

Planning & Development

225 4th Street North Fargo, ND 58102 Office: 701.241.1474 | Fax: 701.241.1526 Email: planning@FargoND.gov www.FargoND.gov

RENAISANCE ZONE AUTHORITY Wednesday, November 27, 2024 | 8:00 AM City Commission Chambers AGENDA

- 1. Approval of Minutes: October 23, 2024
- 2. Review application from Coneflower Farmhouse, LLC (rehabilitation) located at 13 & 15 8th Street South
- 3. 2025 Meeting Calendar
- 4. Adjourn Next Meeting: December 18, 2024

Renaissance Zone Authority meetings are broadcast live on cable channel TV Fargo 56 and can be seen live at www.FargoND.gov/streaming. They are rebroadcast each Friday at 3:00 p.m. Minutes are available on the City of Fargo Web site at www.FargoND.gov/renaissancezoneauthority.

People with disabilities who plan to attend the meeting and need special accommodations should contact the Planning Office at 701.241.1474. Please contact us at least 48 hours before the meeting to give our staff adequate time to make arrangements.

RENAISSANCE ZONE AUTHORITY MINUTES

Regular Meeting:

Wednesday, October 23, 2024

The Regular Meeting of the Renaissance Zone Authority of the City of Fargo, North Dakota, was held in the Commission Chambers at City Hall at 8:00 a.m., Wednesday, October 23, 2024.

The Renaissance Zone Authority members present or absent were as follows:

Present: Deb Mathern, Reid Middaugh, Brian Larson, Prakash Mathew, Chad

Peterson, Dr. Dean Bresciani, Commissioner Dave Piepkorn, Mayor Tim

Mahoney

Absent: None

Chair Mathern called the meeting to order.

Item 1: Minutes: Workshop of August 28, 2024 and Special Meeting of September 11, 2024

Member Mathew moved the minutes of the August 28, 2024 and September 11, 2024 Renaissance Zone Authority meetings be approved. Second by Member Bresciani. All Members present voted aye and the motion was declared carried.

Item 2: Review of the 2024 Renaissance Zone Development Plan

Director of Planning and Development Nicole Crutchfield and Planning Coordinator Maegin Elshaug provided a review of the proposed 2024 Renaissance Zone Development Plan, sharing minor updates including the addition of two new blocks. They noted a boundary wide letter was sent to property owners, and an Open House community input meeting was held on September 24, 2024.

Discussion was held on newly adopted Growth Plan and the future Land Development Code re-write, how future changes could be submitted for the Renaissance Zone Development Plan, and the next steps for the Plan to be reviewed by the City Commission, Fargo School Board and Cass County.

Further discussion was held on changes to project scoring and application processing to be updated in the future, the plan submittal deadline to the State, and the 5-year and 8-year exemptions options for the Renaissance Zone.

Member Bresciani moved to recommend approval of the 2024 Renaissance Zone Development Plan to the City Commission. Second by Member Peterson. On call of the roll Members Piepkorn, Middaugh, Mathew, Larson, Peterson, Mahoney, Bresciani, and Mathern voted aye. The motion was declared carried.

Item 3: Other Business
No other business was presented.

Item 4: Adjourn – Next Meeting: November 27, 2024

The time at adjournment was 8:14 a.m.

Staff Report Renaissance Zone Application for Coneflower Farmhouse, LLC (367-F) 13 & 15 8th St South

Project Evaluation:

The City of Fargo received a Renaissance Zone application from Coneflower Farmhouse, LLC for a commercial rehabilitation project at 13 & 15 8 Street South. Pursuant to the application, the intent of the project is to rehabilitate the existing building by renovating the interior commercial space, including new HVAC, electrical and plumbing, and other efficiencies for business operations. Depending on findings and cost, the project may also include replacement of second story windows (rental apartments). In discussions with the applicant, potential improvements to the façade also may occur as part of the project, with work that would be more in line with original historical nature of the building (1910). This scope and cost of this work isn't known yet, however, the applicant would like to include approval of the façade work with the project so that it can be part of the RZ project, if it is feasible. The applicant will provide more information at the meeting and a photo of the original structure is attached to the packet. The building is two stories in height and approximately 7,318 square feet (excluding basement).

The current business, Nichole's Fine Pastry and Café, will remain in the commercial space.

Note that the plans show an addition in the back of the building, which the applicant states is cost prohibitive and is not included in the application or the investment value.

Also note that the application indicates the intent to apply for Historic Preservation Tax Credits in conjunction with this Renaissance Zone application. After further investigation, the applicant has determined they will not proceed in seeking those credits.

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

- 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 building is mixed use, with commercial on the main level and five rental apartments above. Windows in the apartments may be replaced, but are not included in the scope of work or investment at this time.
 - b. *Prosper as a Business Center:* Increase the number and types of jobs Downtown.

 The applicant states that over the years of the commercial business (beginning in 2003), the staff has grown from 1 to over 30 employees, and that the project will allow for longer hours and more catering opportunities and increase the need for more employment opportunities. The application notes that the business is anticipated to increase by 10 staff (3 full time and 7 part time).
 - 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.

Per the application, the commercial business is a destination for lunch, pastries, and beverages, drawing a range of clients, and the remodel with provide more efficiencies for greater output of goods and services.

- 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 in housing, public amenities, or needs for specific populations, such as those experiencing homelessness. See application for more information.
- e. *Complete our Streets:* Make complete streets common place and encourage trips by foot, bicycle, and bus, as well as car.
 - The application notes that the remodel with encourage foot traffic from all areas of Downtown. Five MATBus routes travel along 10 Street South and NP Avenue North, both within 2 blocks of the subject property.
- f. Park Smart: Manage parking resources to meet the needs of drivers, while also making room for new development and activity.
 - There is parking behind the building and in front along 8th Street South. The project does not change current parking.
- 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 retention. The business provides seasonal outdoor seating with planters and plantings.

(13/20 points)

2. <u>Investment Thresholds:</u> 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 is 7,318 square feet:

Overall, the application estimates a total capital investment of \$727,000. This equates to roughly a \$99 investment per square foot on the commercial space.

(10/10 points)

- 3. <u>High Priority Land Use:</u> 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 existing business is considered primary sector business.

- b. Active Commercial, Specialty Retail or Destination Commercial:
 - The existing business can be considered specialty retail or destination commercial.
- c. Mixed Use Development:

The building is mixed use.

(12/20 points)

- 4. <u>Targeted Areas:</u> 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 building was built in 1910. No changes in the residential or commercial business are anticipated.
 - Parcels specifically targeted for clearance:
 The RZ Plan identifies Block 20 for: Preservation, with opportunities to increase housing on upper floors of existing buildings.

(7/10 points)

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

The building was constructed in 1910. The project primarily provides internal updates, including HVAC, electrical and plumbing and efficiencies for business operations. The application notes potential for new windows in the apartments. The applicant would also like to make improvements to the exterior façade, potentially as part of the project, however, it is depended on cost. If changes are made, the applicant has stated they would be in line with the original building. 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.

(6/10 points)

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

As proposed, the redevelopment project and improvement costs significantly exceed both the 50% (true and full value of the building) and \$40 per square foot requirement for commercial rehabilitation. The application represents a total estimated capital investment of \$727,000 with a current building valuation of \$1,236,900, which exceeds 50%. The capital investment is approximately \$99 per square foot, which exceeds the \$40 per square foot.

(10/10 points)

7. <u>Business Relocation:</u> 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 existing business intends to remain at the location.

(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. The building was built in 1910 and may include new windows on the second floor and improvements to the exterior facade.

(6/10 points)

Summary:

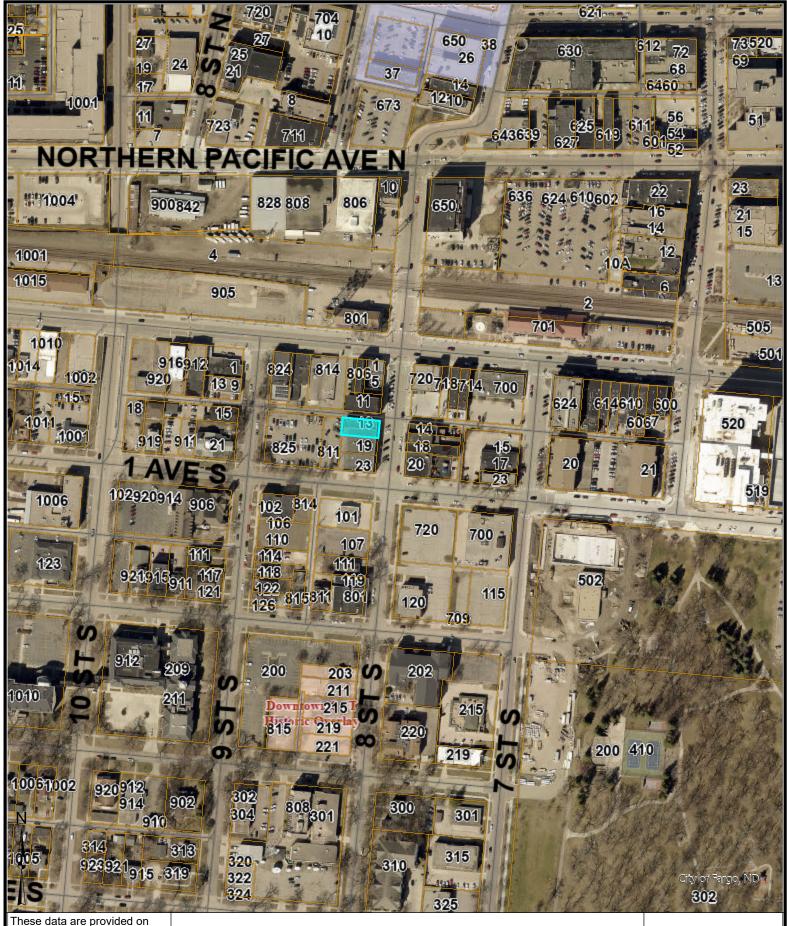
This application received a score of 74 on a 100-point scale. The proposed project surpasses the local capital improvement requirement of \$40 per square foot requirement for commercial rehabilitation. The amount invested in the project exceeds state and local guidelines.

Staff is recommending approval to the Fargo City Commission and believes this project is a benefit to the downtown community will positively contribute to the health of surrounding neighborhood and nearby businesses. Staff is also recommending and welcoming the Renaissance Zone Authority to have discussion or consideration of the following questions:

Suggested motion:

Recommend approval to the Fargo City Commission to approve the application submitted by Coneflower Farmhouse, 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.

Criter	ria:	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: 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) 	12	20
4	 The investment is located in a 'Target Area' as defined by the RZ Plan: Parcels that have been vacant or underutilized for an extended period of time Parcels specifically targeted for clearance 	7	10
5	Is the project representative of strong urban design principles?	6	10
6	 Consideration and analysis as to the total actual investment in the project: 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: • 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. Will the project fit contextually and will the project contribute or enhance	10	10
	the area from an architectural perspective?		
Total R	ating (100 possible points)	74	100



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.

13 & 15 8 St S

11/21/2024 10:58 AM 1:4,514





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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):			
New Construction	Commercial Lease		
☐ Purchase with Major Improvements ✓ F	Rehabilitation: 🗹 Commercial 🗹 Residential		
☐ Primary Residential Purchase ☐ E	Block Addition		
Property Owner Information	Contact Person Information (if different than owner)		
Name (printed):Nichole Hensen (ConeFlower Farmhous	Name (printed):Nichole Hensen		
Name (printed):	Address: 1012 8th St S; Fargo, ND 58103		
Address: 13 8th St S; Fargo, ND 58103			
Parcel Information			
Address:13 8th St S; Fargo, ND 58103			
Unit Number:			
Renaissance Zone Block Number: 48			
Legal Description (attach separate sheet if more space is	Legal Description (attach separate sheet if more space is needed): See Attachment A		
See Attachment A			
Parcel Number:01-2240-01221-000			
Is this property listed on or a contributing structure to the N	ational Register of Historic Places? Yes V No		
Do you intend to apply for a Historic Preservation Tax Credit in conjunction with this project? Yes			
Project Information			
Total Project Cost: (Qualified Capital Improvements) \$727,000			
Current Use of Property: retail bakery & cafe (Nichole's Fine Pastry & Cafe) and rental property			
Anticipated Use Upon Completion: same as above			
Expected Date of Purchase: already own Expected Date of Occupancy: January, 31, 2025			
Estimated Property Tax Benefit: \$193,879	Estimated State Income Tax Benefit: \$10,268		
Current Employees: 7 FT (and 23 PT) Anticipated Employees: 10 FT (and 30 PT) (Full-time equivalent)			

Scope of Work			
to better serve the are include an updated H\ much like customers tkitchen and a dumbwa	ea and make life easier/ VAC system, a combine use to walk from the non aiter. Electrical and plur	more efficient for my ed dish washing area rth space to the south nbing would be upgra	building. This work would allow us team. The renovation would (this entails opening up the walls a space), an updated savory aded. Potentially new windows for per and finish towards end of
Additional Project Infor	mation		
New Construction/Rehab	ilitation/Purchase with Impro	•	
Current Building Value: (Taxable Improvement Value)\$	51,236,900	Estimated Building Valu (Taxable Improvement Value)	e Upon Completion: \$2,750,000
Building Area Upon 7048 and #		Number of Stories	
Completion (SF):	Completion (SF): ^{7318 SQ π} Upon Completion: two stories		
Commercial Lease Only			
Lease Area Upon Comple	etion (SF): 7318 sq ft		
Type of Business: retail	bakery & cafe (Nichole's Fil	ne Pastry & Cafe) and rer	ntal property
☐ New business moving to the Renaissance Zone	Expanding Business moving to the Renaissance Zone	Existing Business Expanding within the Renaissance Zone	☐ Continuation of a lease moving from one Renaissance Zone Project to another Renaissance Zone Project
Residential Purchase On	ly		
Will this be your primary p	lace of Residency?: No		
hands and the second se			
Acknowledgement – We preparation of this submi	e hereby acknowledge that that that and that the forgoing info	we have familiarized ours ormation is true and com	elves with the rules and regulations to the blete to the best of our knowledge.
Owner (Signature):	William Denser) Dai	re: 10/31/2024
Joint Owner (Signature):		Dat	e:
Representative (Signature): Date:			

ATTACHMENT A

GROW AS NEIGHBORHOOD

13 8th St S contains five rental units. Rental rates are under \$850/ month with paid utilities. The rental units provide affordable housing near bus stations and within walking distance from banking, universities, retail shopping, civic center, library, post office, courthouse, and city offices.

PROSPER AS A BUSINESS CENTER

The continual growth of Nichole's Fine Pastry & Café from 2003 with a volume of \$200,000 to 2023 volume of \$1.3 million also requires more staffing, including pastry professionals, externs, counter staff, management staff, and support staff. The staff has grown from 1 person to 30+ employees. The remodel will allow us to open longer hours and do more catering events and will also increase the need for more employment opportunities.

THRIVE AS A DESTINATION

Nichole's is already a destination for lunch, pastries, and beverages with clientele from 6-96 years of age. The remodel will provide a more efficient working environment, with a greater output of goods and services. 13 8th St S is also a historical building that provides charm and a comfortable establishment for breakfast, lunch, or a 3-hour visit with a friend. Diner's Drive Ins and Dives featured the business. The James Beard Foundation nominated Nichole's Fine Pastry

BE A MODEL FOR INCLUSIVE GROWTH AND DEVELOPMENT

Nichole's Fine Pastry and Café is a proponent of hiring varied ethnic, cultural, & age groups. The age range of the present employees is 18 to 68. Nichole's Fine Pastry and Café supports FM Volunteers for Ukraine. There are presently three Ukrainian men employed at the shop. With the use of "the translate app," these young men and our staff have worked through language and cultural barriers.

COMPLETE OUR STREETS

Nichole's Fine Pastry & Café's proposed renovation will increase the value of all the buildings on this block of 8th Street creating a "Complete Our Streets" upgrade for existing building owners. The renovation will encourage foot traffic from all areas of Downtown Fargo including banking, universities, retail shopping, multi-family housing, hotels, the Civic Center, library, and bus station.

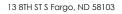
PARK SMART

Nichole's Fine Pastry & Café has a paid parking lot directly behind (or west) of the shop. Diagonal parking is available in the front of the building and along the side streets. Presently, there is available parking in the vacant lot of Sanford Neuropsychology.

PLAY WITH PURPOSE

This project does not provide a system of connected all-season green spaces. Nichole's Fine Pastry & Café does not connect to any stormwater infrastructure as City owned alley prevents any storm sewer drainage. We provide outdoor seating with planters, plants, and umbrellas during the summer months.

NICHOLE'S FINE PASTRY REMODEL





RENDERINGS FOR REFERENCE ONLY



SITE INFORMATION

LEGAL DESCRIPTION: *1/4/10 #10-014 COMB/FR 01-2240-01220-000 & 01-2240-01230-000



VICINITY MAP (NOT TO SCALE)



PROJECT DIRECTORY OWNER: ARCHITECT:

Nichole Hensen 13 8TH ST S Forgo, ND 58103 Craftwell Architecture + Construction 2534 S University Dr. #3 Fargo, ND 58103

Contact: Jared Pederser

PROJECT GENERAL NOTES

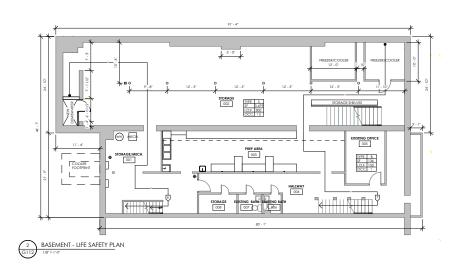
INDEX OF DRAWING

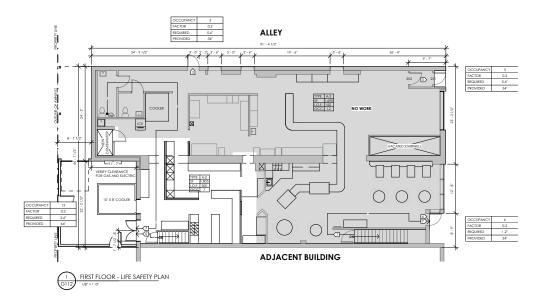
SE	
~	REVISED SHEETS 8.2.24

PROJECT PHASE PROJECT PHASE DATE 08.16.23 рвојест 22003

NICHOLE'S FINE PASTRY REMODEL 13 BH STS. FRGO. ND 58102

TITLE SHEET G101





	TRAVEL DISTANCES
TRAVEL PATH ID	TOTAL TRAVEL DISTANCE
	137 - 27/8"
2	94 - 11 21/32
3	74' - 231/32'



NICHOLE HENSEN
NICHOLE'S FINE PASTRY REMODEL
13814 STS. FARCO. ND 58102

PROJECT PHASE PROJECT PHASE

DATE PROJECT 08.16.23 22003

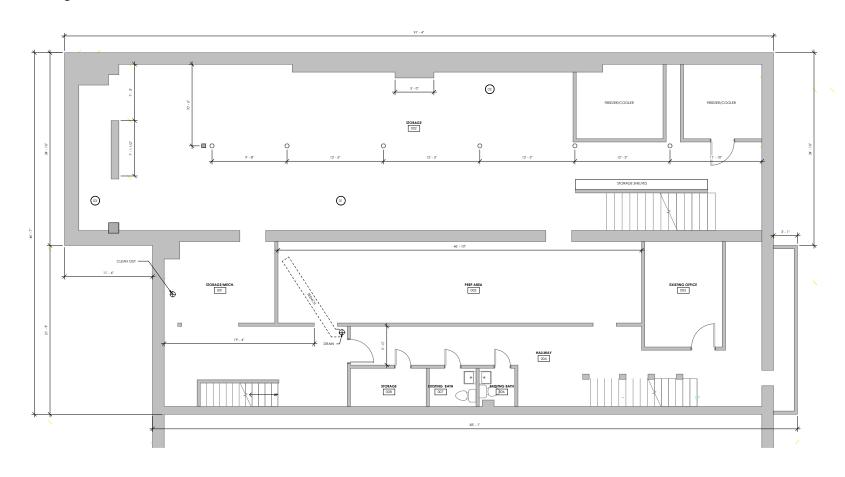
LIFE SAFETY SUMMARY G112

	FLOOR PLAN KEYNOTES
NO.	DESCRIPTION
01	VERIFY FLOOR HEIGHTS
02	MATCH FLOOR TILE
03	VINYL WALL TILE
34	VINYL WALL TILE



DEMOLITION NOTES:

- OI CLEAN UP ALL EXISTING NO-FUNCTIONING ELECTRICAL/HVAC/PLUMBING IN CEILING.
- CUT AND REPOUR PLATCH EVISTING CONCRETE BLOOM
- 03 VERIFY THE WORK REQUIRED ON THE EXISTING OPENING TO ACCOMODATE NEW DUMBWAITER.





NO. DESCRIPTION DATE

NOT FOR CONSTRUCTION

NICHOLE HENSEN
NICHOLE'S FINE PASTRY REMODEL
13814 STS. FROCO. ND 58102

PROJECT PHASE PROJECT PHASE

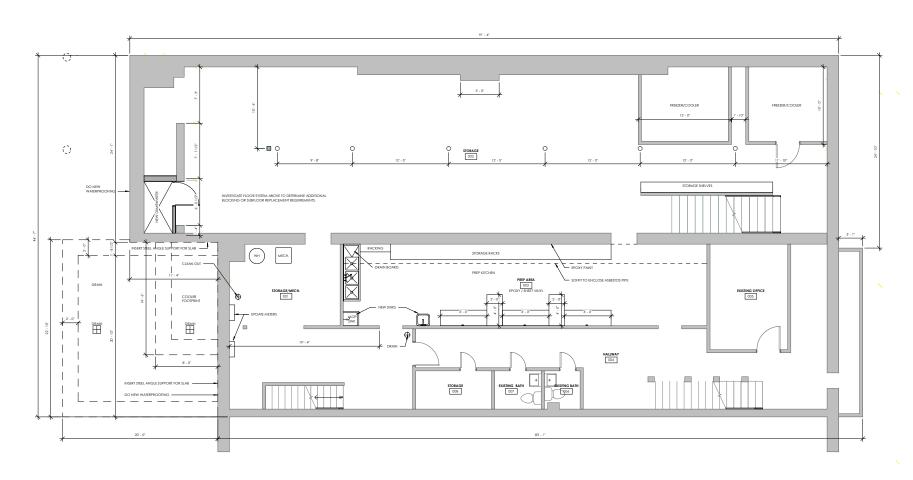
DATE PROJECT 08.16.23 22003

BASEMENT EXISTING & DEMO

A200

	FLOOR PLAN KEYNOTES	
NO.	DESCRIPTION	
01	VERIFY FLOOR HEIGHTS	
02	MATCH FLOOR TILE	
03	VINYL WALL TILE	





NOT FOR CONSTRUCTION

NICHOLE HENSEN
NICHOLE'S FINE PASTRY REMODEL
13814 ST. 5. FARCO. ND 58102

PROJECT PHASE PROJECT PHASE

DATE PROJECT 08.16.23 22003

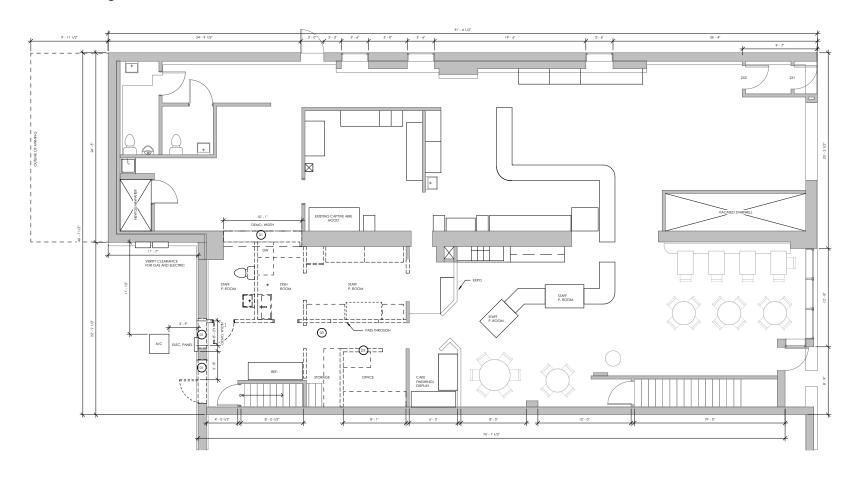
BASEMENT - NEW LAYOUT

	FLOOR PLAN KEYNOTES
NO.	DESCRIPTION
01	VERFY FLOOR HEIGHTS
02	MATCH FLOOR TILE
03	VINYL WALL TILE



DEMOLITION NOTES:

- OI CUT OPENING EXISTING MASONRY WALL AND DISPOSE OF WASTE, INSTALL APPROPRIATE LINTELS.
- 02 DEMOLISH STUD WALLS
- 03 DEMO ACT CEILING WHERE REQUIRED



MAIN LEVEL - EXISTING

NO. DESCRIPTION DATE

NOT FOR CONSTRUCTION

NICHOLEHBUSH
NICHOLE'S FINE PASTRY REMODEL
13814 51.5. FARCO. ND 58102

PROJECT PHASE PROJECT PHASE

DATE PROJECT 08.02.24 22003

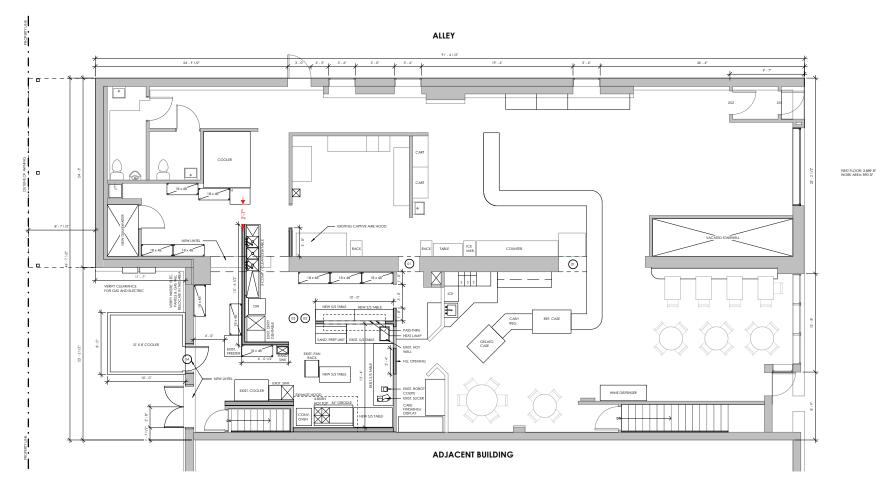
MAIN LEVEL -EXISTING & DEMO A 202

FLOOR PLAN NOTES:

- 01) VERIFY FLOOR HEIGHTS COORDINATE RAMP IF NEEDE
- 02 PATCH IN TILE TO MATCH EXISTING 6X6 GRAY TILE
- 03 NON-POROUS VINYL WALL TILE IN KITCHEN ARE
- 04 DOOR LOCATION & SWING DEPENDENT ON COOLER SELECTION







NOT FOR ONSTRUCTION

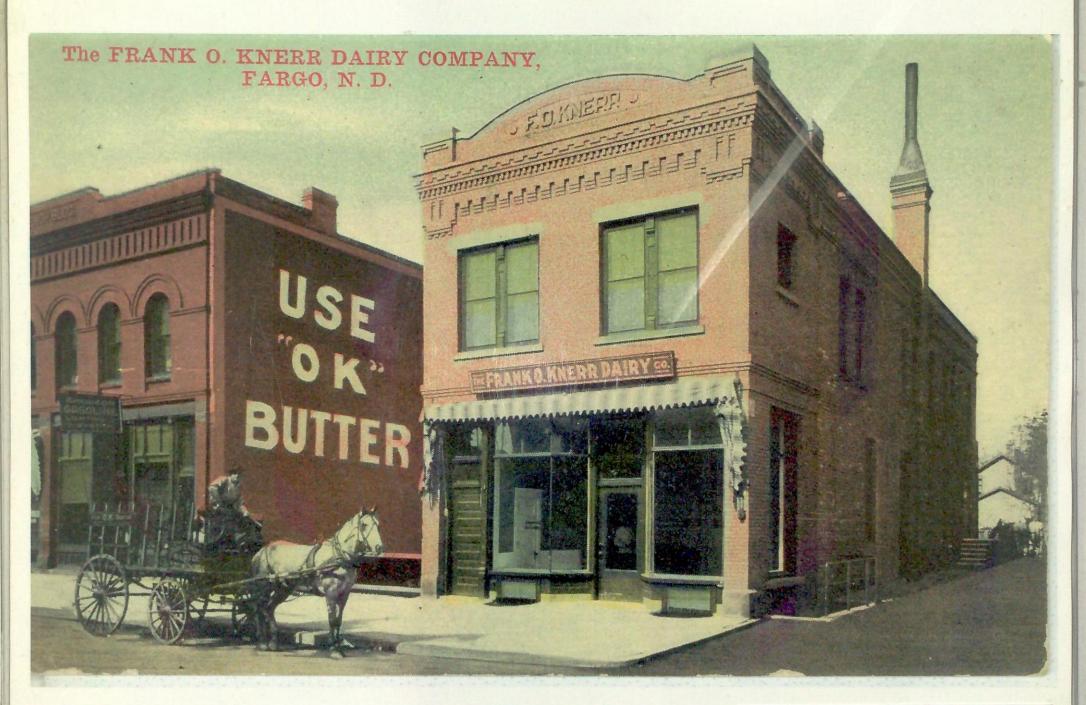
CONSTRUCT

NICHOLE HENSEN
NICHOLE'S FINE PASTRY REMODEL
13814 STS. FARCO. ND 58102

PROJECT PHASE PROJECT PHASE

DATE PROJECT 08.02.24 22003

MAIN LEVEL - NEW LAYOUT A203



Micholes

MEMORANDUM

TO: ALL DEPARTMENTS

FROM: ALBERT GIBSON, PLANNING AND DEVELOPMENT DEPARTMENT

DATE: OCTOBER 21, 2024

SUBJECT: 2025 RENAISSANCE ZONE AUTHORITY MEETING SCHEDULE

Listed below are the Renaissance Zone Authority meeting dates for the calendar year 2025.

2025 Meeting Schedule

Renaissance Zone Authority Meetings
January 22
February 26
March 26
April 23
May 28
June 25
July 23
August 27
September 24
October 22
November 26
* December 17
* Date change due to the Christmas Holiday.
Renaissance Zone Authority meetings will be held the 4th Wednesday of each month at 8:00 a.m. in the Commission Chambers at City Hall.