA. Beyond Shelter, Jerimah Program

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

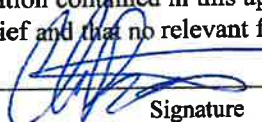

28. The project operator is reapplying for property tax incentives for the following reason(s):

- 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, Chris Brungardt, 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 1/17/2024 Date

Family Operating Budget

9% 4%

Rental/ Expenses	9%	4%
Gross Rents	\$ 350,724.00	\$ 1,069,968.00
Budgeted vacancy	5% \$ (17,536.20)	5% \$ (53,498.40)
Total Rents	\$ 333,187.80	\$ 1,016,469.60
Laundry	\$ 3,240.00	\$ 9,960.00
Other Vending Income	\$ -	\$ -
HOA Fees	\$ -	\$ -
Late Charge	\$ 3,744.00	\$ 11,856.00
Other Income	\$ 6,984.00	\$ 21,816.00
Total revenues	\$ 340,171.80	\$ 1,038,285.60
Management Fee	\$ 27,213.74	\$ 83,062.85
Audit	\$ 1,072.80	\$ 3,397.20
Accounting	\$ 2,000.00	\$ 7,600.00
Compliance LIHTC & HTF	\$ 885.60	\$ 2,804.40
Legal	\$ 456.00	\$ 1,444.00
Advertising	\$ 360.00	\$ 1,140.00
Office Supplies	\$ 1,008.00	\$ 3,192.00
Telephone	\$ 2,344.00	\$ 7,256.00
Maintenance Manager	\$ 11,591.00	\$ 35,708.00
Maintenance Payroll Tax	\$ 2,434.11	\$ 7,498.68
Maintenance Benefits	\$ -	\$ -
Maint/cleaning Supplies	\$ -	\$ -
Heating & Air Cond Repairs	\$ -	\$ -
Heat A/c & Oth Maint Contracts	\$ 1,320.00	\$ 4,180.00
Exterminating	\$ 1,488.00	\$ 4,712.00
Snow Removal	\$ 1,800.00	\$ 5,700.00
On-Site Manager	\$ 12,113.00	\$ 40,286.00
Manager Payroll Tax	\$ 1,211.30	\$ 4,028.60
Manager Benefits	\$ 1,332.43	\$ 4,431.46
Grounds Maintenance	\$ -	\$ -
Natural Gas	\$ 13,488.48	\$ 42,713.52
Electricity - Common Areas	\$ 7,500.00	\$ 43,151.00
Water	\$ 3,648.00	\$ 11,552.00
Sewer	\$ 1,968.00	\$ 6,232.00
Garbage And Rubbish	\$ 1,080.00	\$ 3,420.00
Special Assessments	\$ -	\$ -
Tax - Land Only	\$ -	\$ -
Insurance - Property And Liab	\$ 13,968.00	\$ 30,051.00
Tenant Coordinator	\$ 8,766.12	\$ 17,833.74
Total operating expenses	\$ 119,048.58	\$ 367,194.45

Net Income		
Net Income Before Debt Service & Reserve Payments	\$ 221,123.22	\$ 671,091.15
Less Reserve Payments (HOME OWNERSHIP) 5%	\$ -	\$ -
(Assuming 50% participation rate)	\$ -	\$ -
Tax & Ins. reserve - Real Estate Tax	\$ -	\$ -
Replacement reserve	\$ 10,800.00	\$ 33,200.00
Total Reserve Payments	\$ 10,800.00	\$ 33,200.00
Funds available for debt service	\$ 210,323.22	\$ 637,891.15
Less Debt Service Payments:	\$ -	\$ -
First Mortgage	\$ 182,416.30	\$ 553,881.58
HTF/HTF Mortgage	\$ 0.00	\$ 0.00
Deferred Developer Fee	\$ 0.00	\$ -
Total debt service	\$ 182,416.30	\$ 553,881.58
Net Cash Flow	\$ 27,906.91	\$ 84,009.58
Income to debt service ratio - 1st	1.1530	1.1517
Income to debt service ratio - HTF	1.1530	1.1517
Income to debt service ratio - Deferred	1.1530	1.1517
Income to debt service ratio - Total	1.1530	1.1517

Loans		
First Mortgage	8.500%	6.750%
Annual Rate	\$2,116,000.00	\$ 7,650,000.00
Principal	(\$182,416.30)	(\$553,881.58)
Annual Payment Amount	600	480.00
Term in Months		
HIF/HTF	0.000%	0.000%
Annual Rate	\$0.00	\$ 3,400,000.00
Principal	\$0.00	\$0.00
Annual Payment Amount	360	480
Term in Months		
Capital Financing Plan/Op Funds	0.000%	0.000%
Annual Rate	\$0.00	\$ 4,300,000.00
Principal	\$0.00	\$0.00
Annual Payment Amount	360	480
Term in Months		
EPA Fund	0.000%	0.000%
Annual Rate	\$600,000.00	\$ 1,400,000.00
Principal	\$0.00	\$0.00
Annual Payment Amount	360	480
Term in Months		
Annual Rate	0.000%	0.000%
Principal	\$0.00	\$0.00
Annual Payment Amount	\$0.00	\$0.00
Term in Months	360	480
Deferred Developer Fee	0.000%	0.000%
Annual Rate	\$755,008.88	\$ 2,176,332.89
Principal	\$0.00	\$0.00
Annual Payment Amount	144	144
Term in Months		

	NDHFA	Investor
Expenses		
Per Unit Check Figures		
Expenses per Unit Less Reserves and Debt Service	\$ 119,048.58	\$ 367,194.45
Per Unit Annually	\$ 4,409.21	\$ 4,424.03
Per Unit Monthly	\$367.43	\$ 368.67

Reserve Calculations		
Operating Reserves - 6 months		
Operating Cost Annually	\$312,264.89	\$954,276.02
Per month	\$26,022.07	\$79,523.00
4 months	\$104,088.30	\$318,092.01
6 months:	\$156,132.44	\$ 477,138.01

20 Year Cash Flow Projection - 4%

Annual Increase:	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	
Paternal/Spousal/Gross Income:	1,097,008	1,097,367	1,113,194	1,129,658	1,146,187	1,162,187	1,178,257	1,194,928	1,212,031	1,228,710	1,245,934	1,263,772	1,282,205	1,301,300	1,321,037	1,341,496	1,362,756	1,384,806	1,407,636	1,431,336	1,455,906
Less Vacancy and Collection Loss	(53,468)	(54,568)	(55,668)	(56,773)	(57,800)	(58,857)	(60,240)	(61,451)	(62,852)	(63,330)	(65,314)	(66,518)	(67,849)	(69,396)	(70,990)	(72,651)	(74,452)	(76,313)	(78,245)	(80,248)	(82,321)
Plus Other Income	21,816	22,352	22,897	23,151	23,614	24,096	24,598	25,099	25,599	26,071	26,503	27,134	27,665	28,210	28,761	29,318	29,881	30,450	31,025	31,606	32,193
Less Vacancy and Collection Loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effective Gross Income	1,065,286	1,065,051	1,080,231	1,101,036	1,123,012	1,146,349	1,169,277	1,192,682	1,216,512	1,240,845	1,265,662	1,290,975	1,316,784	1,343,130	1,369,992	1,405,240	1,435,240	1,455,847	1,482,824	1,512,283	1,542,232
Less Annual Operating Expenses	(367,194)	(378,710)	(389,556)	(401,743)	(413,260)	(425,078)	(436,746)	(449,160)	(462,149)	(475,103)	(488,475)	(502,280)	(516,530)	(531,234)	(546,391)	(561,911)	(577,813)	(594,112)	(610,816)	(627,933)	(645,472)
Less Reserve Payments (HOME OWNERSHIP)	(53,709)	(54,156)	(54,722)	(55,319)	(55,945)	(56,601)	(57,287)	(58,003)	(58,749)	(59,525)	(60,331)	(61,167)	(62,033)	(62,929)	(63,855)	(64,811)	(65,797)	(66,813)	(67,859)	(68,935)	(70,041)
Less Replacement Reserves	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Operating Income	644,383	632,185	646,433	664,314	673,226	682,183	691,186	700,229	709,309	718,423	727,567	736,737	745,929	755,138	764,361	773,592	782,836	792,094	801,367	810,654	819,964
Less Annual Debt Service 15% Loan	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)
HTFHP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)
Annual Cash Flow	84,010	97,763	101,571	110,432	119,344	128,301	137,304	146,347	155,427	164,541	173,683	182,855	192,047	201,237	210,419	219,710	229,044	238,176	247,400	256,609	265,809

15 Year Cash Flow Projection - 9%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Annual Increases:															
2% Rental Increase															
3% Expense Increase															
3% Replacement Reserve Increase															
Potential Forfeiture (Reserve)	350,724	357,738	364,953	372,191	379,635	387,228	394,973	402,872	410,929	419,148	427,531	436,082	444,804	453,700	462,774
5% Less Vacancy and Collection Loss	(17,536)	(17,887)	(18,245)	(18,610)	(18,982)	(19,361)	(19,749)	(20,144)	(20,546)	(20,957)	(21,377)	(21,804)	(22,240)	(22,685)	(23,139)
Plus Other Income	6,984	7,124	7,266	7,411	7,558	7,710	7,864	8,021	8,181	8,345	8,512	8,682	8,856	9,033	9,214
Less Vacancy and Collection Loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effective Gross Income	340,172	346,975	353,914	360,992	368,212	375,577	383,088	390,749	398,564	406,536	414,666	422,960	431,420	440,048	448,849
Less Annual Operating Expenses	(119,049)	(122,620)	(126,299)	(130,089)	(133,991)	(138,011)	(142,151)	(146,416)	(150,809)	(155,332)	(159,982)	(164,762)	(169,736)	(174,829)	(180,073)
Less Reserve Payments (HOME OWNERS)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Replacement Reserves	(10,800)	(11,124)	(11,456)	(11,802)	(12,159)	(12,521)	(12,897)	(13,284)	(13,683)	(14,093)	(14,516)	(14,951)	(15,400)	(15,862)	(16,338)
Net Operating Income	210,323	213,231	216,157	219,102	222,065	225,045	228,040	231,048	234,073	237,111	240,158	243,217	246,284	249,358	252,438
2,115,000 Less Annual Debt Service 1ST Loan	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)
0 HFF:BF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
755,007 Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2,870,007 Total Debt Service	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)	(182,416)
Annual Cash Flow	27,907	30,815	33,741	36,686	39,649	42,628	45,624	48,633	51,657	54,695	57,742	60,801	63,868	66,942	70,022



ASSESSMENT DEPARTMENT

Proposed Incentive Schedule. Calculations are based off construction cost and do not account for annual fluctuations in market value or mill levies.

		Incentive %	Payments	Full Taxes Due	Benefit	Total Est Tax
IncntYr 1	2025	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 2	2026	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 3	2027	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 4	2028	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 5	2029	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 6	2030	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 7	2031	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 8	2032	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 9	2033	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 10	2034	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 11	2035	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 12	2036	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 13	2037	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 14	2038	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 15	2039	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 16	2040	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 17	2041	100	\$0	\$369,267	\$369,267	\$9,405

TOTALS

\$0

\$6,277,539



(41)

February 15, 2024

Board of City Commissioners
City Hall
Fargo, ND 58102

RE: Lashkowitz 4 & 9

Dear Commissioners:

Attached are the applications made by Fargo Housing & Redevelopment Authority, on behalf of Lashkowitz 4 and Lashkowitz 9, for a payment in lieu of tax (PILOT) according to N.D.C.C. Chapter 40-57.1. The PILOT requested is for a new, low-income housing building at 101 2nd St S, consisting of 110 units split into two projects:

- Lashkowitz 4 – 83 units
- Lashkowitz 9 – 27 units

Notices to competitors have been published. The Economic Development Incentive Committee (EDIC) has met to consider this application. No potential competitors appeared at the EDIC meeting. This project meets our current policy. The applicant will pay the full land taxes annually of approximately \$9,400.

The recommendation of the EDIC is to approve a 17-year payment in lieu of taxes (PILOT) where the building value will be 100% exempt for the duration.

SUGGESTED MOTION:

Approval of a 17-year, 100% improvement value exemption PILOT for Lashkowitz 4 and Lashkowitz 9, a low-income housing project located at 101 2nd St S.

Sincerely,

Michael Splonskowski

Mike Splonskowski
City Assessor

Application For Property Tax Incentives For New or Expanding Businesses

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

Project Operator's Application To Fargo
City or County

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

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

This application is a public record

Identification Of Project Operator

1. Name of project operator of new or expanding business Lashkowitz 4

2. Address of project 101 South Second Street
City Fargo County Cass

3. Mailing address of project operator 325 Broadway
City Fargo State ND Zip 58102

4. Type of ownership of project
 Partnership Subchapter S corporation Individual proprietorship
 Corporation Cooperative Limited liability company

5. Federal Identification No. or Social Security No. _____

6. North Dakota Sales and Use Tax Permit No. _____

7. If a corporation, specify the state and date of incorporation _____

8. Name and title of individual to contact Chris Brungardt, CEO Fargo Housing and Redevelopment Authority
Mailing address 325 Broadway
City, State, Zip Fargo ND 58102 Phone No. 701.715.4171

Project Operator's Application For Tax Incentives

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

<input type="checkbox"/> Property Tax Exemption	<input checked="" type="checkbox"/> Payments In Lieu of Taxes
_____ Number of years	<u>2024</u> Beginning year <u>2041</u> Ending year
_____ Percent of exemption	_____ Amount of annual payments (attach schedule if payments will vary)

10. Which of the following would better describe the project for which this application is being made:
 New business project Expansion of a existing business project

Description of Project Property

11. Legal description of project real property
Lot 3, Block 4, North Dakota Urban Renewal

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 April 2024

b. Description of project to be constructed including size, type and quality of construction
The Lashkowitz Riverfront will consist of 110 units of affordable housing separated into two projects;
Lashkowitz Riverfront 4 and Lashkowitz Riverfront 9. LR-4 will consist of 83 units of 1, 2, and 3 bedroom
apartments providing deep subsistiry to all income levels ranging between 0 and 50% AMI


c. Projected number of construction employees during the project construction 150-200

14. Approximate date of commencement of this project's operations May 2025

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

- a. Land..... \$ 634,200
- b. Existing buildings and structures for which an exemption is claimed..... \$ _____
- c. Newly constructed buildings and structures when completed \$ 18,924,000
- d. Total..... \$ 19,558,200
- e. Machinery and equipment \$ _____

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..... \$ _____
- c. Newly constructed buildings and structures when completed..... \$ 946,200
- d. Total taxable valuation of property eligible for exemption (Add lines b and c)..... \$ 946,200
- e. Enter the consolidated mill rate for the appropriate taxing district 296.00
- f. Annual amount of the tax exemption (Line d multiplied by line e) \$ 280,075.00

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).

Affordable rental property serving low income households. The building will have FHRA's Project Based Vouchers attached which will allow for deep housing subsidies for incomes as low as \$0.

19. Indicate the type of machinery and equipment that will be installed
The bulding will have typical apurtances associated with a 5 story apartment building. Including two elevators.

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>1,038,286</u>	<u>1059,051</u>	<u>1,080,231</u>	<u>1,101,836</u>	<u>1,123,873</u>
Annual expense	<u>954,276</u>	<u>966,288</u>	<u>979,660</u>	<u>991,404</u>	<u>1,004,529</u>
Net income	<u>84,010</u>	<u>92,763</u>	<u>101,571</u>	<u>110,432</u>	<u>119,344</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) _____	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	(2) _____	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Estimated payroll	(1) _____	<u>120,637</u>	<u>124,256</u>	<u>127,984</u>	<u>131,823</u>	<u>135,778</u>
	(2) _____	<u>26400</u>	<u>27,192</u>	<u>28,008</u>	<u>28,848</u>	<u>29,713</u>

(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).
FHRA has recieved PILOTs for other current affordable housing projects such as the 96 unit New Horizons and the 84 unit Elliott Place.

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
YWCA, Beyond Shelter, Jerimah Program

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, Chris Brungardt, 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 CEO Title 1/17/2024 Date

Application For Property Tax Incentives For New or Expanding Businesses

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

Project Operator's Application To Fargo
City or County

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

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

This application is a public record

Identification Of Project Operator

1. Name of project operator of new or expanding business Lashkowitz 9

2. Address of project 101 South Second Street
City Fargo County Cass

3. Mailing address of project operator 325 Broadway
City Fargo State ND Zip 58102

4. Type of ownership of project
 Partnership Subchapter S corporation Individual proprietorship
 Corporation Cooperative Limited liability company

5. Federal Identification No. or Social Security No. _____

6. North Dakota Sales and Use Tax Permit No. _____

7. If a corporation, specify the state and date of incorporation _____

8. Name and title of individual to contact Chris Brungardt, CEO Fargo Housing and Redevelopment Authority
Mailing address 325 Broadway
City, State, Zip Fargo ND 58102 Phone No. 701.715.4171

Project Operator's Application For Tax Incentives

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

<input type="checkbox"/> Property Tax Exemption	<input checked="" type="checkbox"/> Payments In Lieu of Taxes
_____ Number of years	<u>2024</u> Beginning year <u>2041</u> Ending year
_____ Percent of exemption	_____ Amount of annual payments (attach schedule if payments will vary)

10. Which of the following would better describe the project for which this application is being made:
 New business project Expansion of a existing business project

Description of Project Property

11. Legal description of project real property
Lot 3, Block 4, North Dakota Urban Renewal

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 April 2024

b. Description of project to be constructed including size, type and quality of construction
 The Lashkowitz Riverfront will consist of 110 units of affordable housing separated into two projects;
~~Lashkowitz Riverfront 4 and Lashkowitz Riverfront 9. LR-9 will consist of 27 units of 1, 2, and 3 bedroom~~
~~apartments providing deep subsidy to all income levels ranging between 0 and 50% AMI~~

c. Projected number of construction employees during the project construction 150-200

14. Approximate date of commencement of this project's operations May 2025

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

a. Land..... \$ 634,200


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

c. Newly constructed buildings and structures when completed \$ 5,976,000

d. Total..... \$ 6,610,200

e. Machinery and equipment \$ _____

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 \$ _____

c. Newly constructed buildings and structures when completed..... \$ 298,800

d. Total taxable valuation of property eligible for exemption (Add lines b and c)..... \$ 298,800

e. Enter the consolidated mill rate for the appropriate taxing district 296.00

f. Annual amount of the tax exemption (Line d multiplied by line e) \$ 88,445.00

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).

Affordable rental property serving low income households. The building will have FHRA's Project Based Vouchers attached which will allow for deep housing subsidies for incomes as low as \$0.

19. Indicate the type of machinery and equipment that will be installed
The bulding will have typical apurtances associated with a 5 story apartment building. Including two elevators.

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	New/Expansion Project only	New/Expansion Project only	New/Expansion Project only	New/Expansion Project only
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Annual revenue	<u>340,172</u>	<u>346,975</u>	<u>353,914</u>	<u>360,992</u>	<u>368,212</u>
Annual expense	<u>312,265</u>	<u>316,160</u>	<u>320,171</u>	<u>324,306</u>	<u>328,563</u>
Net income	<u>27,907</u>	<u>30,815</u>	<u>33,743</u>	<u>36,686</u>	<u>39,649</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	New/Expansion Project only	New/Expansion Project only	New/Expansion Project only	New/Expansion Project only
		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
No. of Employees	(1) _____	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	(2) _____	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Estimated payroll	(1) _____	<u>120,637</u>	<u>124,256</u>	<u>127,984</u>	<u>131,823</u>	<u>135,778</u>
	(2) _____	<u>26400</u>	<u>27,192</u>	<u>28,008</u>	<u>28,848</u>	<u>29,713</u>

(1) - full time
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Use Only When Reapplying

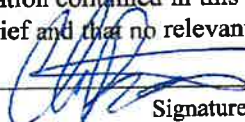
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Notice to Competitors of Hearing

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, Chris Brungardt, 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

CEO
 Title

1/17/2024
 Date

Family Operating Budget

Rents/ Expenses		9%	4%
Gross Rents		\$ 350,724.00	\$ 1,069,966.00
Budgeted vacancy	5%	\$ (17,536.20)	\$ (53,496.40)
Total Rents		\$ 333,187.80	\$ 1,016,469.60
Laundry		\$ 3,240.00	\$ 9,960.00
Other Vending Income		\$ -	\$ -
HOA Fees		\$ -	\$ -
Late Charge		\$ 3,744.00	\$ 11,856.00
Other Income		\$ 6,984.00	\$ 21,816.00
Total revenues		\$ 340,171.80	\$ 1,038,285.60
Management Fee		\$ 27,213.74	\$ 83,062.85
Audit		\$ 1,072.80	\$ 3,397.20
Accounting		\$ 2,000.00	\$ 7,600.00
Compliance LIHTC & HTF		\$ 885.60	\$ 2,804.40
Legal		\$ 456.00	\$ 1,444.00
Advertising		\$ 380.00	\$ 1,140.00
Office Supplies		\$ 1,008.00	\$ 3,192.00
Telephone		\$ 2,344.00	\$ 7,256.00
Maintenance Manager		\$ 11,591.00	\$ 35,708.00
Maintenance Payroll Tax		\$ 2,434.11	\$ 7,498.68
Maintenance Benefits			
Maint/cleaning Supplies			
Heating & Air Cond Repairs			
Heat A/c & Oth Maint Contracts		\$ 1,320.00	\$ 4,180.00
Exterminating		\$ 1,488.00	\$ 4,712.00
Snow Removal		\$ 1,800.00	\$ 5,700.00
On-Site Manager		\$ 12,113.00	\$ 40,286.00
Manager Payroll Tax		\$ 1,211.30	\$ 4,028.60
Manager Benefits		\$ 1,332.43	\$ 4,431.46
Grounds Maintenance			
Natural Gas		\$ 13,488.48	\$ 42,713.52
Electricity - Common Areas		\$ 7,500.00	\$ 43,151.00
Water		\$ 3,648.00	\$ 11,552.00
Sewer		\$ 1,968.00	\$ 6,232.00
Garbage And Rubbish		\$ 1,080.00	\$ 3,420.00
Special Assessments		\$ -	\$ -
Tax - Land Only		\$ -	\$ -
Insurance - Property And Liab		\$ 13,968.00	\$ 30,051.00
Tenant Coordinator		\$ 8,766.12	\$ 17,633.74
Total operating expenses		\$ 119,048.58	\$ 367,194.45

Net Income		9%	4%
Net Income Before Debt Service & Reserve Payments		\$ 221,123.22	\$ 671,091.15
Less Reserve Payments (HOME OWNERSHIP): 5% (Assuming 50% participation rate)		\$ -	\$ -
Tax & Ins. reserve - Real Estate Tax		\$ -	\$ -
Replacement reserve		\$ 10,800.00	\$ 33,200.00
Total Reserve Payments		\$ 10,800.00	\$ 33,200.00
Funds available for debt service		\$ 210,323.22	\$ 637,891.15
Less Debt Service Payments:			
First Mortgage		\$182,416.30	\$553,881.58
HTF/HIF Mortgage		\$0.00	\$0.00
Deferred Developer Fee		\$0.00	\$0.00
Total debt service		\$182,416.30	\$553,881.58
Net Cash Flow		\$ 27,906.91	\$ 84,009.58
Income to debt service ratio - 1st		1.1530	1.1517
Income to debt service ratio - HTF		1.1530	1.1517
Income to debt service ratio - Deferred		1.1530	1.1517
Income to debt service ratio - Total		1.1530	1.1517

Loans		9%	4%
First Mortgage			
Annual Rate	8.500%	6.750%	
Principal	\$2,115,000.00	\$ 7,650,000.00	
Annual Payment Amount	(\$182,416.30)	(\$553,881.58)	
Term in Months	600	480.0	
HIF/HTF			
Annual Rate	0.000%	0.000%	
Principal	\$0.00	\$ 3,400,000.00	
Annual Payment Amount	\$0.00	\$0.00	
Term in Months	360	480	
Capital Financing Plan/Op Funds			
Annual Rate	0.000%	0.000%	
Principal	\$0.00	\$ 4,300,000.00	
Annual Payment Amount	\$0.00	\$0.00	
Term in Months	360	480	
EPA Fund			
Annual Rate	0.000%	0.000%	
Principal	\$600,000.00	\$1,400,000.00	
Annual Payment Amount	\$0.00	\$0.00	
Term in Months	360		
Annual Rate	0.000%	0.000%	
Principal	\$0.00	\$0.00	
Annual Payment Amount	\$0.00	\$0.00	
Term in Months	360		
Deferred Developer Fee			
Annual Rate	0.000%	0.000%	
Principal	\$755,006.88	\$ 2,176,332.89	
Annual Payment Amount	\$0.00	\$0.00	
Term in Months	144	144	

Expenses	NDHFA	Investor
Per Unit Check Figures		
Expenses per Unit Less Reserves and Debt Service	\$ 119,048.58	\$ 367,194.45
Per Unit Annually	\$ 4,409.21	\$ 4,424.03
Per Unit Monthly	\$367.43	\$ 368.67

Reserve Calculations	
Operating Reserves - 6 months	
Operating Cost Annually	\$312,264.89
Per month	\$26,022.07
4 months	\$104,088.30
6 months:	\$156,132.44

20 Year Cash Flow Projection - 4%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	
Annual Increases:																					
-2%																					
-3%																					
-4%																					
Rental Income	1,091,367	1,113,194	1,135,021	1,156,848	1,178,675	1,200,502	1,222,329	1,244,156	1,265,983	1,287,810	1,309,637	1,331,464	1,353,291	1,375,118	1,396,945	1,418,772	1,440,599	1,462,426	1,484,253	1,506,080	
Expense Income	(53,140)	(54,546)	(55,952)	(57,358)	(58,764)	(60,170)	(61,576)	(62,982)	(64,388)	(65,794)	(67,200)	(68,606)	(70,012)	(71,418)	(72,824)	(74,230)	(75,636)	(77,042)	(78,448)	(79,854)	
Replacement Expenses Increase	21,815	22,252	22,689	23,126	23,563	24,000	24,437	24,874	25,311	25,748	26,185	26,622	27,059	27,496	27,933	28,370	28,807	29,244	29,681	30,118	
5%																					
Potential (Residential) Gross Income	1,038,228	1,059,211	1,080,221	1,101,258	1,122,322	1,143,414	1,164,534	1,185,682	1,206,858	1,228,062	1,249,294	1,270,554	1,291,842	1,313,158	1,334,502	1,355,872	1,377,268	1,398,692	1,420,142	1,441,618	
Less Vacancy and Collection Loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Plus Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Less Property and Collection Loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Effective Gross Income	(587,184)	(579,210)	(571,243)	(563,283)	(555,330)	(547,384)	(539,445)	(531,512)	(523,585)	(515,664)	(507,748)	(499,838)	(491,933)	(484,033)	(476,138)	(468,248)	(460,362)	(452,480)	(444,602)	(436,728)	
Less Annual Operating Expenses	(33,200)	(34,199)	(35,222)	(36,278)	(37,367)	(38,488)	(39,642)	(40,829)	(42,051)	(43,309)	(44,602)	(45,931)	(47,296)	(48,698)	(50,137)	(51,612)	(53,124)	(54,673)	(56,260)	(57,885)	
Less Reserve Payments (HOME OWNERSHIP)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Less Replacement Reserves	637,882	649,645	661,443	673,276	685,144	697,047	708,985	720,958	732,966	744,999	757,057	769,140	781,258	793,401	805,569	817,762	829,980	842,223	854,491	866,784	
Net Operating Income	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	
Less Annual Debt Service (ST Loan)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
HTFHF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Debt Service	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	(553,862)	
Annual Cash Flow	84,019	97,763	101,571	119,432	119,344	119,344	137,304	146,347	155,427	164,541	173,695	182,898	192,047	201,237	210,470	219,750	229,044	238,344	247,648	256,956	



ASSESSMENT DEPARTMENT

Proposed Incentive Schedule. Calculations are based off construction cost and do not account for annual fluctuations in market value or mill levies.

		Incentive %	Payments	Full Taxes Due	Benefit	Total Est Tax
IncntYr 1	2025	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 2	2026	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 3	2027	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 4	2028	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 5	2029	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 6	2030	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 7	2031	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 8	2032	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 9	2033	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 10	2034	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 11	2035	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 12	2036	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 13	2037	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 14	2038	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 15	2039	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 16	2040	100	\$0	\$369,267	\$369,267	\$9,405
IncntYr 17	2041	100	\$0	\$369,267	\$369,267	\$9,405

TOTALS

\$0

\$6,277,539

42

MEMORANDUM

TO: BOARD OF CITY COMMISSIONERS

FROM: NICOLE CRUTCHFIELD, PLANNING DIRECTOR

DATE: FEBRUARY 28, 2024

RE: GATE CITY BANK ANNOUNCES 2024 NRI PROGRAM FUNDING

At the March 4th City Commission meeting, Gate City Bank will present information about the next round of funding for the Neighborhood Revitalization Initiative Program. Details about the program and information on how residents can apply are available on the City of Fargo's website at www.FargoND.gov/nri.

Once again, the Planning Department is proud to be part of the administration of this program. We see evidence every day on the benefits it provides to our residents as households diligently maintain and improve their homes. Although construction costs and inflation continued to rise last year, we saw a significant increase in interested homeowners. In 2023, there were a total of 56 applications submitted and 25 completed projects (a map of completed project locations is attached) totaling \$1,154,468.86 in home improvements. The average NRI loan obtained was \$46,178.75.

This program remains a necessary community development tool towards implementing goals as described in the City's Core Neighborhoods Plan.

NRI Program

Locations of Participating Properties

2023





Better **Together.**

**Low rates for repairs
and improvements**

**\$10,000 - \$100,000 for
qualified projects***

**Flexible terms to
fit your budget**

At Gate City Bank, we're proud to partner with local communities to offer low-interest loans to homeowners – helping preserve the beauty of older homes across ND and MN.

Visit [GateCity.Bank/CityPrograms](https://www.gatecitybank.com/CityPrograms) to see if you qualify!

 **Gate City Bank**
For a Better Way of Life.®

701-293-2400 • 800-423-3344
45 locations in 23 communities across
North Dakota and central Minnesota

*Terms, conditions and program limitations apply. Contact your local city, or visit GateCityBank/CityPrograms for details.

Member FDIC 



March 4, 2024

To: Board of City Commissioners
Fr: Michael Redlinger, City Administrator
Re: Presentation on Proposed Board of City Commissioners Governance Policies

Background: The City Commission approved a scope of service with Dr. Jeff Schatz, Schatz & Associates, LLC, in October 2022 to develop Governance Policies for the Board of City Commissioners. Meetings with Dr. Schatz were held in late 2022 and throughout 2023 (7 meetings total) to develop the Proposed Governance Policies, a copy of which is attached for reference and discussion. At the March 4, 2024 City Commission meeting, City staff will provide a brief presentation on the Proposed Governance Policies and request City Commission input before adoption of the Governance Policies on March 18, 2024.

Additional Discussion: *Policy No. 5 – Process for Public Comment*

At the March 4, 2024 City Commission meeting, the Commission will be asked to provide direction on its final intent for *Policy No. 5 – Process for Public Comment*. Additional feedback has been received on the following topics as it relates to *Policy No. 5*:

- Whether public comments should pertain only to those items on that evening's City Commission agenda, or if general comments will be received by the City Commission. The draft version of *Policy No. 5* provides for public comment at the beginning of the City Commission meeting for topics on the agenda, and a second public comment period at the end of the meeting for topics not on the agenda.
- Whether a new, quarterly public input opportunity for City Commissioners to receive "general" public comment should be considered.
- If additional expectations for public comment should be considered for decorum (e.g. no clapping); individual presentations to the Commission (e.g. one presenter addressing the Commission at a time); and the prohibition of signs in the Chambers.
- Authority of the Mayor, as meeting chair, to limit public comment deemed to be repetitive or otherwise not topical to the agenda item being discussed.

City Commission input provided at the March 4, 2024 meeting on the Proposed Governance Policies will be incorporated into a final version of the Governance Policies and placed on the March 18, 2024 agenda for consideration and approval.

Recommended Action: There is no recommended action on the Proposed Governance Policies at the March 4, 2024 City Commission meeting. The City Commission is requested to provide input on the topics above for inclusion into the Final Governance Policies that will be considered on March 18, 2024 for approval.

Attachment: Proposed Board of City Commissioners Governance Policies



**BOARD OF CITY COMMISSIONERS -
GOVERNANCE POLICIES**

PROPOSED/DRAFT – 3/4/24

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Policy No. 1 - Organizational Structure

The Mayor and four Commissioners, collectively known as the Board of City Commissioners, shall be the governing body of the City of Fargo. The Fargo City government shall operate with the Commission form of government.

Mayor – Duties - Limitations.

The Mayor shall (1), when present, preside at all meetings of the Board of City Commissioners; (2) perform all duties prescribed by law and the ordinances of the City of Fargo; and (3) be authorized and empowered to issue proclamations, provided, that any such proclamation may be rescinded upon concurrence of at least three members of the Board of City Commissioners.

1. Serving as the elected head of the City of Fargo, the Mayor shall represent or designate a representative at City functions and at meetings, conferences and negotiations relating to policy matters with other units of government and legislative bodies. The Mayor shall represent the City in negotiations with individuals and private or public enterprises when cultural or economic improvement of the City of Fargo may be involved.
2. The Mayor shall be the executive officer of the City and shall see that all the laws of the City are enforced. The Mayor shall have the right to vote as a member of the Board but shall have no veto power.
3. The procedure for making appointments of members to all boards, Commissions and other agencies shall be established by City ordinance.
4. The Mayor shall cause to be prepared and shall present to the governing body on or before September 1st of each year, the proposed budget for the ensuing fiscal year, which starts on January 1st and ends on December 31st. The budget shall be in a form as permitted by state law. The proposed budget shall include all maintenance and operating expenses, all wages and salaries, all carryover cash reserves anticipated from the current fiscal year, and all anticipated revenues from City taxes and fees and all other sources of revenue, and all debt retirement requirements.
5. The proposed budget may establish reserves for equipment replacement and other capital improvement projects.
6. The proposed budget shall include the total anticipated revenue of all City-operated utilities, and the allotment of that revenue to the City treasury, to utility operating expenses, to debt retirement, to capital improvements and to reserves.
7. The Mayor in his budget message shall include all long-range plans, in place or anticipated, for major capital improvement and investment programs. The proposed budget shall contain a review of the economic, physical, and social conditions and needs of the City, and its long-range plans for cultural and economic development.
8. At the first meeting of the new governing body after each biennial election, the governing body shall elect one of its members as deputy mayor. The deputy mayor shall perform all the duties of the office of the Mayor in the absence or inability of the Mayor to act. If the Mayor's office becomes vacant, the Deputy Mayor shall become the acting Mayor until the vacancy is filled, as provided in this charter.

Reference - Home Rule Charter Article 2 Governing Body and Mayor Section A #5

Nominating Process for Deputy Mayor

- a. The Chair (Mayor) can make nominations for the Deputy Mayor position as may be provided in the bylaws or by the adoption of a motion.
- b. Nominations from the floor – the Chair (Mayor) must call for further nominations at the session in which the election is held. The person making the nomination shall provide no more than one name for the office or position.
- c. Once the nominations have been completed, the meeting Chair will call for a roll call vote. The individual receiving a majority of votes shall be declared the successful candidate.

Reference Roberts Rule of Order page 408.

Roles and Responsibilities - City Commissioners

1. Represents City residents at City Commission meetings.
2. Serves on the City Commission and votes on issues before the City Commission at meetings.
3. Engages with City residents to determine City needs.
4. Engage in liaison portfolios and assignments.
5. Participate in the budgeting process and represent their liaison departments.
6. Participate with liaison boards and Commissions.
7. Provide liaison reports at Commission meetings.
8. Adherence to all laws and oath of office.
9. Participate in a designated City of Fargo orientation training.
10. Engage in professional development opportunities.

Reference Code of Ordinances/Chapter 2 Board of City Commissioners—Duties. General Article 2-0101.

Policy No. 2 - Single Point of Contact

The Board of City Commissioners sole direction of the operational organization is through the City Administrator. The Board of City Commissioners outlines the powers given to the City Administrator through Operational Expectation Policies (OE's)

Policy No. 2a - Operational Expectations Policies (OE)

Operational expectations are policies that define the parameters or power given to the City Administrator to make decisions and carry out their roles and responsibilities. The operational expectations are also policies that monitor the City Administrators' performance.

- I. City Administrators Roles and Responsibilities
- II. Succession Planning and Continuity of Operations
- III. Treatment of Community Members
- IV. Personnel Administration
- V. Financial Planning and Administration
- VI. Asset Protection
- VII. Communication with the Board of Commissioners

I. City Administrators Roles and Responsibilities

The City Administrator is the head of the administrative branch of the City of Fargo and is responsible to the Board of City Commissioners for administrating the City of Fargo's affairs.

The City Administrator shall:

4-1401. - City Administrator supervises all City departments.

The City Administrator shall supervise the activities of all City departmental managers. Ensures completion of all reports and correspondence required by state and federal rules and regulations.

4-1402. - City Administrator establishes goals and objectives.

The City Administrator shall establish goals and objectives for all departments and the City to ensure compliance with City Commission policy directives and any applicable local, state, or federal laws, rules, and regulations.

4-1403. - City Administrator coordinates the budget with the Mayor.

The City Administrator coordinates the financial status of the City with departmental goals, objectives, and actual performance. The City Administrator aids in the development of the budget and recommends and monitors the budget for all departments, and monitors expenditures for various items to ensure compliance with guidelines.

4-1404. - City Administrator represents departments to Commission.

The City Administrator represents City departments to the City Commission to present the plans and accomplishments of each department and to provide recommendations regarding current plans, projects, and programs.

4-1405. - Liaison for the City.

The City Administrator shall serve as a liaison for the City with non-governmental organizations, contractors and citizens concerning City projects and policies.

Reference Code of Ordinances/Chapter 4 Officers – General Article 4-14 2002

II. Succession Planning and Continuity of Operations

To protect the City of Fargo in the event of an unexpected absence of the City Administrators services, the City Administrator shall ensure that at least one other executive staff member is familiar with the Board of City Commissioners and City Administrator issues and processes, and can assume those responsibilities on a temporary basis, should the need arise.

1. The Assistant City Administrator shall serve as the Interim City Administrator when the office of the City Administrator is vacant and unfilled or unable to serve.
2. Designation as an interim City Administrator does not guarantee promotion to the City Administrator position, however the employee would be entitled to a previous position.
3. If the City Administrator position becomes vacant, procedures for replacing the City Administrator shall be initiated and follow the guidelines outlined in the City Code of Ordinance, Chapter 7 Civil Service, Article 7-03 - Rules and Regulations, 7-302 - Recruitment.

In addition, the City Administrator shall:

1. Ensure Succession Plans are in place for all Departments.

III. Treatment of Community Members

Concerning interactions with the community, the City Administrator shall not cause or knowingly allow conditions, procedures, and actions that are unlawful, unethical, unsafe, disrespectful, disruptive or undignified.

The City Administrator shall ensure the following:

1. Protect confidential information.
2. Effectively handle concerns or complaints.
3. Maintain an organizational culture that values individual differences in opinion.
4. Protect against wrongful or illegal conditions.
5. Establish policies and procedures to ensure compliance with all federal and state laws.
6. Establish policies and procedures to protect against discrimination, bullying, hazing and harassment, which explicitly includes everyone but is not limited to the following characteristics: race, color, religion, sex, sexual orientation, national origin, age, mental or physical disability, gender expression/identity, genetic information or status concerning marriage or public assistance, or standing in any group protected by federal, state or local law.

IV. Personnel Administration

The City Administrator shall ensure a process is in place to recruit, employ and evaluate all City of Fargo employees.

1. The City Administrator recommends, as per Charter 7 – Civil Service, for appointment employees based on merit and fitness and is subject to the City of Fargo's applicable personnel policies or rules.
2. The City Administrator may remove or suspend appointed employees subject to the Civil Service Commission and all applicable personnel policies or rules.
3. The City Administrator may delegate tasks and projects to City of Fargo employees.

The City Administrator shall ensure the following:

1. Administration of clear personnel rules and procedures for employees as per the City Code of Ordinances, Chapter 7 - Civil Service and the employee handbook.
2. Effective handling of complaints and concerns.
3. Adequate job descriptions for all staff positions.
4. A process is in place to evaluate all employees' performance according to their contribution toward achieving the organization's goals and policies, and their compliance with the City of Fargo policies.
5. Protection of confidential information.
6. Ensure that compensation and benefit plans are in place to attract and retain the highest quality employees by compensating employees, within available resources, in a manner consistent with the applicable marketplace.
7. Ensure that all staff members are qualified and trained to perform their responsibilities.
8. An organizational culture that positively impacts the ability of staff to perform their jobs responsibly and allows them to work in an environment of professional support and courtesy.
9. Establish policies and procedures to protect against discrimination, bullying, hazing and harassment, which explicitly includes everyone but is not limited to the following characteristics: race, color, religion, sex, sexual orientation, national origin, age, mental or physical disability, gender expression/identity, genetic information or status concerning marriage or public assistance, or standing in any group protected by federal, state or local law.

V. Financial Planning and Administration

The City Administrator aids in the performance of the budget, and recommends and monitors the budget for all departments to ensure compliance with the guidelines. The City Administrator must keep the Board of City Commissioners updated about the ongoing performance of the budget throughout the year.

Financial Planning

1. The City Administrator shall aid in developing the budget with the Mayor and in collaboration with the City of Fargo Board of City Commissioners.
2. The City Administrator shall develop a budget that:
 - a. In a summary format is understandable to the Board of City Commissioners and presented to allow the Board to understand the relationship between the budget and the priorities of the City of Fargo.
 - b. Assures fiscal soundness in future years.

Financial Administration

The City Administrator shall delegate the authority to the Finance Director and ensure the following:

1. Ongoing performance of the budget throughout the year.
2. Not cause or allow any financial activity or condition that deviates from the budget the Board of City Commissioners adopted.
3. Contracts, bonds, instruments and documents to which the City of Fargo is a party are reviewed annually.
4. Ensure that payroll and legitimate debts are paid promptly when due.
5. Ensure that all purchases are based upon the purchasing policies of the City and
 - a. reasonable precaution against conflict of interest.
 - b. comparative prices based on items of similar quality.
 - c. a balance between long-term quality and cost.
6. Coordinate with the City of Fargo's appointed financial auditor for an annual audit of all funds and accounts.
7. Keep complete and accurate financial records by funds and accounts following Generally Accepted Accounting Principles.
8. Maintain compliance of the City of Fargo's Purchasing Policy.

VI. Asset Protection

The City Administrator shall not allow assets to be unprotected, inadequately maintained, inappropriately used or unnecessarily risked.

The City Administrator shall ensure the following:

1. Obtain insurance coverage complying with the City of Fargo policies.
2. Take reasonable steps to ensure that the facilities and equipment are sufficiently maintained.
3. Ensure that actions do not knowingly, recklessly or negligently expose the organization to legal liability.
4. A process is in place to make purchases by weighing:
 - a. a reasonable precaution against conflict of interest,
 - b. comparative prices based on items of similar quality,
 - c. a balance between long-term quality and cost.
5. A process is in place to protect intellectual property.
6. A process is in place to protect information and files from loss or significant damage.
7. A process is in place to preserve and dispose of all records related to the affairs or business of the City of Fargo by all applicable state and federal laws.

VII. Communication with the Board of City Commissioners

The City Administrator shall ensure that the Board of City Commissioners are fully and adequately informed about matters relating to the City of Fargo's work and significant organizational concerns.

The City Administrator shall ensure the following:

1. Attendance at meetings of the Board of City Commissioners. The City Administrator may participate in discussions at the meetings but not vote.
2. Recommend procedures or actions necessary to efficiently administrate the City of Fargo's affairs to the Board of City Commissioners.
3. Promptly provide information about trends, facts and other information relevant to the Board of City Commissioners.
4. Inform the Board of City Commissioners of significant money transfers within funds or other changes substantially affecting the organizations financial condition.
5. The Board of City Commissioners has adequate information from various internal and external viewpoints to ensure informed Board decisions.
6. Inform the Board of City Commissioners of anticipated significant media coverage.
7. Present information in a simple and concise form, indicating clearly whether the information is incidental, intended for decision preparation or for formal monitoring.
8. Treat all Board of City Commissioners members impartially and ensure all members have equal access to information.
9. Inform the Mayor if, in the City Administrator's opinion, the Board or individual members have encroached into areas of responsibility assigned to the City Administrator or if the Board or its members are non-compliant with any Governance policies.
10. Inform the Board of City Commissioners of any actual or anticipated noncompliance with any Board Operational Expectation policy or any expected failure to achieve reasonable progress toward compliance with these policies.

Policy No. 3 - Single Unit of Control

The Board of City Commissioners will direct the City Administrator only through official decisions of the Board.

Accordingly,

1. The Board of City Commissioners will make decisions by formal, recorded vote to avoid ambiguity about whether direction has been given.
2. The City Administrator is neither obligated nor expected to follow the directions or instructions of individual Board members or committees unless the Board has specifically delegated the exercise of authority.
3. It is not unusual for citizens to ask questions of or express concerns to a Board member or members. The Board member is responsible for appropriately referring operational and personnel issues and concerns to the City Administrator. If citizens express concerns that a Commissioner's believes require a different course of action, the Commissioner has the responsibility to appropriately inform or discuss the matter with the Liaison Commissioner or Mayor.
4. If the City Administrator determines that an information request from an individual Board member or a Committee is unreasonable or requires a material amount of staff time, the City Administrator shall ask the Committee or the Board member to refer such requests to the entire Board of City Commissioners for authorization.

Policy No. 4 - Culture Policy

The Board of City Commissioners will govern lawfully, make all official decisions by a formal vote of the Board and govern with a long-term vision.

1. The Board of City Commissioners will function as a single unit. Individual members' opinions and personal strengths will be used to the Board's best advantage. The Board will make decisions as a group by a formal vote. No individual or committee will be permitted to limit the Board of City Commissioners performance or prevent the Board from fulfilling its commitments.
2. The Board of City Commissioners is responsible for its performance and commits itself to continuous improvement. The Board of City Commissioners will ensure its members receive the training and professional support necessary to govern effectively.
3. To ensure that the Board of City Commissioners business meetings are conducted with maximum effectiveness and efficiency, members will:
 - a. Come to meetings adequately prepared.
 - b. Support the Mayor's efforts to facilitate an orderly meeting.
 - c. Communicate openly and actively in conversation and dialog.
 - d. Encourage balanced participation of all members.
4. To ensure the Board of City Commissioners are prepared for each Commission meeting and conduct the meetings in an orderly fashion, the following rules will be used to develop the agenda for the meeting:

Meeting Agenda

- a. There shall be one agenda prepared for each meeting.
- b. Any City Commissioner or citizen of the City, through a Commissioner, may place an item or issue on a future agenda working with the City Administrator and Executive Assistant. The City Commissioner shall present the appropriate background material for said item. Staff is not expected to speak to this item unless directed by the Board of City Commissioners.
- c. In preparation for each Commission Meeting, the City Administrator and Executive Assistant of the Board of City Commissioners shall review and finalize the meeting agenda.
- d. All agenda items or issues to be qualified for regular consideration must be submitted in clear, articulate and definite terms and must be communicated to the City Commission office prior to 12:00 noon on the Thursday preceding the meeting.

- e. Agenda items must be accompanied by a written explanation of the item. A "suggested" motion must be typed at the end of the communication which states the action being requested of the Board. If the communication is for information purposes only, there should be a statement to that effect at the beginning of the letter.
- f. Any correspondence or other supporting material for any item on the agenda which is intended to become a part of the public record of the City must be received in the City Commission office no later than 12:00 noon on the Thursday preceding the meeting. All necessary and appropriate redactions must be accomplished before being submitted. In the event such material is not submitted to the City Commission office as stated above, such material and the related agenda item shall be stricken and placed on the agenda for the next regular meeting.
- g. Any item or issue placed on the agenda may be removed or withdrawn only by the person who placed it there prior to finalization and publication of the meeting agenda.
- h. Any items or issues which have not qualified for the Regular Agenda under the rules as stated above, or any new and timely issues which arise after preparation of the Regular Agenda may, with the consent of a majority of the City Commissioners may be added to the agenda.
- i. Ordinances shall be sponsored by the City Administrator or Department Head working with the Department Liaison Commissioner and legal counsel.
- j. The order of the agenda shall be as determined by the Executive Assistant to the Board of City Commissioners utilizing general guidelines as follows:
 - 1. Consent agenda at the beginning of the agenda. The consent agenda shall be determined by the City Administrator and Executive Assistant.
 - 2. Non-consent agenda at the end of the agenda. Non-consent items shall be determined by the City Administrator and Executive Assistant.
- k. The calling and conduct of Special Meetings shall be in accordance with the laws of the State of North Dakota.
- l. Protocols for Special Meetings shall be established in advance of the meeting by the Mayor to the extent possible.

Rules Governing Conduct of City Commission Meetings

- a. Meetings shall be conducted in accordance with the most recently revised Roberts Rules of Order, except that the principle of majority rule shall always prevail, and any such rule may be changed or suspended by a majority vote of the Board of City

Commissioners.

- b. The official meeting parliamentarian shall be the Executive Assistant to the Board of City Commissioners.
 - c. At each regular meeting, the first item of business shall be the consideration and approval of the agenda to include the addition or deletion of any item.
 - d. Each member of the Board of City Commissioners shall vote on every issue unless absent from the meeting or excused from voting. Any member wishing to be excused from voting or who does not feel qualified to vote because of a conflict of interest shall ask to be excused from voting and state the reasons; therefore, the remaining Commissioners shall, by majority vote, either to grant or deny such request to be excused. A vote must be taken to either accept or deny the conflict. If the Commissioner making such a request is excused, he or she shall be deemed to be disqualified and the abstention shall be noted but not be counted. If the request is denied and the Commissioner refuses to vote, their vote shall be deemed to be the same as the affirmative of those voting.
 - e. Any on duty Police Officer may be considered as a sergeant at arms for Commission meetings and may be summoned to maintain order by any member of the Board of City Commissioners at any time.
5. By majority vote, the Board of City Commissioners may revise or amend its policies at any time. A formal request to revise or amend a Governance Policy (formal resolution of policies) shall be made by a City Commissioner and approved for review through a formal vote of the Commission. If the review is approved, the City Administrator and Executive Assistant will review and bring back to the Commission a proposal for revision to a policy. A proposed policy revision will be discussed at least one session of the Board before being approved at a Board meeting.

Policy No. 5 - Process for Public Comment

Board meetings are business meetings held in public - not public forums. Guidelines have been established so that public input is orderly and productive and so that special interest groups are not allowed to dominate the proceedings of the Board of City Commissioners.

1. Residents or Fargo business owners who wish to address the Board of City Commissioners may do so for topics on the agenda at the start of the meeting.
2. Public hearings during the meeting will occur when legally required.
3. Public comment will occur at the end of the meeting on topics that are not on the agenda.
4. Sign-up can be done online or by contacting the City Commission office ([The City of Fargo - Public Comment Signup \(fargond.gov\)](#)) **by noon** on the day of a regularly scheduled meeting.
5. At the beginning of the public comment period, the Mayor will state the number of speakers and the time to be allotted. No more than 12 individuals will be allowed to sign up per meeting.
6. Only those who signed up online or contacted the City Commission offices before the meeting will be permitted to address the Board.
7. Speakers will not be allowed to verbally attack individual Board of City Commissioners members, or employees, or use vulgar or profane language.
8. Speakers unwilling to abide by these policies and conform to the rules or time constraints regarding public participation at Board of City Commissioners meetings may be removed from the meeting.
9. Generally, speakers will be given two and half minutes each. If speakers cannot be heard within the allotted timeframe identified the Mayor may consider setting up a separate meeting for hearing testimony on public interest issues.
10. Groups will be urged to designate a spokesperson. When there is a large number of speakers to be heard or if the pressure of business or other circumstances dictates, the Mayor may decide to shorten the length of time allowed to each speaker and limit the total time devoted to public comment.
11. Speakers may not "donate" their speaking time to another person.
12. Citizen input should not subrogate the regular business of the Board.

Once the speakers have been heard or the time has expired, the Mayor will proceed with the agenda. Generally, the Board of City Commissioners will not act on items not included on the agenda. If items are brought to the Board of City Commissioners' attention during the citizen comment portion of the

meeting, which merits further study, follow-up or a written response, Board of City Commissioner members, may request such action by the City Administer and/or a committee of the Board of City Commissioners.

Guidelines to be read by the Mayor before recognition of the audience

At this time, the Commissioner's will hear comments from the public. We ask each speaker who has signed up to address the Board of City Commissioners to state their name and address for the record.

Speakers must refrain from using this forum to criticize or complain about a specific employee or Commissioner. Vulgar or profane language will not be tolerated. The Board of City Commissioners is interested in your comments and will listen carefully but is not obligated to respond to or debate issues in this forum.

Should you desire a written response to a specific question, you may request it. This evening each speaker will be allotted a maximum of 2 ½ minutes for 30 minutes maximum per meeting. A timer will be used and at the end of the allotted time a buzzer will sound.

Policy No. 6 - Code of Ethics/Conflict of Interest

The purpose of a Code of Ethics/Conflict of Interest policy is to ensure that the Board of City Commissioners adhere to and promote proper ethical standards, abide by the law and preserve the organization's integrity, reputation and professional and business relationships.

Before taking any action or casting a vote regarding a matter before the Board, which would constitute a conflict of interest under North Dakota law:

44-04-22. Conflict of interest law. A person acting in a legislative or quasi-legislative or judicial or quasi-judicial capacity for a political subdivision of the state who has a direct and substantial personal or pecuniary interest in a matter before that board, council, commission, or other body, must disclose the fact to the body of which that person is a member, and may not participate in or vote on that particular matter without the consent of a majority of the rest of the body.

Conflict of Interest

Recognizing it is not possible to address all ways in which ethical issues may arise, the following principles are intended to guide making sound judgments and decisions on behalf of the Board of City Commissioners and its purpose.

Pledge of Personal and Professional Conduct

- **Integrity** -- I will demonstrate the highest standards of individual conduct, personal accountability, trustworthiness, fair dealings, consideration of the rights of others, and the highest principles of good business relationships.
- **Excellence** -- I will strive to meet the highest performance, quality, service and achievement standards.
- **Honesty** -- I will communicate directly, respectfully, honestly and openly, and avoid misrepresentation, including misrepresentation through omission.
- **Diversity** -- I will support and value diversity -- promoting an environment that embraces all people's similarities and differences to the organization.
- **Respect** -- I will respect and act fairly toward all those I encounter and refuse to engage in or tolerate any form of discrimination or harassment.
- **Responsibility** -- I will take responsibility for my actions and decisions, and remain a careful steward of funds and resources.
- **Compliance** -- I will comply with the Board of City Commissioner's Code of Ethics and all laws and regulations.

The Board of City Commissioners commits itself and its members to ethical business and lawful conduct, including proper use of authority and appropriate decorum when acting as a Board member.

Accordingly,

1. All officers of the City, whether elected or appointed, before entering upon the duties of their respective offices shall take and subscribe to the Oath of Office prescribed in Section 4 of Article XI of the Constitution of the State of North Dakota. Such oath shall be filed in the Office of the

City Auditor, provided that the Oath of the City Auditor and the City Treasurer shall be filed in the office of the County Auditor.

2. Commission members will represent the interests of the citizens of the entire City of Fargo, and this accountability will supersede the following:
 - Any conflicting loyalty a member may have to other groups.
 - Loyalty is based upon membership to other boards or staff.
 - Conflicts are based on personal relations with different employers or boards.
3. Commission members who are a liaison to a department is responsible for working with the department head on budgets and issues in their department.
4. Commissioners will show respect to the Department Liaison Commissioner when asking for information or ideas in the different departments. The liaison Commissioner shall accommodate the request or meeting.
5. If there is a disagreement between a Commissioner and a Department Liaison Commissioner they can appeal to the City Administrator to resolve the issue. If a disagreement happens to be with the Mayor, then the Deputy Mayor would resolve the issue.
6. Commission members will maintain confidentiality appropriate to sensitive issues and information. They will review the open meeting laws annually and note that information that is discussed in Executive Session is confidential.
7. Commission members will not express individual negative comments about City staff or employees in a public meeting. They will be expected to discuss such issues with the City Administrator.
8. Dialogue at Commission meetings shall be respectful and courteous.
9. When interacting with the public or a legislative body, a Commissioner must make it clear whether they represent the City of Fargo or for a personal purpose.



Code of Ethics and Conflict of Interest Certificate

I acknowledge that I have received and read my copy of the Board of City Commissioners Code of Ethics and Conflict of Interest policies for Board Members. I understand that I am responsible for adhering to the Code of Ethics principles, and I confirm that I will conduct myself in accordance with the Code of Ethics principles.

Please sign and date this Code of Ethics and Conflict of Interest certificate and return it to the Executive Assistant to the Board of City Commissioners.

_____ Neither I nor, to the best of my knowledge, any member of my family has had or has an interest or taken any action which would contravene the policy of this Board.

_____ Neither I, nor to the best of my knowledge, any member of my family has had or has an interest or taken any action which would contravene the policy of this Board, **except** such interest or action fully disclosed below:

_____ I am in compliance with the Code of Ethics and Conflict of Interest policies.

Printed Name

Signature

Date

References -

ND League of Cities – City Government Basics: Open records, Open meetings and Conflict of Interest
www.ndlc.org

NDCC: 44-04-19. Access to public meetings.

NDCC: 44-04-20. Notice of public meetings required.

NDCC: 44-04-22. Conflict of interest law.

NDCC: 44-01-05. Oath of civil officers.

Attorney General Opinion 95-06 Conflict of Interest – Duty to Vote

Attorney General Opinion 2002- L-54, 2008-L-07, Conflict of Interest

Policy No. 7 - Commissioners Addressing Board Member Violations

The Board of City Commissioners is committed to faithful compliance with the provisions of the Board's policies. A Board member will inform the City Administrator or Mayor if, in the Board member's opinion, the Board or individual members are not in compliance with the Board's policies. If the Mayor is the member whom the Board member feels is not acting in compliance with policy, the Board member will inform the Deputy Mayor. In the event of a member's willful and continuing violation of policy, the Board will seek a remedy in the following order:

1. Conversation privately between the offending member, the City Administrator and the Mayor.
2. Discussion in a public meeting between the offending member and the entire Board.
3. Public Censure of the offending member of the Board.
4. Removal from an officer role on any Boards, Committees and Commissions shall happen by a majority vote of the Board of City Commissioners.

Policy Monitoring Form (Template)
(Name of Policy being Monitored)

Summary of Compliance Status
(Date)

City Administrator Certification

With respect to (Name of Policy) taken as a whole, the City Administrator certifies that the proceeding information is accurate and complete:

- In Compliance
- In compliance with Exception (as noted in the evidence)
- Not in Compliance

Summary Statement by City Administrator

Signed: _____ Date _____

Board of City Commissioners Recommendation for Compliance

With respect to (Name of Policy), the Board:

- Accepts the report as fully compliant.
- Accepts the report as compliant with noted exceptions.
- Finds the City Administrator to be non-compliant.

Summary statement/motion of the Board

Signed: _____ Date _____