

**MEMORANDUM**

**DATE:** February 14, 2020  
**TO:** Community Development Committee  
**FROM:** Nicole Crutchfield, Planning Director *NC*  
Tia Braseth, Community Development Planning Coordinator *TB*  
**RE:** Community Development Committee Meeting on February 18, 2020

The next meeting of the Community Development Committee is Tuesday, February 18, 2020 at 2:30 p.m., in the Commission Chambers at Fargo City Hall. If you are not able to attend, please contact the office at 701.241.1474. Thank you.

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**COMMUNITY DEVELOPMENT COMMITTEE**  
**Tuesday, February 18 – 2:30 p.m.**  
**Commission Chambers**  
**AGENDA**

1. Welcome & Introductions
2. Approve or Amend Agenda.....Action Item
3. Approve Minutes – December, 2019.....Action Item
4. Public Comment
5. Homelessness Prevention & Diversion: Community Planning Sessions  
(Thomas Hill)
6. Downtown Redevelopment: Proposed Boundary Expansion for Projects  
Seeking Incentives (Commissioner Strand)
7. Announcements
8. Staff Report – Updates (See attached Memo)
9. Other business
10. Adjourn

Community Development Committee meetings are broadcast live on cable channel TV Fargo 56 and can be seen live by video stream on [www.FargoND.gov/streaming](http://www.FargoND.gov/streaming). They are rebroadcast each Monday at 10:30 a.m. and Thursday at 2:30 p.m. Meeting minutes are available at [www.FargoND.gov/communitydevelopmentcommittee](http://www.FargoND.gov/communitydevelopmentcommittee).

People with disabilities who plan to attend the meeting and need special accommodations should contact the Planning Department at 701.241.1474 or TDD at 701.241.8258. Please contact us at least 48 hours before the meeting to give our staff adequate time to make arrangements.

**COMMUNITY DEVELOPMENT COMMITTEE  
MINUTES**

**Regular Meeting:**

**Tuesday, December 17, 2019**

The Regular Meeting of the Community Development Committee of the City of Fargo, North Dakota, was held in the Commission Chambers at City Hall at 2:30 p.m., Tuesday, December 17, 2019.

The Community Development Committee Members present or absent were as follows:

Present: Jim Johnson, Linda Klebe, John Gunkelman, Samantha McDonald, Ken Enockson, Thomas Hill (United Way)

Absent: Commissioner John Strand, Mayor Tim Mahoney, Michael Redlinger, Chelsea Diedrich (HBA FM), Matthew Pike, Melissa Rademacher (DCP)

**Item 1. Welcome**

Acting Chair Gunkelman welcomed Members to the meeting and introductions were made.

**Item 2. Approval of Agenda**

McDonald moved to approve the Order of Agenda as presented. Second by Hill. All Members present voted aye and the motion was declared carried.

**Item 3. Approval of Minutes: Regular Meeting of October 15, 2019**

Member McDonald moved the minutes of the October 15, 2019 Community Development Committee meeting be approved. Second by Klebe. All Members present voted aye and the motion was declared carried.

**Item 4. Public Comment**

No public comment was provided.

**Item 5. Announcements & Interests**

**a. Presentation by Cultural Liaison Officer Vince Kempf (on Community Engagement Team – Cultural Liaison & Community Trust)**

Cultural Liaison Officer Vince Kempf, Fargo Police Department, gave a presentation on the Community Engagement Team and the work they do in the Fargo community. He noted primary goals included building positive relationships with New Americans and cultural groups, helping people to succeed, and building trust between the community and law enforcement, especially with youth.

Officer Kempf provided an overview of some of the programs including survival swimming lessons for youth, adult art programs, a summer camp, and use of the Community Engagement Team gaming trailer and transportation bus. He also highlighted proposed programs to be held at the Fargo Police Department Community Engagement Center.

Member Johnson present.

**b. Presentation by Jan Eliassen, Gladys Ray Emergency Homeless Shelter & Cody Schuler, Fargo Moorhead Coalition to End Homelessness (CARES – coordinated entry & referral, diversion, housing navigation)**

Jan Eliassen, Gladys Ray Emergency Homeless Shelter, and Cody Schuler, Fargo Moorhead Coalition to End Homelessness, gave a brief overview and presentation regarding the CARES (Coordinated Access Referral Entry and Stabilization System). They noted that collaboration between the shelters supports a seamless flow in access to homeless programs and services.

Ms. Eliassen noted all the shelters work well together, currently are all very full, and have been creative to get people indoors. Mr. Schuler stated progress is being made, but more work needs to be done to look at the big picture for housing.

**Item 6. 2020 Meeting Schedule**

Planning and Development Director Nicole Crutchfield shared that the 2020 meeting dates are included in the packet. She noted that a survey will be going out to Members for feedback on meeting dates and frequency.

**Item 7. Staff Report**

**a. Social Service Fund**

Ms. Crutchfield provided an update on the Social Service Funds and noted that the application period is currently on hold until the CDBG 5- year action plan has been finalized. She also gave a reminder the Social Service funds are comprised of local tax dollars and are not federally funded. She stated the importance of coordinating goals before moving forward.

**b. CDBG/HOME HUD updates**

Planning Coordinator Tia Braseth provided an updated on the development of the 5-year plan. She noted that the due date is August 2020 and currently a needs assessment survey is available for public input.

**Item 8. Other Business**

No other business was presented.

**Item 9. Adjourn**

Member Enockson moved to adjourn the meeting. Second by Member Hill. The motion was declared carried.

The time at adjournment was 3:31 p.m.



MEMORANDUM

**TO:** Neighborhood Organizations

**FROM:** Jim Gilmour, Strategic Planning Director 

**DATE:** February 6, 2020

**SUBJECT:** Downtown redevelopment adjacent to neighborhoods

The City of Fargo Tax Exempt Review Committee is considering a change in the area that is eligible for downtown incentives. The change would affect the area shown on the attached map, and would be an expansion of properties that qualify for redevelopment incentives.

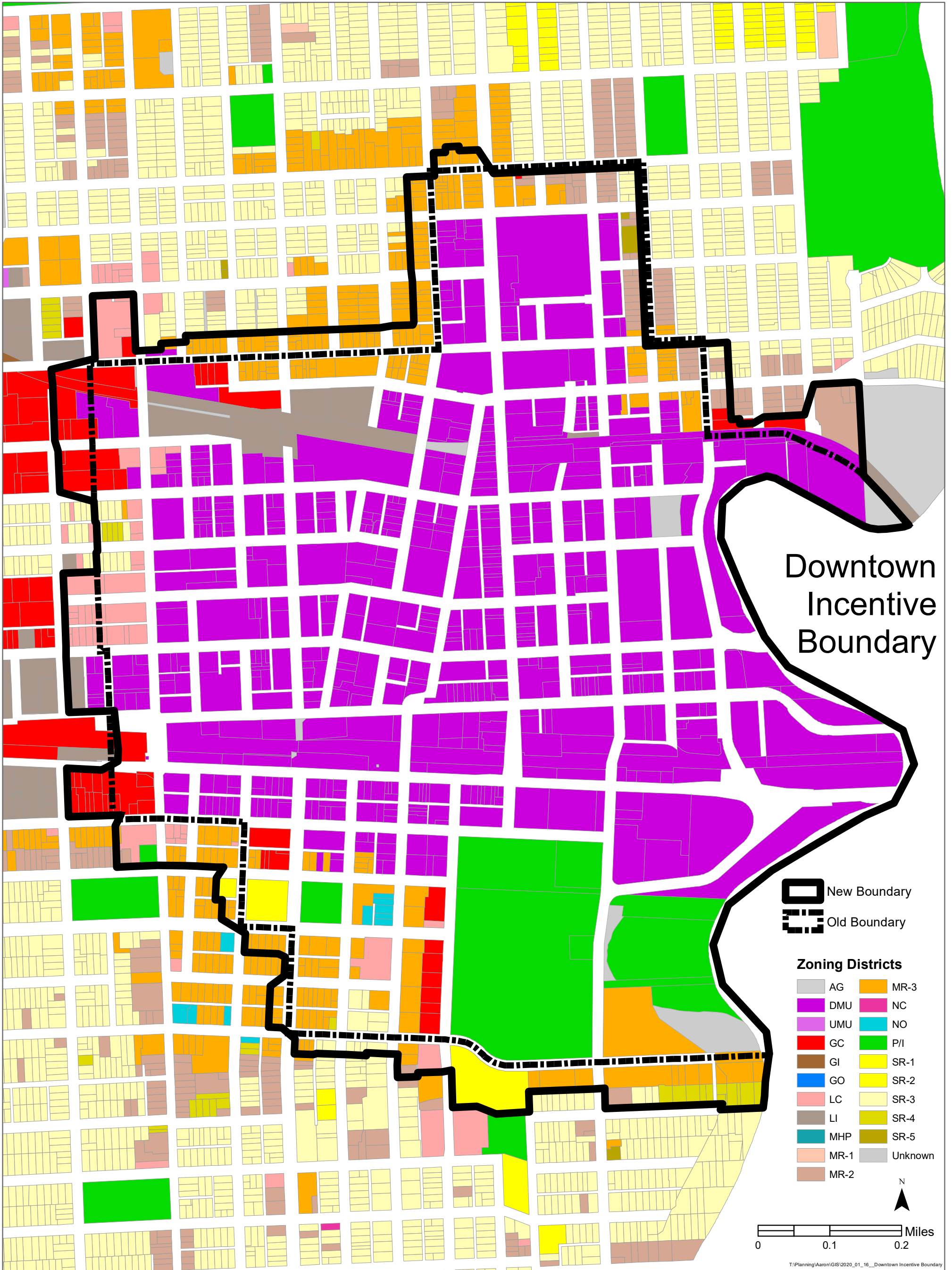
The change was initiated in response to a request for a remodeling/building expansion exemption on the northeast corner of University Drive and 7<sup>th</sup> Avenue North. This property is immediately across the street from the current downtown boundary, and it is characteristic of a downtown property.

The proposed boundary changes would allow the properties to be eligible for two incentives that they do not qualify for today. The changes are listed below.

1. Remodeling/Expansion Exemption. Commercial properties now qualify for a remodeling exemption that keeps the property at the same value for 3 years after the remodeling. The change would increase that exemption period to 5 years and include an exemption for the value of a building addition. There would be no change for residential and apartment properties. Applications for these exemptions are routinely approved.
2. New apartment buildings. Developers of new apartment units within this downtown area may apply for a property tax exemption of up to 100% for the first 5 years and a 90% exemption for an additional 10 years. Approval depends on a financial review and other factors.

The proposed area that would be added includes properties that are more commercial or higher density housing in character.

Please contact me if you would like to meet to discuss the proposed changes, or if you have any questions or concerns. My email is [JGilmour@FargoND.gov](mailto:JGilmour@FargoND.gov) and phone is 701-566-4097.



## MEMORANDUM

**TO: COMMUNITY DEVELOPMENT COMMITTEE**  
**FROM: NICOLE CRUTCHFIELD, PLANNING DIRECTOR**  
**TIA BRASETH, PLANNING COORDINATOR**  
**DATE: FEBRUARY 14, 2020**  
**RE: STAFF REPORT**

1. NSP Request for Proposals

The Planning & Development Department released an RFP for affordable housing development (rental or owner) on City-owned property located at 1015/1019/1023/1027 13<sup>th</sup> Avenue South. Housing units will be subject to a 20-year affordability period, made available to households earning 120% or below Area Median Income (AMI). These properties were purchased with state Neighborhood Stabilization Program (NSP) funds and are therefore subject to affordability requirements. The proposal submission deadline was February 11, 2020. One proposal was received from Rebuilding Together to build a twin-home. We are currently reviewing the proposal for NSP compliance and anticipate having it on the February 24, 2020 City Commission agenda for approval. The Request for Proposals is attached for your information.

2. Upcoming Request for Proposals for 7<sup>th</sup> Street & 4<sup>th</sup> Avenue Properties

The Planning & Development Department plans to release the attached RFP after approval at the February 24, 2020 City Commission meeting. Similar to the NSP RFP previously mentioned, this City-owned property is subject to an affordability period because it was purchased with CDBG HUD funds. It will be released on February 25, 2020. Proposals will be due March 24, 2020. The Request for Proposals is attached for your information.

3. HUD Visit – Opportunity Zones & Lashkowitz High Rise

HUD will be visiting Fargo on February 18<sup>th</sup> and 19<sup>th</sup> to host a “Focus on Fargo – Riverfront Redevelopment Forum & Opportunity Zone Forum”. This event is being coordinated with the City’s office of Planning & Development, multiple federal partners, the Fargo Housing & Redevelopment Authority, and the State of North Dakota. At this event, our primary goal is to create a setting where government leadership, subject matter experts, and the private sector can come together to focus on potential resources to support the Riverfront redevelopment, including the Fargo High Rise repositions, and Mid-America Steel sites. Additionally, a forum will be held on the potential Opportunity Zone benefits within our community. The Opportunity Zone Forum will be February 18 and the Riverfront Redevelopment Forum will be February 19. Both events will start at 9 am at City Hall Commission Chambers. The Riverfront Redevelopment Forum will include a bus tour of the sites.



4. Core Neighborhood Plan & Volunteer Steering Subcommittees  
Our consultant, CZB, LLC, will be in Fargo the week of February 24-28 hosting the initial neighborhood steering committees. These meetings will take place in the evenings at the Sky Room (previously old City Commission Chambers in Civic Center). CZB has tasked the committees with gathering specific neighborhood data, including photos, prior to their visit. Linda Klebe and Thomas Hill have agreed to serve on the steering committee. Several other community members serve on the neighborhood steering committees. The steering committee will be chaired by Commissioner John Strand and Commissioner Tony Grindberg. The neighborhood meetings are the 24<sup>th</sup>, 25<sup>th</sup> and 26<sup>th</sup>, from 4:30 – 6:30 PM each night. They are open to the public. A press release will be forthcoming.
5. Manufactured Housing Update  
Staff has been coordinating with leaders from the North Dakota Manufactured Housing Association, as members of this group reside within the manufactured housing communities located in Fargo and West Fargo. We are in the process of learning more about their focus areas and topics of concerns. We are also in discussions with city administrators and the city attorney to gain better understanding of the local government authority. Initially we are learning that there are legislative proposals to authorize home owners with more rights.
6. Preliminary Assessment of Housing Environment in Fargo  
In December, Nina Liou from EJP (consultant), was in Fargo to hold on-site conversations with a variety of housing stakeholders, including developers, housing providers, and City Staff. Key findings are summarized in the attached draft assessment. Overall, there is no consensus on the definition of affordable housing, a growing concern about the increases in cost of development, differing opinions on City-controlled incentives and funding, and a lack of strategy on approaches to housing development throughout Fargo (from both developers and the City). See attached draft assessment.
7. Neighborhood Revitalization Initiative  
Gate City Bank plans to launch the NRI program in March. This program is generally provided year to year in partnership with the City. It provides home rehabilitation loans ranging from \$10,000-\$75,000. Once it launches, more information will be available on the City's website.
8. Cass Clay Community Land Trust  
The City received two tax forfeiture lots and will be transferring ownership to the CCCLT.
9. Single Room Occupancy (SRO) Building/Potential Drop-In Center (69 4 St N.)  
City planning staff are in discussions with Public Health and Fargo Housing & Redevelopment Authority as we explore the potential for this primarily vacant building. The building is in need of repairs and improvements (which is the reason why there are no longer tenants residing here). We expect this project to come forward as a 2020 CDBG or HOME activity. Initial city discussions include the conversation of this site as a drop-in day center and medical respite units for public health goals as well as new potential SRO units with service support. There will be public engagement opportunities for creating the future vision in collaboration with the the CD Committee and Public Health officials.

#### 10. Downtown Quality of Life Committee

A new committee has been formed following discussions on downtown safety and homeless-related needs. While the Planning & Development Department will be regularly informed by this group, it will not be attending regular meetings. However, City representatives from its Gladys Ray Homeless Shelter and the Police Department do plan to be actively involved in this committee. In addition to receiving updates from the active City staff members, we anticipate receiving updates and information from the Downtown Community Partnership, who can then bring updates to the Community Development Committee and the Downtown Taskforce.

#### 11. Census 2020 Job Recruitment

The Census is in need of temporary workers to assist with the 2020 Census count, especially people from populations that are considered hard to count (i.e., people of color, elderly, homeless, immigrants and refugees, snow birds, etc.). Pay is between \$18-23 per hour and health insurance is available. Applications can be completed online ([www.2020census.gov/en/jobs.html](http://www.2020census.gov/en/jobs.html)); this website also provides an extensive FAQ page for anyone interested in applying. Please share this information with your networks.



**REQUEST FOR PROPOSALS**  
**TO DEVELOP CITY-OWNED PROPERTY**  
**NSP Program – 1015, 1019, 1023, and 1027 13th Avenue South**  
*January 6, 2020*

The City of Fargo is seeking proposals from housing developers to redevelop City-owned vacant property at 1015, 1019, 1023 & 1027 13th Avenue South. Proposals must be for affordable housing (rental or owner-occupied) for households earning 120% or below Area Median Income (AMI), subject to a 20-year affordability period. **Proposals are due February 11, 2020.** Cost alone will not be the primary deciding factor. Project will be awarded to the developer who most effectively addresses the following goals.

**PROPOSED REDEVELOPMENT OF SITE MUST:**

- Highest and best use of land – units can be a mix of sizes to suit varying household sizes;
- Be affordable for individuals or families whose incomes do not exceed 120% of Fargo’s AMI (subject to a 20-year affordability period);
- Be consistent with the character of the surrounding neighborhood;
- Provide evidence that the proposed redevelopment will create quality affordable housing upon completion;
- Be completed or substantially complete no more than 24 months after the date of the signed Redevelopment Agreement.

**DESCRIPTION OF SUBJECT PROPERTY**

- Address: 1015, 1019, 1023 & 1027 13th Avenue South
- Legal Description: Lot 1 through 4, Block 1, Habitat Addition
- Lot size: 11,659 sq. ft. (combined)
- Dimensions: 155’ x 77’ (combined)
- Zoning: SR-5 which allows for 14.5 units per acre. The City of Fargo Land Development Code should be used to establish the development standards (the existing PUD zoning ordinance has expired).

**PARAMETERS OF PROJECT**

- The City will provide the building site which was paid for with Neighborhood Stabilization Program funds (NSP).
- The Developer must follow all NSP rules for redevelopment, including awarding construction contracts by competitive bid procurement, as outlined by the State of ND Department of Community Services.

- Construction contracts (by competitive bid procurement) must be awarded by a mutually agreed upon timeline by City, ND DCS and project developer. Both the City and ND DCS will be involved with bid review.
- Purchaser must negotiate and sign a Redevelopment Contract that outlines the nature of the project and its consistency with the parameters outlined in this RFP and NSP requirements. This Agreement will be negotiated and executed between the City and the proposer(s) at the end of the RFP process. The Redevelopment Contract will outline the responsibilities of both parties, define the terms of the agreed upon project, and set up the process for transferring ownership of the property.
- The City will not dispose of NSP properties for speculation, land banking, or any other purpose that is not intended for timely redevelopment.

### **SUBMISSION REQUIREMENTS**

All proposals must be **received by February 11, 2020 at 4:00 p.m.** Any proposals received after that time will be rejected. Submit proposals containing the required information, along with a signed copy of the page 3 of this request to:

Auditor's Office  
 225 4th Street North, Fargo, ND 58102  
 Attn: Tia Braseth  
 Re: NSP Infill RFP – 1015, 1019, 1023, & 1027 13th Avenue South

The following **information** must be provided **about the developer**:

- Name and Mailing Address
- Legal status (ex. for-profit corporation, individual, non-profit, etc)
- Qualifications to undertake proposed redevelopment
- Relevant Experience
- Demonstrated financial capacity to complete the proposed project (e.g., performance bond)

The following **information** must be provided **about the proposal**:

- Project description
- Timeline
- Proposed project budget and financing/pro-forma
- Preliminary plans
  - Drawing/elevations of the proposed structure
  - Site plans
  - Preliminary/schematic floor plans and/or descriptions of the proposed structure, including number of bedrooms, square feet, parking, etc.

All information should be submitted in a format that is concise, clear, and responsive to the questions asked in the RFP.

## EVALUATION OF PROPOSALS

The City reserves the right, in its sole discretion, to reject any and all proposals or accept any proposal in whole or in part. The City's review committee will evaluate proposals based on the following criteria:

- Consistency with NSP goals and regulations
- Project's consistency with character of surrounding neighborhood
- Timeliness of completion of proposed project (what is the timeline)
- Consistency with stated City goals
- Impact on the neighborhood
- Utilization of City incentives
- Proposer's ability to complete the project
- Proposer's previous project management and construction administration experience
- Proposer's experience with related projects and past project history

Note: Decisions made by the review committee are subject to the final approval of the City Commission.

*I the undersigned attest by my signature that I have read the terms and conditions outlined in this request for proposals and intend to submit a proposal in conformance with said guidance.*

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*Signature (for)*

*Printed Name*

*Date*

**REQUEST FOR PROPOSALS**  
**TO DEVELOP CITY-OWNED PROPERTY**  
**CDBG Program – 314, 320, 324 7th Street North; 712 4th Avenue North**  
*February 25, 2020*

The City of Fargo is seeking proposals from housing developers to redevelop City-owned vacant property at 314, 320, 324 7th Street North and 712 4th Avenue North. Proposals must be for affordable housing (rental or owner-occupied) for households earning 80% or below Area Median Income (AMI). **Proposals are due March 24, 2020.** Cost alone will not be the primary deciding factor. Project will be awarded to the developer who most effectively addresses the following goals.

**PROPOSED REDEVELOPMENT OF SITE MUST:**

- Highest and best use of land – units can be a mix of sizes to suit varying household sizes;
- Be affordable for individuals or families whose incomes do not exceed 80% of Fargo’s AMI;
- Be consistent with the character of the surrounding neighborhood;
- Provide evidence that the proposed redevelopment will create quality affordable housing upon completion;
- Be completed or substantially complete no more than 24 months after the date of the signed Redevelopment Agreement.

**DESCRIPTION OF SUBJECT PROPERTY**

Address: 314 7th Street North

- Legal Description: Lot 4, Block 10, Roberts 2nd Addition
- Lot size: 7,000 sq. ft.
- Dimensions: 50’ x 140’
- Zoning: DMU, Downtown Mixed Use. The City of Fargo Land Development Code should be used to establish the development standards.

Address: 320 7th Street North

- Legal Description: Lot 5, Block 10, Roberts 2nd Addition
- Lot size: 7,000 sq. ft.
- Dimensions: 50’ x 140’
- Zoning: DMU, Downtown Mixed Use. The City of Fargo Land Development Code should be used to establish the development standards.

Address: 324 7 Street North

- Legal Description: East 53.5 feet of Lot 6, Block 10, Roberts 2nd Addition
- Lot size: 2,675 sq. ft.
- Dimensions: 50' x 53.5'
- Zoning: DMU, Downtown Mixed Use. The City of Fargo Land Development Code should be used to establish the development standards.

Address: 712 4 Avenue North

- Legal Description: West 43 feet of Lot 6, Block 10, Roberts 2nd Addition
- Lot size: 2,150 sq. ft.
- Dimensions: 43' x 50'
- Zoning: DMU, Downtown Mixed Use. The City of Fargo Land Development Code should be used to establish the development standards.

#### **PARAMETERS OF PROJECT**

- The City will provide the building site, which was paid for with Community Development Block Grant (CDBG) funds.
- The activity carried out under this Agreement will meet the Low-to-Moderate Income Housing National Objective under 24 CFR §570.208(a)(3) including the following requirements:
  - at least 51% of the residents must have income at or below 80% of the area median income at the time of occupancy;
  - Rents must be set at levels which are affordable to low-to-moderate income persons as provided by 24 C.F.R. Part 570.483(b)(3); and,
  - Rent and income levels shall align with published limits for the Low Income Housing Tax Credit program.

[Referred to herein as the “Low-to-Moderate Income Housing National Objective”]. The HUD Income Limits change annually and are available at the HUD User website ([www.huduser.gov](http://www.huduser.gov)) under "Data Sets". The most up to date Income Limits must be used to calculate income of residents. HUD Income Limits are set by the Department of Housing and Urban Development (HUD), which determine eligibility for assisted housing programs. Income limits are based on Median Family Income estimates and Fair Market Rent area definitions for each metropolitan area, parts of some metropolitan areas, and each non-metropolitan county. Income, race, and ethnicity data for each resident will be provided to the City upon occupancy of at least 51% of units by low and moderate income households (e.g., at least 20 units in a 39 unit complex are occupied by LMI households).

- Residential occupancy of the Property must be occupied and rented to residents meeting the Low-to-Moderate Income Housing National Objective for five (5) years following the date of the Certificate of Occupancy.
- Progress Reports & Data Collection – Regular progress reports shall be submitted upon request of the City in the form, content, and frequency as required by the City.
- The Developer must follow all CDBG rules for redevelopment, including awarding construction contracts by competitive bid procurement.
- Davis Bacon Labor Standards and Prevailing Wages will apply. Preference may be given to contractors with this experience.
- Contractors and Subcontractors must be registered in the System for Award Management ([www.sam.gov](http://www.sam.gov)) within 30 days of awarding the contract and before execution of the contract.
- Construction contracts (by competitive bid procurement) must be awarded by a mutually agreed upon timeline by City and project developer.
- Purchaser must negotiate and sign a Redevelopment Contract that outlines the nature of the project and its consistency with the parameters outlined in this RFP and CDBG requirements. This Agreement will be negotiated and executed between the City and the proposer(s) at the end of the RFP process. The Redevelopment Contract will outline the responsibilities of both parties, define the terms of the agreed upon project, and set up the process for transferring ownership of the property.
- The City will not dispose of CDBG properties for speculation, land banking, or any other purpose that is not intended for timely redevelopment.

## **SUBMISSION REQUIREMENTS**

All proposals must be **received by March 24, 2020 at 4:00 p.m.** Any proposals received after that time will be rejected. Submit proposals containing the required information, along with a signed copy of page 4 of this request to:

Auditor's Office  
 225 4th Street North, Fargo, ND 58102  
 Attn: Tia Braseth  
 Re: CDBG Infill RFP – 314, 320, 324 7th Street North, 712 4th Avenue North

The following **information** must be provided **about the developer**:

- Name and Mailing Address
- Legal status (ex. for-profit corporation, individual, non-profit, etc)
- Qualifications to undertake proposed redevelopment
- Relevant Experience
- Demonstrated financial capacity to complete the proposed project (e.g., performance bond)

The following **information** must be provided **about the proposal**:

- Project description
- Timeline

- Proposed project budget and financing/pro-forma
- Preliminary plans
  - Drawing/elevations of the proposed structure
  - Site plans
  - Preliminary/schematic floor plans and/or descriptions of the proposed structure, including number of bedrooms, square feet, parking, etc.

All information should be submitted in a format that is concise, clear, and responsive to the questions asked in the RFP.

**EVALUATION OF PROPOSALS**

The City reserves the right, in its sole discretion, to reject any and all proposals or accept any proposal in whole or in part. The City’s review committee will evaluate proposals based on the following criteria:

- Consistency with CDBG goals and regulations
- Project’s consistency with character of surrounding neighborhood
- Timeliness of completion of proposed project (what is the timeline)
- Consistency with stated City goals
- Impact on the neighborhood
- Utilization of City incentives
- Proposer’s ability to complete the project
- Proposer’s previous project management and construction administration experience
- Proposer’s experience with related projects and past project history

Note: Decisions made by the review committee are subject to the final approval of the City Commission.

*I the undersigned attest by my signature that I have read the terms and conditions outlined in this request for proposals and intend to submit a proposal in conformance with said guidance.*

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*Signature (for)* *Printed Name* *Date*