

RENAISSANCE ZONE AUTHORITY
Wednesday, April 26, 2023 | 8:00AM
City Commission Chambers
AGENDA

1. Approval of Minutes: February 22, 2023
2. Review of application from 501 Main Ave DevCorp, LLC 322-F (New Construction) located at 501 Main Avenue
3. Updated on Senate Bill
4. Other Business
5. Adjourn – Next Meeting: May 24, 2023

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, February 22, 2023

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, February 22, 2023.

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

Present: Deb Mathern, Chad Peterson, Dr. Dean Bresciani (via conference call), Reid Middaugh, Commissioner Dave Piepkorn, Commissioner Arlette Preston

Absent: Steve Swiontek, Prakash Mathew

Chair Mathern called the meeting to order.

Item 1: Minutes: Regular Meeting of October 26, 2022

Member Peterson moved the minutes of the October 26, 2022 Renaissance Zone Authority meeting be approved. Second by Member Preston. All Members present voted aye and the motion was declared carried.

Item 2: Review application from Great Plains NP Holdings. LLC (New Construction) located at 602, 610, 636 and 650 Northern Pacific Avenue North

Planning Coordinator Maegin Elshaug presented the staff report for a proposal to construct a mixed-use residential and commercial building, and noted staff is recommending approval as the proposal meets the guidelines and all required approval criteria.

Strategic Planning and Development Director Jim Gilmour spoke on the proposed parking arrangements.

Discussion was held regarding the parking arrangements, the parking ramp, Renaissance Zone goals, current and proposed future property taxes on the property, and number of bedrooms in the proposed apartment units.

Applicant representative Keith Leier, Kilbourne Group, spoke on behalf of the application.

Mr. Gilmour spoke further on the conducted parking study.

Discussion continued on apartment sizes, use of parking spaces more efficiently, and the multiple owners/uses in the project.

Ms. Elshaug noted that the application may be broken up into two applications in the future to allow for the different timelines of the different ownerships in the project.

Member Piepkorn moved to recommend approval to the City Commission of the application submitted by Great Plains NP Holdings, LLC and to grant the property tax exemptions as allowed by the Renaissance Zone law contingent upon completion of the project and verification of costs. Second by Member Peterson. On call of the roll Members Piepkorn, Middaugh, Peterson, Preston, Bresciani, and Mathern voted aye. Absent and not voting: Members Swiontek and Mathew. The motion was declared carried.

Item 3: Other Business

No other business was presented.

Item 4: Adjourn – Next Meeting: March 22, 2023

The time at adjournment was 8:15 a.m.



**Renaissance Zone Staff Report for
501 Main Ave DevCorp, LLC (348-F)
501 Main Avenue**

Project Evaluation:

The City of Fargo received a Renaissance Zone application from 501 Main Ave DevCorp, LLC to construct a 4-story commercial project at 501 Main Avenue. Pursuant to the application, the overall project proposes to construct a building that includes two stories of commercial office condo and two stories of office space. Construction is anticipated to begin in the summer of 2023 and completed of spring 2024.

Notes:

This is the same location of as previously reviewed project 322-F. Staff is reviewing this as a new application. This application includes the west portion of the property, as is shown on attached plans. The application excludes the space within floors 1 and 2.

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.
(note that the applicant has provided responses in attached application)
 - 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.
The project will increase the number of jobs downtown. Per the application, one tenant expects to continue its employee growth in the Fargo market and the other tenant will bring net new employees Downtown as a new Downtown business.
 - 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.
Though the project is commercial without a residential component, it will add jobs and therefore people Downtown, who will frequent other Downtown businesses. Pedestrian traffic will utilize the main floor retail (bank), which is adjacent to Broadway and Main.
 - 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 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.

The overall project proposes ground floor retail (bank) which will increase pedestrian activity in the area that is currently a surface level parking lot at the intersection of Main and Broadway. There is no bus route directly adjacent to the site, however, a number of routes and the MATBus GTC (Ground Transportation Center) are located with several blocks of the property. The redevelopment of Main Avenue has provided a streetscape with amenities that is more conducive for pedestrian activity, circulation and parking.

- f. *Park Smart:* Manage parking resources to meet the needs of drivers, while also making room for new development and activity.

The overall project proposes 46 surface level parking spaces, some of which are located just north of the property through shared agreement with BNSF and also just east of the building on the property. The project will also use parking in the Island Park Parking Ramp across Main Avenue.

- 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 project does not specifically provide any specific amenities related to spaces for people or other purpose, such as stormwater, however, as a separate project, a public space is anticipated that will serve the public and has the potential to capture water, as noted by the applicant.

(14/20 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 approximately 22,228 square feet of commercial space.

Overall, the application estimates a total capital investment of \$8,800,000, which calculates to approximately \$395.90 per square foot.

(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:

Project does not target active commercial, specialty retail or destination commercial.

- c. Mixed Use Development:

The project is not mixed-use.

(13/20 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 has been a surface level commercial parking lot for over 50 years.
 - b. Parcels specifically targeted for clearance:
The RZ Plan identifies Block 57 for: Redevelopment and infill; mixed-use and commercial.

(10/10 points)

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

The project includes urban design principles, including form, materials, and proximity/adjacency to amenities. The design contemplates the interface of the structure to the right-of-way. The building provides several materials and textures that provide interest to the building. The overall project proposes to provide surface level parking on the property directly facing Main Avenue and Broadway; however, there is potential for a future project at this location and the parking to be tucked behind and less visible from the south. The project is located within the DMU, Downtown-Mixed Use zoning district and will have to meet the architectural intent of the zoning district requirements, as well.

(8/10 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 \$100 per square foot requirement. As previously noted, the application represents a total estimated investment of \$8,800,000, which calculates to approximately \$395.90 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 include relocation of a business from another community, but adds a new location in Downtown, and also relocates a business that is currently located Downtown to this site.

(10/10 points)

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

The building does provide interest with varying colors, textures and materials. Renaissance Zone projects are anticipated to be conscience of four-sided design, which has been seen with other projects within the downtown. The project proposed a vehicle drive-thru on the north and also surface level parking on the site, which is visible from the public right-of-way, which makes can make street activation adjacent challenging.

(8/10 points)

Summary:

This application received a score of 83 on a 100-point scale. The applicant met criteria and the use is consistent with the RZ Plan. In addition, the proposed new construction project surpasses the local capital improvement requirement of \$100 per square foot for new construction. The amount invested in the project exceeds state and local guidelines. The project does not involve the relocation of commercial businesses from another North Dakota city. 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.

Minimum Criteria (New Construction Proposals)			
Criteria:		Staff Rating	Possible Points
1	Consistency with Plan Goals	14	20
2	Investment Thresholds	10	10
3	High Priority Land Use	13	20
4	Consistency with Targeted Goals	10	10
5	Urban Design	8	10
6	Investment Analysis	10	10
7	Business Relocation	10	10
8	Street Activation	8	10
Total Rating (100 possible points)		83	100

Suggested motion:

Recommend approval to the Fargo City Commission to approve the application submitted by 501 Main Ave DevCorp, 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.



ROBERTS
ALYN

ALYN

5 ST N

ALYN

NORTHERN PACIFIC AVE N

BROADWAY N

4 ST N

Subject Property

MAIN AVE

ALYN

BROADWAY S

1 AVE S

4 ST S



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 type="checkbox"/> Rehabilitation: <input type="checkbox"/> Commercial <input type="checkbox"/> Residential |
| <input type="checkbox"/> Primary Residential Purchase | <input type="checkbox"/> Block Addition |

Property Owner Information	Contact Person Information (if different than owner)
Name (printed):	Name (printed):
Name (printed):	Address:
Address:	

Parcel Information
Address:
Unit Number:
Renaissance Zone Block Number:
Legal Description (attach separate sheet if more space is needed):
Parcel Number:

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)	
Current Use of Property:	
Anticipated Use Upon Completion:	
Expected Date of Purchase:	Expected Date of Occupancy:
Estimated Property Tax Benefit: (Over five year exemption period)	Estimated State Income Tax Benefit: (Over five year exemption period)
Current Employees: (Full-time equivalent)	Anticipated Employees: (Full-time equivalent)

Scope of Work**Additional Project Information**

New Construction/Rehabilitation/Purchase with Improvements Only

Current Building Value: (Taxable Improvement Value)	Estimated Building Value Upon Completion: (Taxable Improvement Value)
Building Area Upon Completion (SF):	Number of Stories Upon Completion:

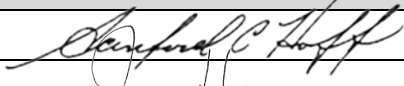
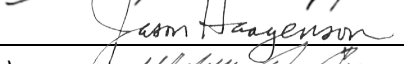
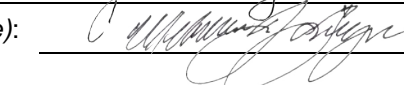
Commercial Lease Only

Lease Area Upon Completion (SF):			
Type of Business:			
<input type="checkbox"/> New business moving to the Renaissance Zone	<input type="checkbox"/> Expanding Business moving to the Renaissance Zone	<input 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?:
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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):		Date:	_____
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 type="checkbox"/>	
	Certificate of Good Standing from the Office of the State Tax Commissioner	<input type="checkbox"/>	
	Business Incentive Agreement from the Department of Commerce for all non-residential projects	<input type="checkbox"/>	<input type="checkbox"/>
	For residential purchases proved a copy of the purchase agreement	<input type="checkbox"/>	<input type="checkbox"/>
	Goals and objectives as outlined in the 2015 Fargo Renaissance Zone Development Plan (Attachment A)	<input 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 **first Wednesday of each month.**

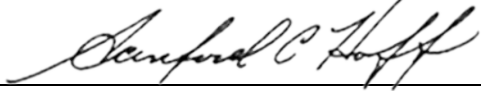
REQUIREMENTS, POLICIES, AND GUIDELINES:

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

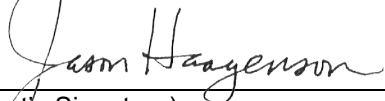
- **Renaissance Zone Designation**
 - o City of Fargo Renaissance Zone Development Plan
 - o North Dakota Renaissance Zone Program Guidelines

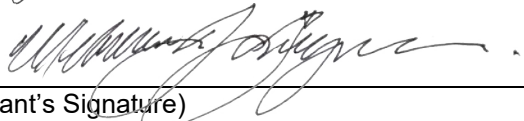
CERTIFICATION:

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:


 (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?

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

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?

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?

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?

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?

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)?

In Reference to Scope of Work



Looking to the NE

In Reference to Scope of Work



Looking to the NW / N

In Reference to Scope of Work



Looking to the NW from near Lake Agassiz Development Group



Looking to the NE from Main / Broadway intersection

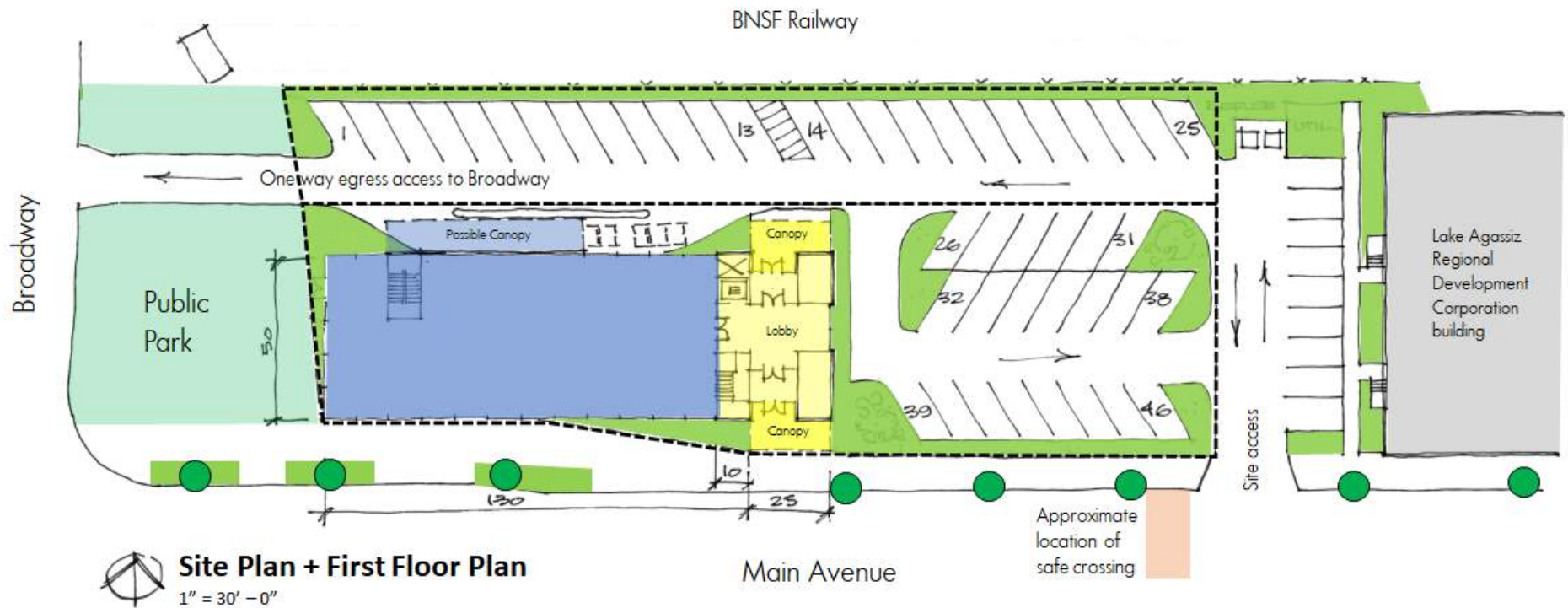


Looking to the NE / N across Broadway W ROW

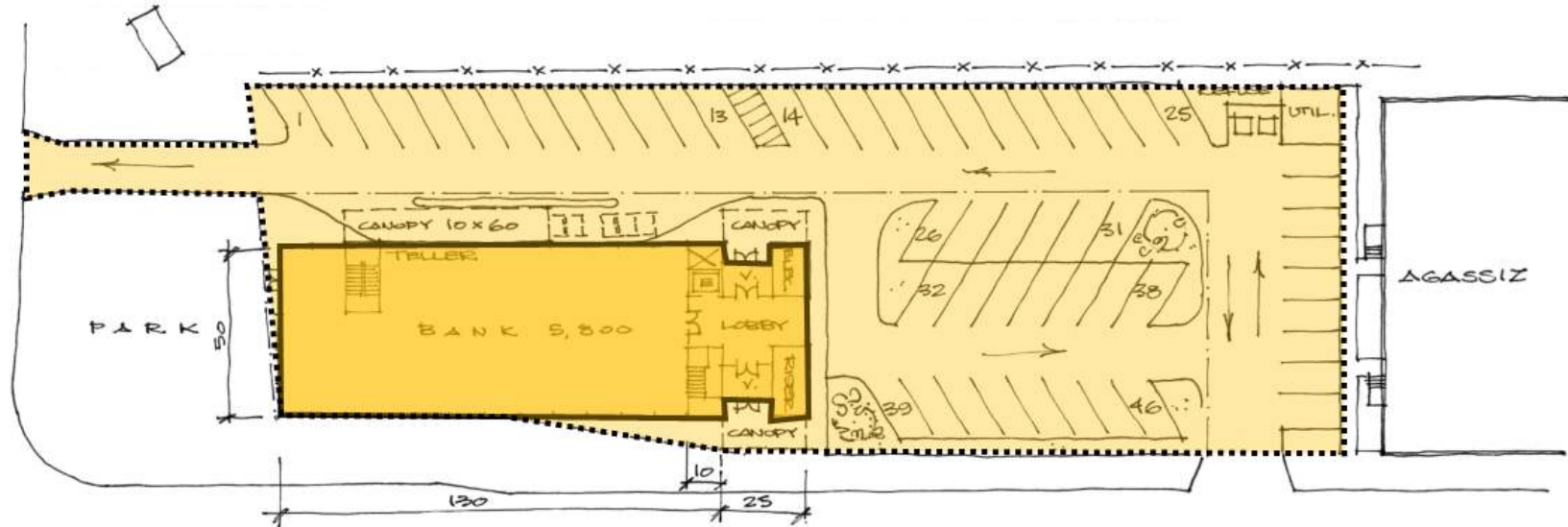


Looking to the SE / S

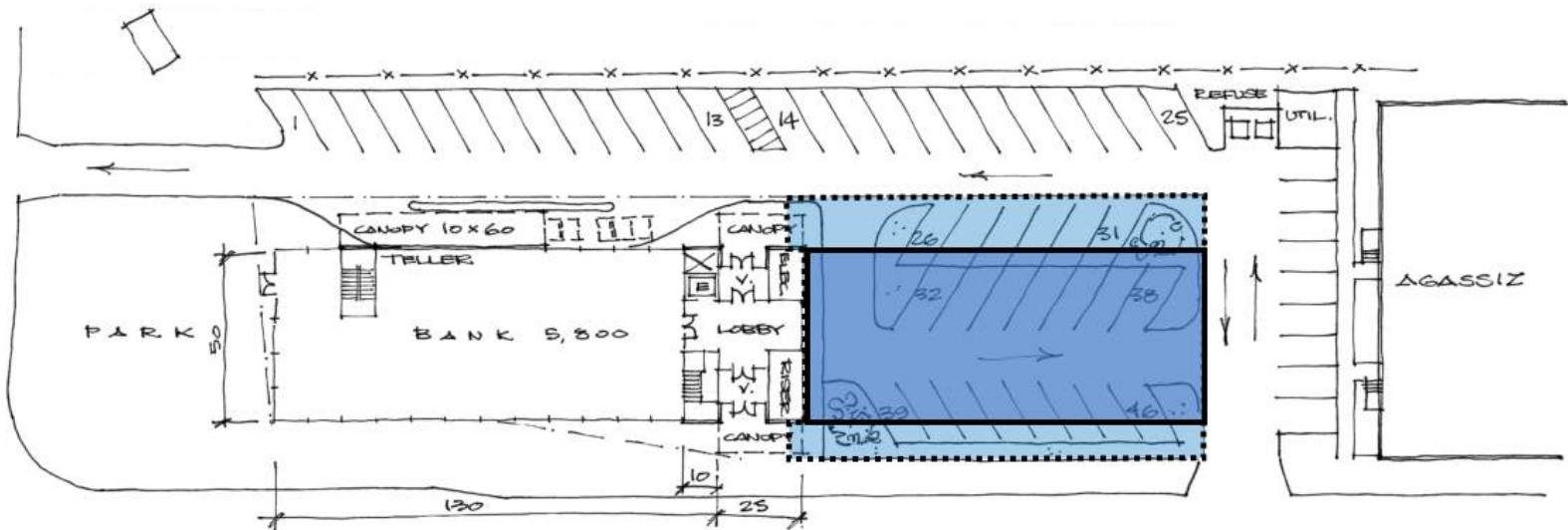
In Reference to Scope of Work



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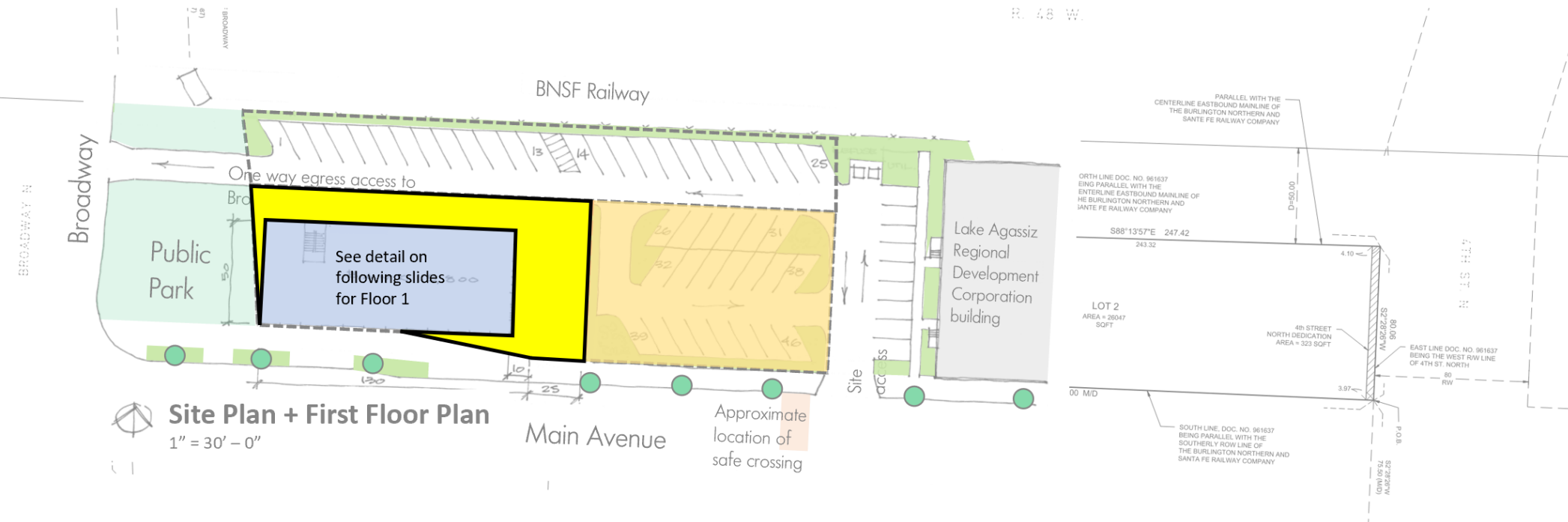


 Site Plan / Phase I



 Site Plan / Phase II

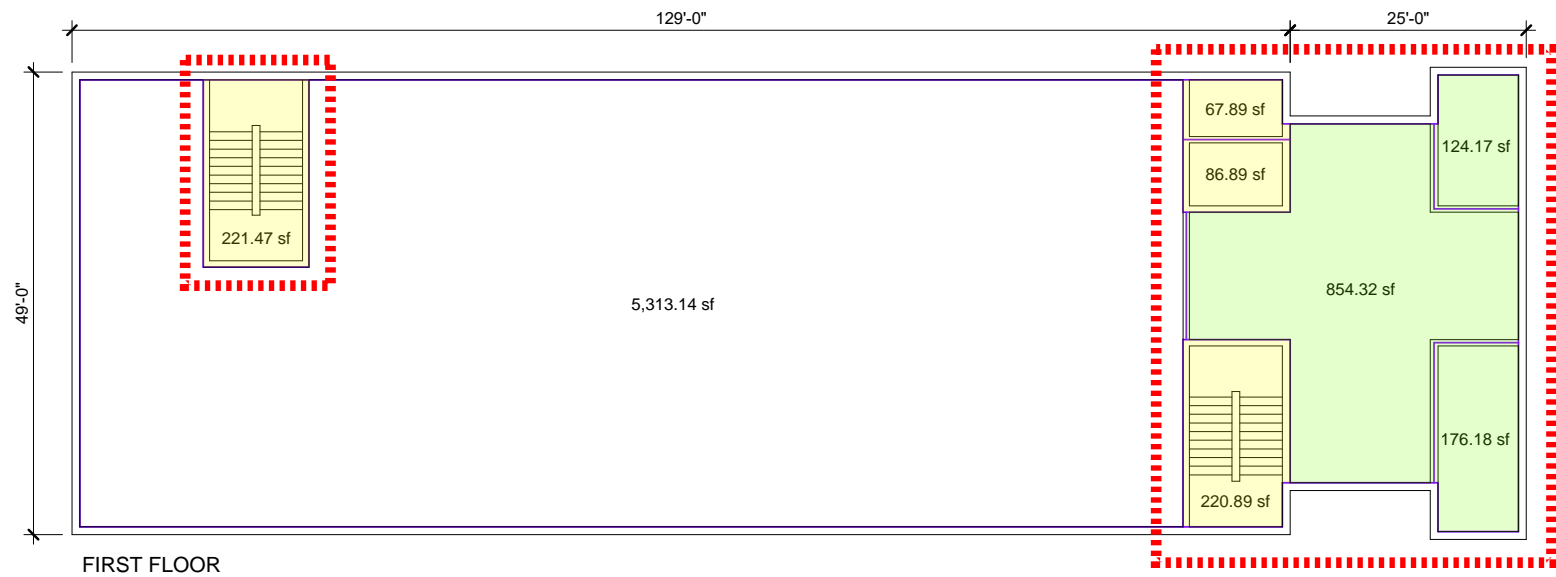
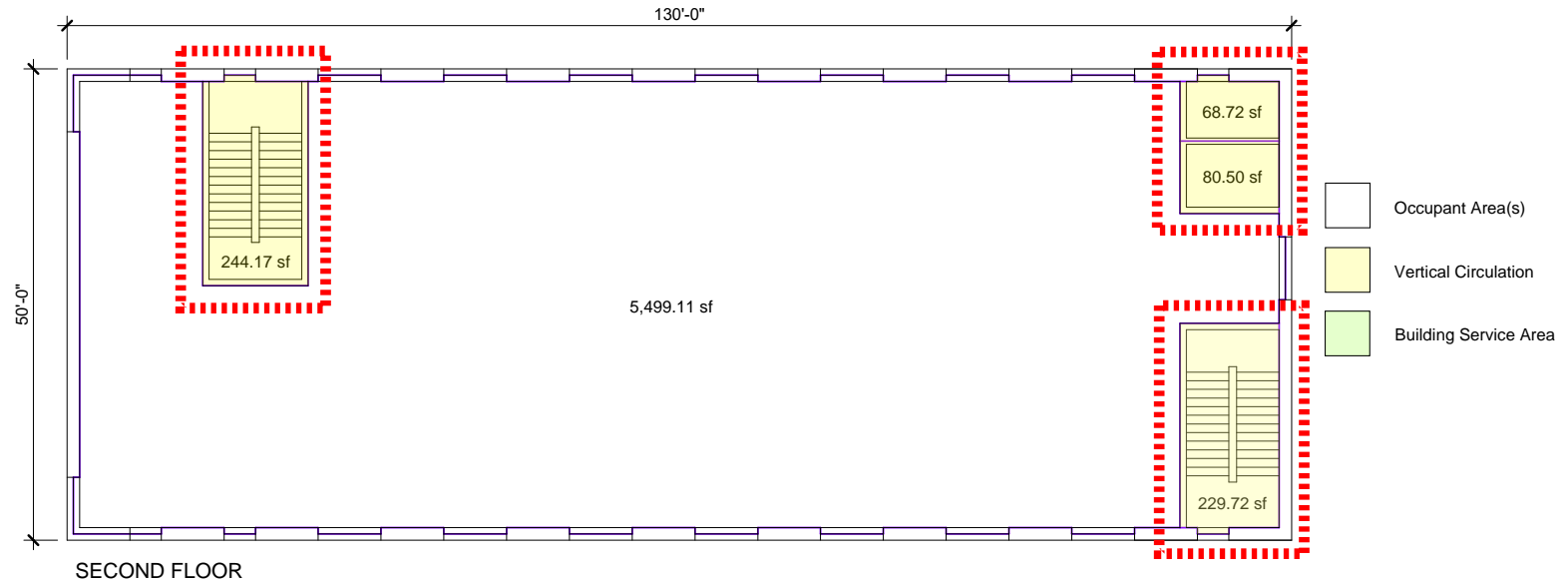
In Reference to Scope of Work



Renaissance Zone Application basis

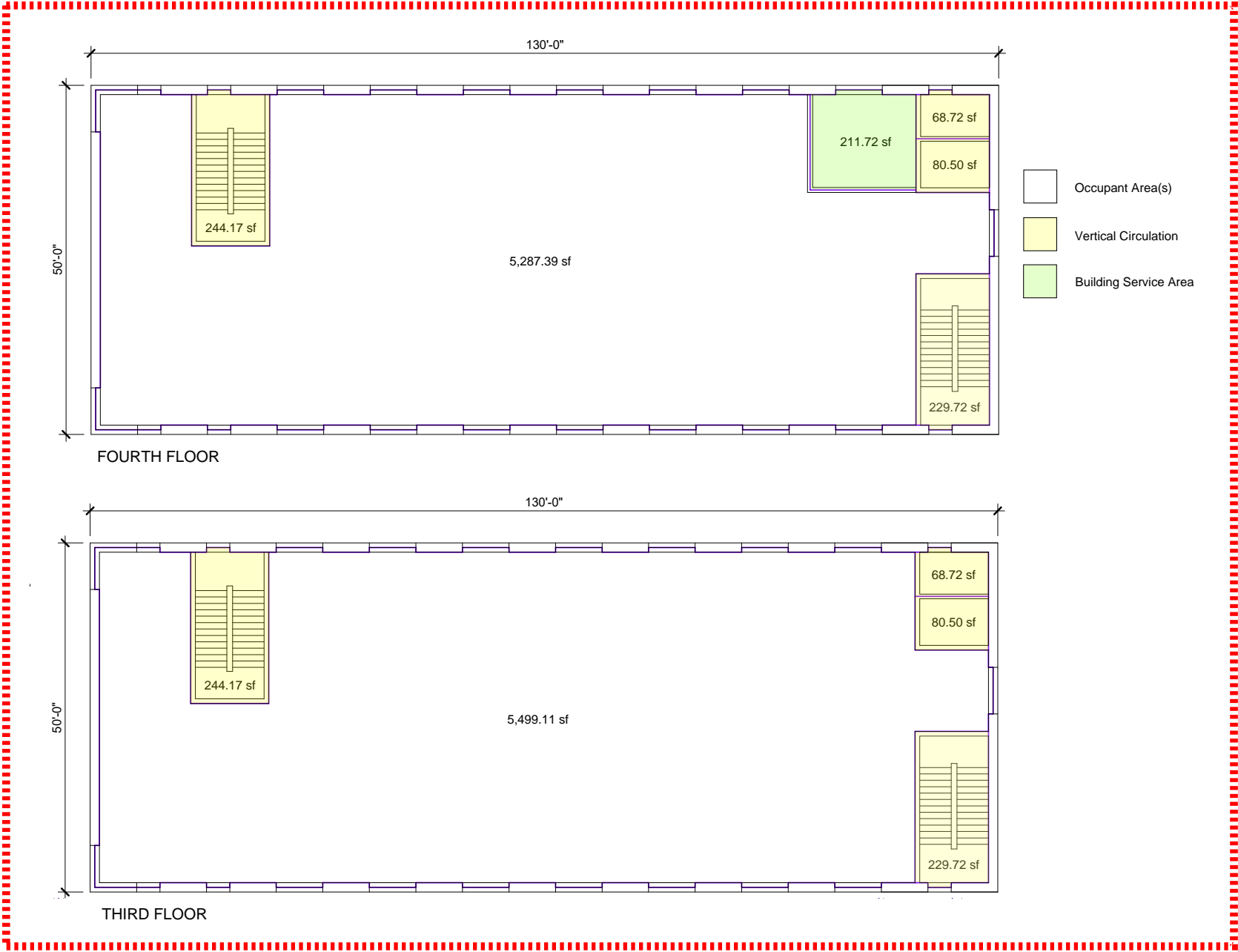
Site Plan + Floors 3-4 + Portions of Floors 1-2 and Lobby

In Reference to Scope of Work



..... area of the building this application addresses

In Reference to Scope of Work



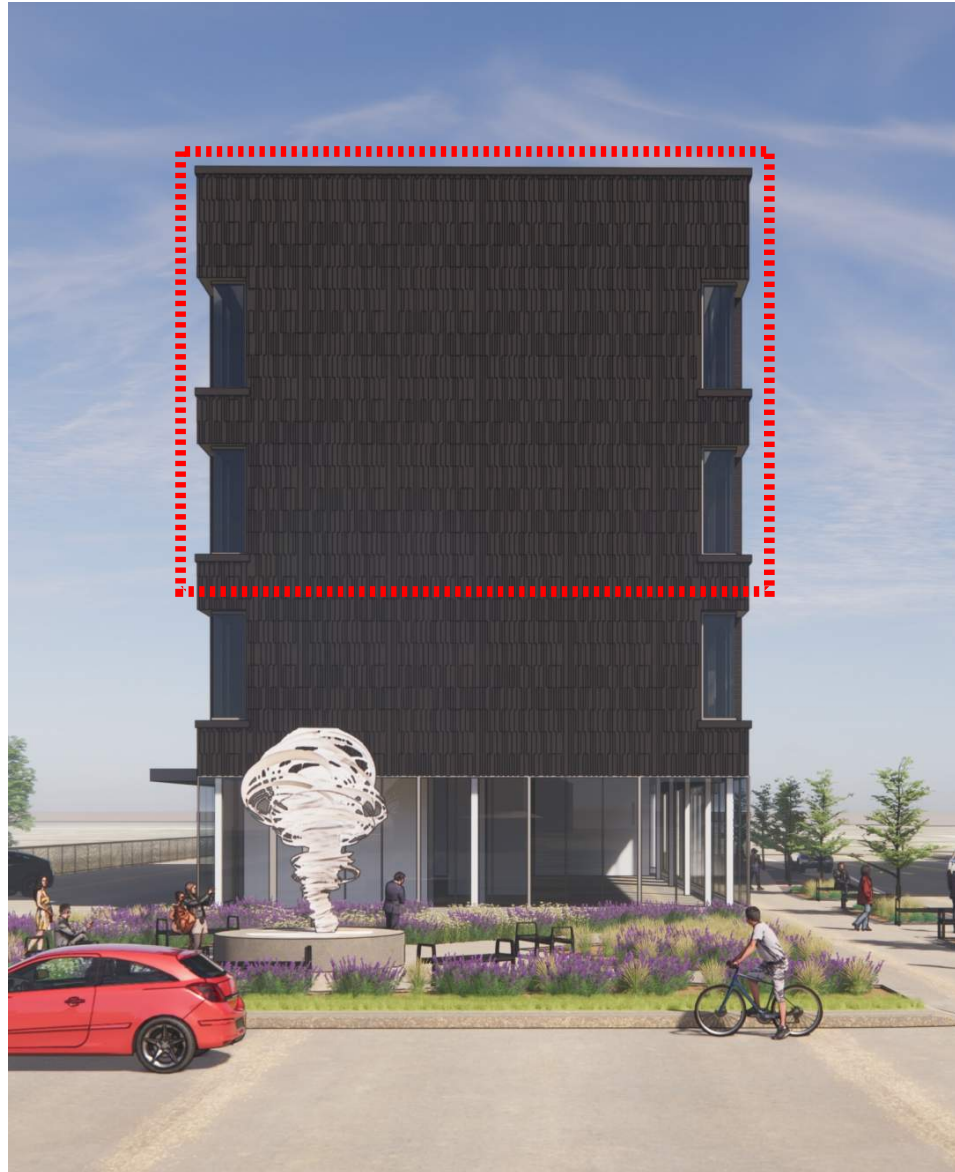
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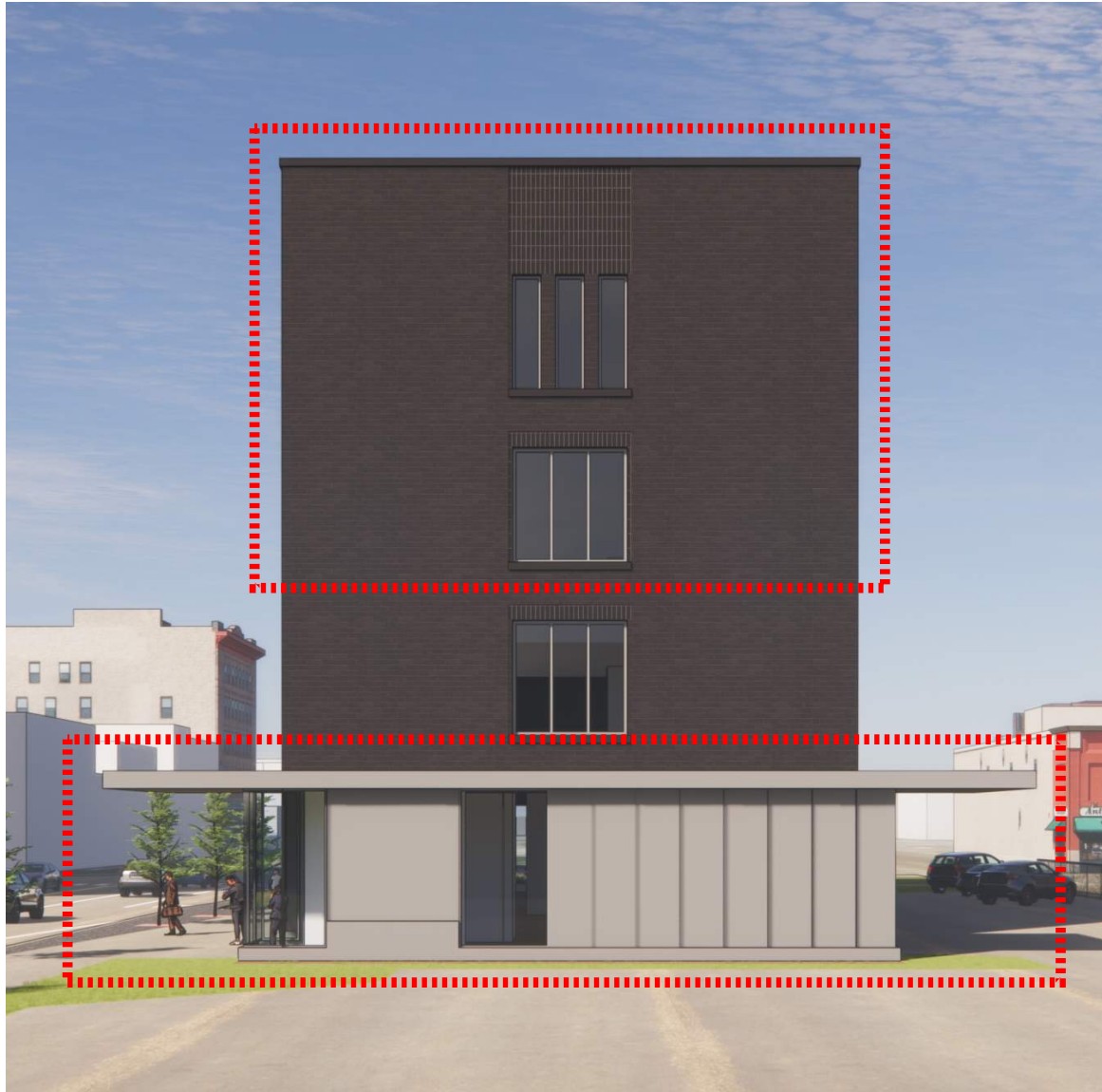
..... area this application addresses

In Reference to Scope of Work



..... area of the building this application addresses

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