

FARGO TAX EXEMPT REVIEW COMMITTEE
Tuesday, March 23, 2020 – 1:00 p.m.
City Commission Chambers, Fargo City Hall

AGENDA

- 1. Approve Tax Exempt Review Committee Meeting Minutes of 12/22/20 & 1/12/21**
 - a. December 22, 2020 [Page 1-2]
 - b. January 12, 2021 [Page 3]
- 2. Application for PILOT for Tecton**
 - a. Application for 10 Year Exemption [Page 4-10]
- 3. New Industry Application by Packet Digital**
 - a. Application for 5 Year Exemption [Page 11-16]
- 4. Riverfront Renewal Plan and TIF District**
 - a. Renewal Plan [Page 17-39]
- 5. Lewis and Clark Opportunity Fund**
 - a. [Page 40-43]
- 6. Discuss Changes to Tax Exempt Policy**
 - a. [Page 44-45]

TAX EXEMPT REVIEW COMMITTEE
Fargo, North Dakota

Regular Meeting**Tuesday, December 22, 2020**

The December meeting of the Tax Exempt Review Committee of the City of Fargo, North Dakota was held in the City Commission Room at City Hall at 1:00 p.m., Tuesday, December 22, 2020.

The committee members present or absent are:

Present: Dave Piepkorn, Mayor Tim Mahoney, Jessica Ebeling, John Cosgriff, Kent Costin, Bruce Grubb, Jim Gilmour, Mike Splonskowski, Jackie Gapp

Absent: Jim Buus, Levi Bachmeier, Erik Johnson, Joe Raso

Commissioner Piepkorn called the meeting to order at 1:00 p.m.

A motion was made by Mayor Tim Mahoney to approve the minutes from October 27, 202. Bruce Grubb seconded, motion carried.

New Industry Application by Midway Metals, LLC

Jim Gilmore stated that this is an application for a five year property tax exemption, it would be a start up in Fargo of an existing company that is looking at expanding. The first year they will have five jobs, three of the five are currently with the company and will be relocating to Fargo. By year three they will have nine jobs.

Ryan Aasheim explained that this is a gutter technology company that has several patents for a new better system for northern climates. Their big target markets are Minneapolis-St. Paul area and southern tier of Canada. Logistically they prefer Fargo over Minneapolis area because of advantages the community offers them. They will be doing some light manufacturing assembly at the South Fargo location. There is growth and expansion in their future plan. They work with companies such as ABC Seamless and Western Products which are retailer partners of theirs.

Dave Piepkorn asked Jim to talk a little bit about the charts on page 9 & 10. Jim explained that they are still in the process of updating the scoring criteria.

Eric Bachman of Midway Metals, via phone, stated that their market is the rain gutter industry of the United States and Canada. Fargo is an excellent location for multiple reasons, the workforce, the state economic and business climate, the highly educated North Dakota populace and North Dakota's commitment to high skilled manufacturing, it is centrally located in the United States and they look forward to locating to Fargo. They currently ship nationally and intend to ship internationally. They would focus on bringing high skilled jobs to Fargo and are committed to staying long term.

Kent Costin asked why the calculation of the exemption isn't listed on page 4, box 16. Jim stated that they could look up the value of the existing building, and at the time they were trying to get the application in, they did not have that information.

Mike stated given today's mill levy it would be about \$27,000 over the five year.

Dave Piepkorn stated that we seem to have a lot of numbers that are not precise in this application through no fault of the applicant and he thinks the numbers should be refined before it goes onto the City Commission.

Jessica Ebeling moved to defer the application until all documents are updated appropriately. Bruce Grubb seconded. Motion carried.

Dave Piepkorn adjourned the meeting at 1:20 pm.

TAX EXEMPT REVIEW COMMITTEE
Fargo, North Dakota

Special Meeting**Tuesday, January 12, 2020**

The Special meeting of the Tax Exempt Review Committee of the City of Fargo, North Dakota was held in the City Commission Room at City Hall at 1:00 p.m., Tuesday, January 12, 2020.

The committee members present or absent are:

Present: Dave Piepkorn, Mayor Tim Mahoney, Jessica Ebeling, Jim Buus John Cosgriff, Kent Costin, Bruce Grubb, Jim Gilmour, Mike Splonskowski, Jackie Gapp, Joe Raso

Absent: Levi Bachmeier, Erik Johnson

Commissioner Piepkorn called the meeting to order at 1:00 p.m.

New Industry Application by Midway Metals, LLC

Jim Gilmore stated the business is located just south of the Flying J. The information that was not available last meeting is at the bottom of page 2, the estimated value that would be exempt is \$365,000, the annual amount of the tax exemption would be \$5,331 each year for five years, a little over \$26,000 for the exemption.

Ryan Aasheim explained that Erick Bachman and his family have an engineering background and have developed a patented gutter system designed for northern tier climates that keeps the ice and leaves out, to reduce clogging. Their target markets are the northern tier of the United States and Canada, Minneapolis-St. Paul is of particular interest to them. They were attracted to the Fargo area due to the climate and economy, coupled with financing programs like Bank of North Dakota's Pace Program. The jobs are expected to graduate their growth over the next few years as they establish their market presence, bring in more sales and more work, and there will be opportunities for expansion in the future. They are looking at utilizing some of the savings to put back into the company.

Bruce Grubb asked why the calculations on page 7 & 8 changed from last time.

Mike Splonskowski explained that not all the jobs had been counted and it was not counted as a start-up firm. At the last meeting they did confirm that it was a start-up, those two things changed the calculator overall points.

Jim Buus moved to grant the exemptions as applied for, John Cosgriff seconded. Motion carried.

Dave Peipkorn adjourned the meeting at 1:06 pm.

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 Tecton Products LLC
2. Address of project 4401 15th Ave NW
City Fargo County Cass
3. Mailing address of project operator PO Box 2712
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. [REDACTED]
6. North Dakota Sales and Use Tax Permit No. [REDACTED]
7. If a corporation, specify the state and date of incorporation N/A
8. Name and title of individual to contact Lisa Giese
Mailing address PO Box 2712
City, State, Zip Fargo, ND 58102 Phone No. 701-433-3600

Project Operator's Application For Tax Incentives

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

☐ **Property Tax Exemption**
Number of years _____
Percent of exemption _____

☒ **Payments In Lieu of Taxes**
2022 _____ Beginning year 2031 Ending year _____
See schedule Amount of annual payments (attach schedule
Schedule A 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: 1 Block: 1 MARVIN SUBD LT 1 BLK 1 ALSO PT LOT 2 BLK 1 TECTON GPK DESC AS BEG AT SE COR LT 2~~
~~THE N S 89 DEG 05 MIN 57 SEC W ALG SLY LN LT 2 1163.34' TO SW COR LT 2 THEN N 00 DEG 06 MIN 20 SEC~~
~~W ALG WLY LN LT 2 349.84' THEN N 89 DEG 49 MIN 50 SEC E 1162.86' TO PT OF INTER WITH ELY LN LT 2~~

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? 1992 and expanded in 1997

If new construction, complete the following:

a. Estimated date of commencement of construction of the project covered by this application July 2021

b. Description of project to be constructed including size, type and quality of construction
Approximately 100,000 square feet manufacturing facility expansion. The construction will be pre-cast concrete.

c. Projected number of construction employees during the project construction 50-60

14. Approximate date of commencement of this project's operations 9/1/2022

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

a. Land..... \$ 3,288,000

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

c. Newly constructed buildings and structures when completed \$ 16,000,000

d. Total \$ 19,288,000

e. Machinery and equipment \$ 6,500,000

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

a. Land (not eligible) 

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

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

d. Total taxable valuation of property eligible for exemption (Add lines b and c)..... \$ 800,000

e. Enter the consolidated mill rate for the appropriate taxing district 277.19

f. Annual amount of the tax exemption (Line d multiplied by line e) \$ 221,752.00

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).
Tecton Products designs and manufactures custom fiberglass pultruded parts as an OEM supplier to several industries.
Pultrusion is the process of pulling fiberglass through a proprietary resin and heated die to form a profile shape. We coat our
products with a high quality finish to withstand the harshest environments. Our products are ideal for use as window and door
parts, fence posts, deck railing or any application where durability, weatherability, and performance are key.
19. Indicate the type of machinery and equipment that will be installed
~~Mix room equipment, tool and die equipment, 2 pultrusion production lines~~
20. For the project only, indicate the projected annual revenue, expense, and net income (before tax) from either the new business or the expansion itself for each year of the requested exemption.

Year (12 mo. periods)	New/Expansion Project only Year 1	New/Expansion Project only Year 2	New/Expansion Project only Year 3	New/Expansion Project only Year 4	New/Expansion Project only Year 5
Annual revenue	See schedule B				
Annual expense					
Net income					

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

Current positions & positions added the initial year of project

# Current Positions	New Positions Under \$13.00	New Positions \$13.01-\$15.00	New Positions \$15.01-\$20.00	New Positions \$20.01-\$28.00	New Positions \$28.01-\$35.00	New Positions Over \$35.00
249			12	3	1	

Year	(Before project)	Year 1	Year 2	Year 3	Year 4	Year 5
No. of Employees	(1) 239	255	274	289	303	320
	(2) 10	10	10	10	10	10
Estimated payroll	(1) 12,578,00	13,374,00	14,204,00	14,933,00	15,629,00	16,443,00
	(2) 153,000	153,000	153,000	153,000	153,000	153,000

(1) - full time
(2) - part time

Previous Business Activity

22. Is the project operator succeeding someone else in this or a similar business? ☐ Yes ☒ No
23. Has the project operator conducted this business at this or any other location either in or outside of the state?
☒ Yes ☐ No
24. Has the project operator or any officers of the project received any prior property tax incentives? ☒ Yes ☐ No
- If the answer to 22, 23, or 24 is yes, give details including locations, dates, and name of former business (attach additional sheets if necessary).
- ~~Tecton Products Fargo location at the same address above received a payment in lieu of property tax incentive for 20 years beginning in 1998 with the first 5 years at 100% exempt, years 6-10 at 75% exempt, years 11-15 at~~

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

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

Property Tax Liability Disclosure Statement

26. Does the project operator own real property in North Dakota which has delinquent property tax levied against it? ☐ Yes ☒ No
27. Does the project operator own a greater than 50% interest in a business that has delinquent property tax levied against any of its North Dakota real property? ☐ Yes ☒ No

If the answer to 26 or 27 is Yes, list and explain

Use Only When Reapplying

28. The project operator is reapplying for property tax incentives for the following reason(s):
- ☐ To present additional facts or circumstances which were not presented at the time of the original application
 - ☐ To request continuation of the present property tax incentives because the project has:
 - ☐ moved to a new location
 - ☐ had a change in project operation or additional capital investment of more than twenty percent
 - ☐ had a change in project operators
 - ☐ To request an additional annual exemption for the year of _____ on structures owned by a governmental entity and leased to the project operator. (See N.D.C.C. § 40-57.1-04.1)

Notice to Competitors of Hearing

Prior to the hearing, the applicant must present to the governing body of the county or city a copy of the affidavit of publication giving notice to competitors unless the municipality has otherwise determined there are no competitors.

I, Lisa Giese, 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.

Lisa Giese

Signature

Director of Finance

Title

2-17-2021

Date

Exemption Evaluation Calculator 2020				118.6				118.6	
Tecton			Points					Points	
Project Type Code (Ctrl-C to view)			1	38.0				1	38.0
Current Number Of Employees		Year 1	239		Year 3		239		
Hourly Salary Without Benefits		# Jobs			# Jobs				
Under \$13.00									
\$13.01-\$15.00									
\$15.01-\$20.00		12			38				
\$20.01-\$28.00		3	Pts. For # Jobs->	15.0	9		Pts. For # Jobs->	15.0	
\$28.01-\$35.00		1	Pts. For \$ Jobs->	10.6	3		Pts. For \$ Jobs->	10.6	
Over \$35.00									
TOTAL # OF JOBS CREATED		16			50				
% GI w/ Local Competition (not downtown)			0%	25.0	0%			25.0	
Value of Proposed Buildings			\$ 16,000,000	30.0	\$ 16,000,000			30.0	
Downtown Location (Y/N)			N	0.0	N			0.0	
Exemption Needed (Y/N)					0				
Startup Firm (Y/N)			N	0.0	N			0.0	
Has Const Started or Has Bldg Been Occupied If Existing (Y/N)			N	0.0	N			0.0	
Number of Years (Exemption)			10		10				
Building Age (if substantial renovation)				0.0				0.0	
RECOMMENDATION IS TO APPROVE					APPROVE				
Description			Manufacturing		Description			Manufacturing	
Estimated New Annual Payroll			\$653,120		Estimated New Annual Payroll			\$2,032,160	
Estimated Annual Real Estate Tax			\$233,696		Estimated Annual Real Estate Tax			\$233,696	
Estimated PV of Exemption			\$1,804,539		Estimated PV of Exemption			\$1,804,539	
Payroll / PV of Exemption			0.4		Payroll / PV of Exemption			1.1	
Property Value / # of Jobs			\$ 1,000,000		Property Value / # of Jobs			\$ 320,000	
Total Value Of Benefit			\$ 2,336,960		Total Value Of Benefit			\$ 2,336,960	

Tecton 2021	
Project Operator	Tecton
Parcel Number	01-1884-00010-000
Address	4401 15 Ave N
Date Application Received	2/24/2021
1st Publication Date	3/10/2021
2nd Publication Date	3/17/2021
TRC Meeting Date	3/23/2021
Commission Hearing Date	4/5/2021
Notice Delivery To School/County	3/3/2021
School/County 30-Day Response	4/2/2021
Exemption Type	PILOT
Estimated Improvements Value	\$16,000,000
Building Value to Remain Taxable	\$4,208,000
Estimated Land Value	\$3,288,000
County Share of Levy (%)	17.3%
Anticipated Tax Growth	2.0%
Current Mill Levy	277.19
Number of Years Granted	10
Total Gross Estimated Benefit	\$1,676,002
Benefit Summary	
Full Taxes w/o Incentives	
Land	\$45,570
Existing Building	\$58,321
Building	\$221,752
Total Payment	\$325,643
Benefit	\$0
Full Incentives	
Land	\$45,570
Existing Building	\$58,321
Building	\$0.00
Total Payment	\$103,891
Benefit	\$221,752
Partial Incentives (County Opt Out)	
Land	\$45,570
Existing Building	\$58,321
Building	\$38,336
Total Payment	\$142,227
Benefit	\$183,416

Application For Property Tax Incentives For New or Expanding Businesses

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

Project Operator's Application To _____
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 _____
2.	Address of project _____ City _____ County _____
3.	Mailing address of project operator _____ City _____ State _____ Zip _____
4.	Type of ownership of project <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation </div> <div> <input type="checkbox"/> Subchapter S corporation <input type="checkbox"/> Cooperative </div> <div> <input type="checkbox"/> Individual proprietorship <input type="checkbox"/> Limited liability company </div> </div>
5.	Federal Identification No. or Social Security No. [REDACTED] _____
6.	North Dakota Sales and Use Tax Permit No. [REDACTED] _____
7.	If a corporation, specify the state and date of incorporation _____
8.	Name and title of individual to contact _____ Mailing address _____ City, State, Zip _____ Phone No. _____

Project Operator's Application For Tax Incentives

9.	Indicate the tax incentives applied for and terms. Be specific.
	<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> Property Tax Exemption _____ Number of years _____ Percent of exemption </div> <div style="width: 48%;"> <input type="checkbox"/> Payments In Lieu of Taxes _____ Beginning year _____ Ending year _____ Amount of annual payments (attach schedule if payments will vary) </div> </div>
10.	Which of the following would better describe the project for which this application is being made: <div style="display: flex; justify-content: space-between;"> <input type="checkbox"/> New business project <input type="checkbox"/> Expansion of a existing business project </div>

11. Legal description of project real property

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 _____

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

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

14. Approximate date of commencement of this project's operations _____

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

a. Land..... \$ _____

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

c. Newly constructed buildings and structures when completed \$ _____

d. Total..... \$ _____

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..... \$ _____

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

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

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

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

	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
Year (12 mo. periods)					

Annual revenue					
Annual expense					
Net income					

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

Current positions & positions added the initial year of project

# Current Positions		New Positions Under \$13.00	New Positions \$13.01-\$15.00	New Positions \$15.01-\$20.00	New Positions \$20.01-\$28.00	New Positions \$28.01-\$35.00	New Positions Over \$35.00

Year	(Before project)	Year 1	Year 2	Year 3	Year 4	Year 5
No. of Employees	(1) _____	_____	_____	_____	_____	_____
	(2) _____	_____	_____	_____	_____	_____
Estimated payroll	(1) _____	_____	_____	_____	_____	_____
	(2) _____	_____	_____	_____	_____	_____

(1) - full time
(2) - part time

22. Is the project operator succeeding someone else in this or a similar business? ☐ Yes ☐ No
23. Has the project operator conducted this business at this or any other location either in or outside of the state?
☐ Yes ☐ No
24. Has the project operator or any officers of the project received any prior property tax incentives? ☐ Yes ☐ No
- If the answer to 22, 23, or 24 is yes, give details including locations, dates, and name of former business (attach additional sheets if necessary).
-
-

Business Competition

25. Is any similar business being conducted by other operators in the municipality? ☐ Yes ☐ No
- If YES, give name and location of competing business or businesses
-
-
- Percentage of Gross Revenue Received Where Underlying Business Has ANY Local Competition %

Property Tax Liability Disclosure Statement

26. Does the project operator own real property in North Dakota which has delinquent property tax levied against it? ☐ Yes ☐ No
27. Does the project operator own a greater than 50% interest in a business that has delinquent property tax levied against any of its North Dakota real property? ☐ Yes ☐ No
- If the answer to 26 or 27 is Yes, list and explain
-
-

Use Only When Reapplying

28. The project operator is reapplying for property tax incentives for the following reason(s):
- ☐ To present additional facts or circumstances which were not presented at the time of the original application
- ☐ To request continuation of the present property tax incentives because the project has:
- ☐ moved to a new location
 - ☐ had a change in project operation or additional capital investment of more than twenty percent
 - ☐ had a change in project operators
- ☐ To request an additional annual exemption for the year of _____ on structures owned by a governmental entity and leased to the project operator. (See N.D.C.C. § 40-57.1-04.1)

Notice to Competitors of Hearing

Prior to the hearing, the applicant must present to the governing body of the county or city a copy of the affidavit of publication giving notice to competitors unless the municipality has otherwise determined there are no competitors.

I, _____, do hereby certify that the answers to the above questions and all of the information contained in this application, including attachments hereto, are true and correct to the best of my knowledge and belief and that no relevant fact pertaining to the ownership or operation of the project has been omitted.



Signature

Title

Date

PRIVACY ACT NOTIFICATION

Page 15

In compliance with the Privacy Act of 1974, disclosure of a social security number or Federal Employer Identification Number (FEIN) on this form is required under N.D.C.C. §§ 40-57.1-03, 40-57.1-07, and 57-01-15, and will be used for tax reporting, identification, and administration of North Dakota tax laws. Disclosure is mandatory. Failure to provide the social security number or FEIN may delay or prevent the processing of this form.

Certification of Governing Body (To be completed by the Auditor of the City or County)

The municipality shall, after granting any property tax incentives, certify the findings to the State Tax Commissioner and Director of Tax Equalization by submitting a copy of the project operator's application with the attachments. The governing body, on the _____ day of _____, 20____, granted the following:

☐ **Property Tax Exemption**

☐ **Payments in lieu of taxes**

_____ Number of years

_____ Beginning year _____ Ending year

_____ Percent of exemption


_____ Amount of annual payments (Attach schedule if payments will vary)

Auditor

Exemption Evaluation Calculator 2020				121.7				131.5				
Packet Digital			Points				Points					
Project Type Code (Ctrl-C to view)			1		38.0		1		38.0			
Current Number Of Employees		Year 1	19				Year 3		19			
Hourly Salary Without Benefits		# Jobs					# Jobs					
Under \$13.00												
\$13.01-\$15.00												
\$15.01-\$20.00												
\$20.01-\$28.00		4	Pts. For # Jobs->		20.0		8		Pts. For # Jobs->		30.0	
\$28.01-\$35.00		4	Pts. For \$ Jobs->		15.7		8		Pts. For \$ Jobs->		15.5	
Over \$35.00		5					9					
TOTAL # OF JOBS CREATED		13					25					
% GI w/ Local Competition (not downtown)			0%		25.0		0%			25.0		
Value of Proposed Buildings			\$ 717,100		10.0		\$ 717,100			10.0		
Downtown Location (Y/N)			N		0.0		N			0.0		
Exemption Needed (Y/N)							0					
Startup Firm (Y/N)			y		13.0		y			13.0		
Has Const Started or Has Bldg Been Occupied If Existing (Y/N)			n		0.0		n			0.0		
Number of Years (Exemption)			5				5					
Building Age (if substantial renovation)					0.0					0.0		
RECOMMENDATION IS TO			APPROVE				APPROVE					
Description			Manufacturing				Manufacturing					
Estimated New Annual Payroll			\$840,320				\$1,605,760					
Estimated Annual Real Estate Tax			\$10,474				\$10,474					
Estimated PV of Exemption			\$45,347				\$45,347					
Payroll / PV of Exemption			18.5				35.4					
Property Value / # of Jobs			\$ 55,162				\$ 28,684					
Total Value Of Benefit			\$ 52,370				\$ 52,370					

MEMORANDUM

TO: Tax Exempt Review Committee

FROM: Jim Gilmour, Director of Strategic Planning and Research 

DATE: March 15, 2021

SUBJECT: Review of Renewal Plan

At the direction of the City Commission, City staff has prepared a Renewal Plan for the area adjacent to the Red River in downtown Fargo. The plan was prepared to be consistent with the Go2030 Comprehensive Plan and the Downtown Fargo InFocus Plan. It is attached for your information.

Plan activities include incentives to developers for redevelopment. Prior to any development incentives provided to private developers, the Tax Exempt Review Committee would review those requests and make a recommendation to the City Commission.

The Committee does not need to make any recommendations at this time. If you have questions or concerns, feel free to contact me.

Attachment

RENEWAL PLAN
TAX INCREMENT FINANCING DISTRICT NO. 2021-01
CITY OF FARGO, NORTH DAKOTA
January 2021

RENEWAL PLAN FOR TAX INCREMENT DISTRICT NO. 2021-01	1
SUBSECTION 1.1. DEFINITIONS	1
SUBSECTION 1.2. STATUTORY AUTHORITY	1
SUBSECTION 1.3. STATEMENT OF PUBLIC PURPOSE.....	2
SUBSECTION 1.4. DESCRIPTION OF RENEWAL AREA	3
SUBSECTION 1.5. LAND ACQUISITION, DEMOLITION AND REMOVAL OF STRUCTURES, REDEVELOPMENT INCENTIVES OR PUBLIC IMPROVEMENTS.....	4
SUBSECTION 1.6. LAND USE ATTRIBUTES – TIF DISTRICT	5
SUBSECTION 1.7. ESTIMATE OF DEVELOPMENT COSTS	5
SUBSECTION 1.8. ESTIMATE OF BONDED INDEBTEDNESS	6
SUBSECTION 1.9. TAX INCREMENT FINANCING.	6
SUBSECTION 1.10. ESTIMATE OF TAX INCREMENT.	6
SUBSECTION 1.11. DURATION OF THE TIF DISTRICT.....	7
APPENDIX A: PHOTOS OF EXISTING CONDITIONS	
APPENDIX B: MAP OF THE RENEWAL AREA/TIF DISTRICT	
APPENDIX C: LEGAL DESCRIPTION OF PROPERTY	
APPENDIX D: POTENTIAL FOR RECEVELOPMENT	
APPENDIX E: DOWNTOWN LAND USE MAP	
APPENDIX F: REDEVELOPMENT ACTIVITY MAP	

RENEWAL PLAN FOR TAX INCREMENT DISTRICT NO. 2021-01

Subsection 1.1. Definitions.

For the purposes of the Renewal Plan, the following terms shall have the meanings specified below, unless the context otherwise requires:

"City" means the City of Fargo, a municipal corporation under the laws of the State of North Dakota.

"City Commission" or "Commission" means the Fargo City Commission.

"Comprehensive Plan" means the City's GO2030 Comprehensive Plan, including the objectives, policies, standards and programs to guide public and private land use, development, redevelopment and preservation for all lands and water within the City as and when such plan is adopted and finalized.

"County" means Cass County, North Dakota.

"Development" means the construction of new buildings, structures or improvements; the demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures or improvements; the acquisition of equipment; and the clearing and grading of land on industrial or commercial property in the Renewal Area.

"Renewal Area" means the property described in Subsection 1.4 of this Plan.

"Renewal Plan" or "Plan" means this Plan adopted by the Commission for the Renewal Area.

"State" means the State of North Dakota.

"Tax Increment Financing Act" or "TIF Act" means North Dakota Century Code, Section 40-58-20, as amended.

"Tax Increment Bonds" means any general obligation or revenue tax increment bonds or notes issued by the City to finance the public costs associated with the TIF District as stated in this Plan, or any obligations issued to refund the Tax Increment Bonds.

"Tax Increment Financing District" or "TIF District" means Tax Increment Financing District No. 2021-01.

"Urban Renewal Law" means North Dakota Century Code, Chapter 40-58.

Subsection 1.2. Statutory Authority.

The creation of the Renewal Area and the establishment of Tax Increment Financing District No. 2021-01 are authorized by the Urban Renewal Law. Specifically the creation of the Renewal Area is authorized under North Dakota Century Code, Sections 40-58-01.1(7) and (14), which provide that the local governing body may designate industrial or commercial property, a slum or blighted area or a combination of these properties as appropriate for a development or renewal project.

The Urban Renewal Law provides that communities develop a "workable program" for the use of public and private resources to facilitate the development of industrial or commercial properties, eliminate and prevent the development or spread of slums and urban blight, encourage needed urban rehabilitation, provide for the redevelopment of slum and blighted areas, or undertake these activities or other feasible municipal activities as may be suitably employed to achieve the objectives of the workable program. North Dakota Century Code, Section 40-58-04.

Subsection 1.3. Statement of Public Purpose

In adopting the Renewal Plan for TIF District No. 2021-01, the City Commission intends to make the following findings:

- (a) The Renewal Area includes a blighted area.

Factual basis: This Renewal Area is blighted due to the presence of deteriorated or deteriorating structures, which substantially impairs the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use. Photos of blighted conditions within the Renewal Area can be found in Appendix A.

- (b) The Renewal Area includes vacant, industrial, commercial and residential properties.

Factual basis: Areas within the Renewal Area are considered blighted as described in (a) above. Blighted areas are eligible for renewal.

- (c) The Renewal Area is appropriate for a development or renewal project.

Factual basis: Most of the Renewal Area is located within the DMU (Downtown Mixed-Use) zoning district. South of 2nd Street South, there are properties in the MR-3 zoning district. Older industrial, warehouse and surface parking land uses are most appropriate for redevelopment to newer housing, commercial and hospitality land uses.

- (d) Comparable replacement dwellings or housing is or can be made available to persons displaced by the proposed Tax Increment Project.

Factual basis: There are vacant apartments in the City. The multi-family vacancy rate in the City is estimated to be 5.4% as of September 2020, which is high enough to meet the needs of the persons who would be displaced. This plan includes activities to provide new housing, including housing for lower income households.

- (e) The Plan conforms to the Comprehensive Policy Plan for the City as a whole.

Factual basis: The proposed development is consistent with the goals that are embodied in the Go2030 Comprehensive Plan and the Downtown InFocus Plan.

Specifically, the Fargo Go2030 Comprehensive Plan supports infill and density within areas that are already developed, serviced with utilities and protected by a flood

resiliency strategy. The promotion of infill development is the number two ranked priority of GO2030.

Additionally, housing development within this Renewal Area provides an opportunity for residents to live in close proximity to shopping and work. The proposed development will not burden the existing infrastructure as the property is served with water and sewer main lines.

Redevelopment activities are consistent with the Downtown InFocus Plan. The InFocus land use plan is for residential, commercial, mixed-use and public/institutional land uses within the area of the renewal plan.

Subsection 1.4. Description of Renewal Area

The TIF district Renewal Area is located on the eastern side of downtown Fargo. General boundaries are the Great Northern rail line on the north, 4th Street on the west, the Red River on the east and 7th Avenue South on the south. The district does include some properties on the west side of 4th Street and south of 6th Avenue South. A map of the renewal area is in Appendix B. Appendix C is a list of the properties in the renewal area.

The Renewal Area includes many properties that are vacant, surface parking and older commercial, warehouse and industrial areas. A map in Appendix D shows the location of properties with the potential for redevelopment. There are four general areas including:

North of 2nd Avenue North – There are sites with potential for redevelopment on five blocks. A city owned warehouse and a privately owned single story commercial building are along 2nd Street North with a good view of the river. A Fargo Housing Authority property in need of replacement for major renewal is located NE of 4th Avenue and 4th Street. Property NW of 4th Street and 4th Avenue is surface parking for a single story commercial building. The former Public Health Department is located NW of 3rd Avenue, it is owned by the City and is in poor condition. Another City building, the former police station, and a parking ramp with the potential to expand are located SW of 3rd Avenue and 4th Street.

South of 1st Avenue North – The block SE of 1st Avenue and 4th Street has surface parking, a vacant housing building and an auto repair business. The block south of City Hall is half surface parking and half older commercial buildings. South of that block is a newly renovated office building and commercial laundry business. The former Mid-America Steel operation is located along the river between NP Avenue and Main Avenue, it is owned by the City and much of the site could be redeveloped.

South of NP Rail Line – The two blocks along Main Avenue between 2nd Street and 4th Street have a lot of redevelopment potential. Many properties on the north side of Main Avenue are vacant. The Gateway Mall was recently acquired for redevelopment and the first new building is under construction. The City owns a vacant parcel on the block that has a high potential for housing development. The Fargo Housing Authority has 22-story large apartment building that is in poor condition and needs redevelopment.

6th Avenue South – Prairie St. John's is building a new healthcare facility to replace its existing facility on the same site on the north side of the avenue. The south side of the avenue is

surface parking and older housing units.

Subsection 1.5. Land Acquisition, Demolition and Removal of Structures, Redevelopment Incentives or Public Improvements

The Development of the Renewal Area includes the following activities. They are listed in four phases including those planned for 2021, those planned for 2022, those that could be ready for 2023 to 2025 when TIF revenue is expected to increase, and those that may occur after 2025.

These activities are designed to implement the Downtown InFocus land use plan. The land use plan map is included in Appendix E.

2021 Activities

- Sell the City property at 1 2nd Street South for redevelopment, with the condition that no development incentives will be provided so that new property tax revenue will be available for TIF-funded activities.
- Demolish the City-owned warehouse at 419 3rd Street North (old school district warehouse) and sell the cleared site for redevelopment, with the condition that no development incentives will be provided so that new property tax revenue will be available for TIF-funded activities. Money for the demolition would be reimbursed from future TIF revenue and/or sale of City properties within the Renewal Area.
- Sell the City property at 401 3rd Avenue North (old Public Health building) to encourage redevelopment at this site or an adjacent site. Use funds from the sale of this property towards the cost of the demolition of 419 3rd Street North and other renewal plan activities.
- Planning for the Mid-America Steel site redevelopment to include general flood protection plans, a review of City ordinances that affect redevelopment, identification of buildings that have no potential for redevelopment and development of concepts for redevelopment.

2022 Activities

- Demolish buildings on the Mid-America Steel site that do not have the potential for redevelopment.
- Provide redevelopment incentives as needed to encourage redevelopment by private developers for private redevelopments or public-private partnership redevelopments. Incentives may include costs of land acquisition, demolition, public improvements and other appropriate costs.
- In partnership with the Fargo Housing Authority, develop plans or redevelopment of public housing projects at 409 4th Street North and 101 2nd Street South. Costs may include demolition costs, public improvements and other costs. Implementation in 2023.

2023 to 2025 Activities

- Acquire land and assist with an affordable housing project within the Renewal Area, possibly in coordination with Prairie St. John's.
- Redevelop the Fargo Housing Authority site at 401 3rd Street North.
- Redevelop the Fargo Housing Authority site at 101 2nd Street South.
- Pedestrian/bike bridge over 2nd Street at City Hall.
- Civic Plaza work in coordination with redevelopment of the Civic Auditorium.

- Pedestrian connection between Fargo City Hall and the Skyway System.
- Civic Center Parking Ramp addition to provide additional parking downtown.
- Civic Auditorium redevelopment.
- Redevelopment incentives for Mid-America Steel site.
- New infrastructure to the Mid-American Steel site.

2026 and Beyond

- Redevelopment incentives for other sites within the Renewal Area.
- Public infrastructure.

This schedule is for planning purposes, so specific activities and details may be different when these activities are implemented. The schedule will depend on the availability of TIF and other resources, including private sector investment. The schedule and the annual selection of activities will depend on the success of the first developments, availability of private sector partners and schedule of other public improvements.

Subsection 1.6. Land Use Attributes – TIF District

- (a) *Zoning, Densities and Building Requirements.*
Most of the renewal plan area is zoned DMU (Downtown Mixed-Use), and no zoning changes are required to implement this plan. DMU zoning district does not restrict the number of dwelling units or density. All properties within this district are subject to the provisions of the City of Fargo Building Codes and the Land Development Code.
- (b) *Plan relationship to land use objectives (land uses, improved traffic, public utilities, recreational and community facilities and other public improvements).*
The activities outlined in the plan meet critical needs required for the redevelopment of this area. The redevelopment complies with the DMU zoning district and the redevelopment goals of the GO2030 Comprehensive Plan and the Downtown InFocus Plan. The development provides for the infill of new housing units, mixed-use development and commercial development within downtown Fargo.

Subsection 1.7. Estimate of Development Costs

The City anticipates development of the Renewal Area will involve certain public costs. North Dakota Century Code, Sections 40-58-20 and 40-58-20.1 allows the use of funds received from tax increments to be applied to certain specified costs. The City will provide for certain costs as listed below in a development agreement. The primary costs involved in the development are demolition and site cleanup, development incentives and public facility improvements.

This list of estimated costs is very high-level estimates. In most cases, a detailed or even general estimate is not available. These estimates will need to be more fully developed as part

of the continuing planning and implementation process. As this planning process continues, additional activities may be added and other activities may be amended or removed from the plan.

Year 1 – 2021

- Demolish the City-owned warehouse at 419 3rd Street North: \$500,000 to \$1,000,000.

Year 2 – 2022

- Mid-America demolitions: \$500,000 to \$2,000,000.
- Redevelopment incentives: \$1,000,000 to \$2,000,000.

Year 3 to Year 5 – 2023-2025

- Affordable housing: \$500,000 to \$1,000,000.
- Senior housing redevelopment at 409 4th Street North: \$1,000,000 to \$2,000,000.
- Demolition of High Rise: \$2,000,000 to \$3,000,000.
- Civic Parking expansion: \$1,500,000 to \$2,500,000.
- Civic Center Plaza: \$2,000,000 to \$10,000,000.
- 2nd Street pedestrian/bike bridge (local): \$1,000,000 to \$1,500,000.
- Skyway connection to City Hall: \$500,000 to \$1,000,000.

Attachment F shows the location of these proposed activities.

Subsection 1.8. Estimate of Bonded Indebtedness

The City intends to finance certain costs of the Development through a variety of methods. Development incentives may be done through the issuance of Tax Increment Financing Notes to developers. The City may use general obligation bonds, special assessment warrants or refunding improvement bonds pursuant to North Dakota Century Code, Section 40-58-20 (9), and the City may special assess all or a portion of the costs of development and apply funds received from tax increments to payment of the special assessments and other bonds. The City may borrow from other internal funds and repay those with future tax increment revenue.

Subsection 1.9. Tax Increment Financing.

The County Auditor is requested to compute, certify and remit tax increments resulting from the Development within the Renewal Area.

The original assessed value of the property within the Renewal Area, as last assessed and equalized before the base year of this Plan, is outlined on Attachment A.

Each year the County Auditor will compute the amount of tax increment generated within the Renewal Area in accordance with the TIF Act. Any year where there is an "incremental value" as provided in the TIF Act, an increment will be payable to the City and deposited in the fund created by the County Auditor for that purpose. Any year in which there is "lost value" pursuant to the TIF Act, no increment will be payable to the City.

Subsection 1.10. Estimate of Tax Increment.

It is anticipated that the Development will result in an increase in true and full value of the Renewal Area redevelopment site to \$215 million. The value of taxable private property within the TIF district is \$65 million. The increase in value has the potential to be over \$150 million. Under the mill rate in effect as of the date of this Plan, development within the Renewal Area will generate tax increment each year of \$140,000 for every \$10 million in development. If \$150 million of new buildings are eventually developed, tax increment would be \$2 million per year.

While there is potential for over \$150 million of new development within this Renewal Area, the development will likely be slow to occur, and will depend on the success of the first phases of redevelopment. TIF income will be very small in the first few years, begin to grow in 2024, and grow significantly, as private property within the Renewal Area develops. Outside of property that the City owns, the timing of the development is unpredictable.

This is an estimate of TIF income for activities that are expected soon or those that the City can influence the schedule.

2022 and 2023: Minimal income from construction activities at 300 Main Avenue and City Centre.

2024: Completion of projects at Park East, old school warehouse and Prairie St. John's. Significant TIF income of \$500,000 a year begins.

2029: Renaissance Zone exemptions expire on projects at 300 Main Avenue and 225 4th Avenue North. TIF income increases by \$250,000 a year.

2030+: Projects are completed on other sites within the Renewal Area. Total TIF income could eventually grow significantly to more than \$2 million a year as new development occurs and redevelopment incentives expire.

Subsection 1.11. Duration of the TIF District.

The City anticipates that the TIF District will continue until all development costs are reimbursed through the receipts of tax increment, or after a maximum of 25 years. The first substantial tax increment payment will be received in 2024 and increase as new development is constructed within the boundary of the Renewal Area.

APPENDIX A
PHOTOS OF EXISTING CONDITIONS



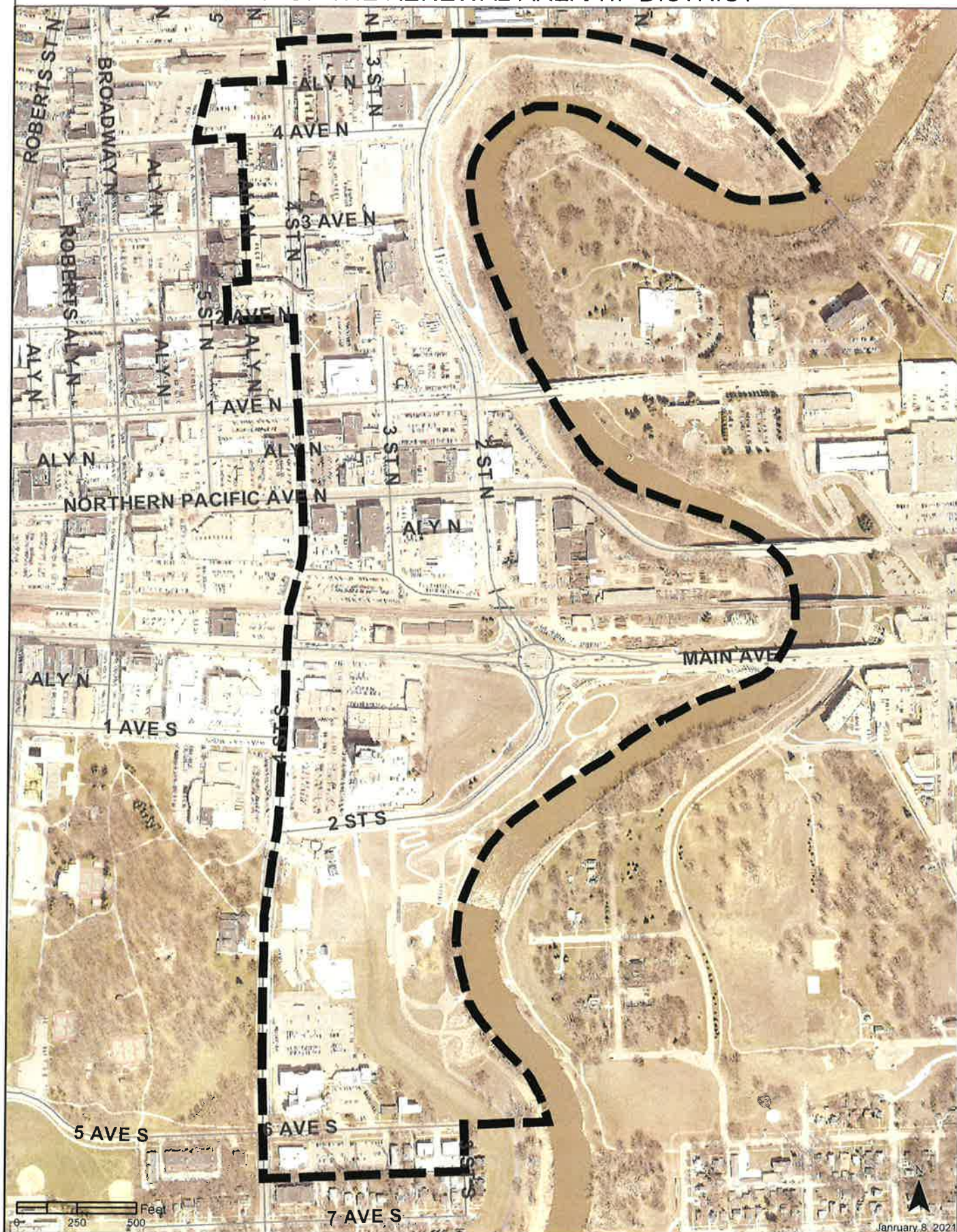






APPENDIX B

MAP OF THE RENEWAL AREA/TIF DISTRICT



APPENDIX C
PROPERTIES IN THE RENEWAL AREA

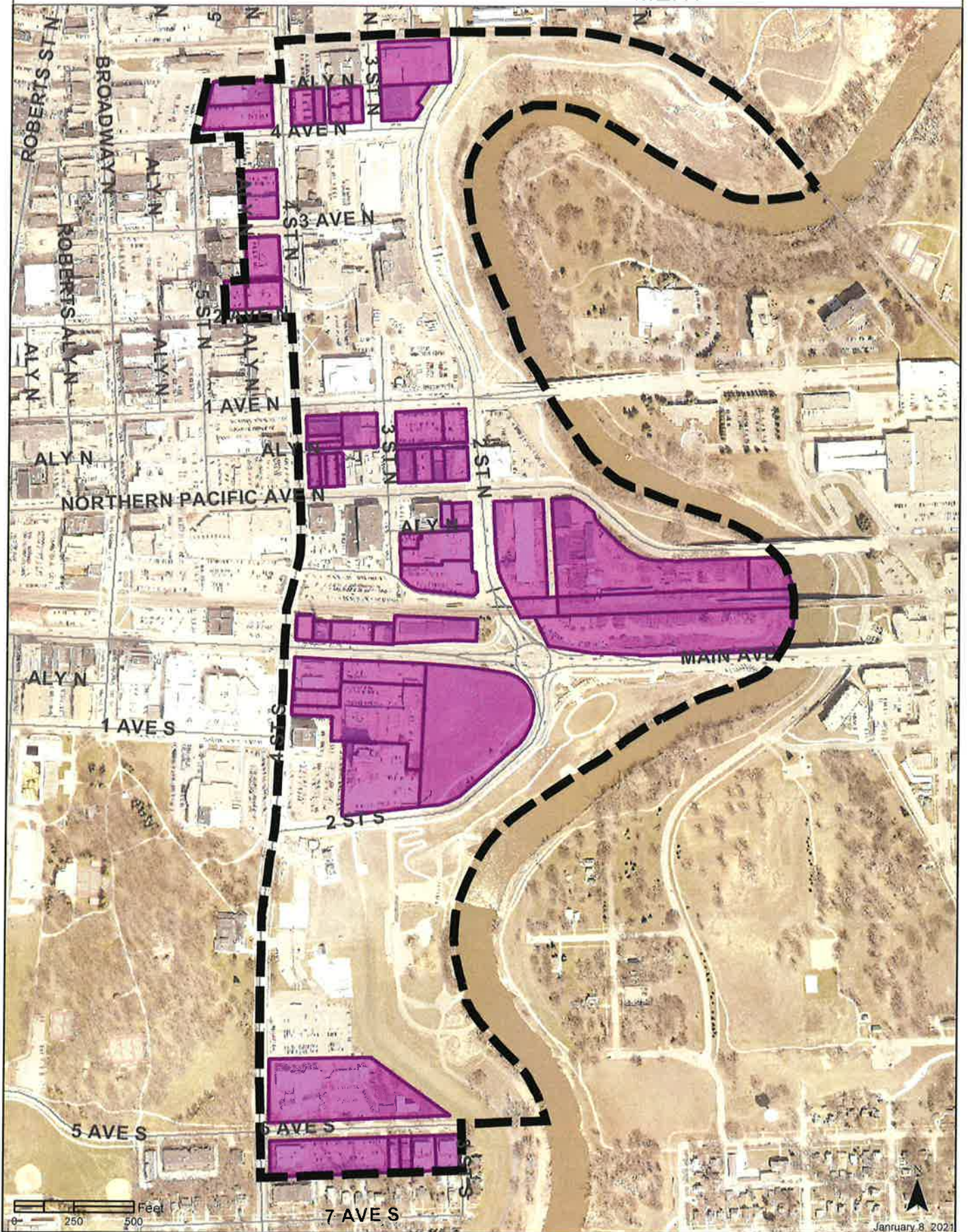
<u>Owner</u>	<u>Address</u>	<u>Land Value</u>	<u>Building Value</u>	<u>Total Value</u>	<u>Description</u>
PARK DISTRICT OF THE CITY OF FARGO	310 4 ST S	\$ 308,000	\$ 259,800	\$ 567,800	Fargo Park District
PARK DISTRICT OF THE CITY OF FARGO	310 4 ST S	\$ 69,000	\$ 160,300	\$ 229,300	Fargo Park District
PSJ ACQUISITION LLC	390 6 AVE S	\$ 186,000	\$ 1,074,100	\$ 1,260,100	Medical Clinic
PSJ ACQUISITION LLC	352 6 AVE S	\$ 45,000	\$ 253,000	\$ 298,000	Conversion
LEAHY, ROBERT ANTHONY	344 6 AVE S	\$ 40,300	\$ 157,600	\$ 197,900	Duplex
PSJ ACQUISITION LLC	340 6 AVE S	\$ 38,000	\$ 504,500	\$ 542,500	Group Home
PSJ ACQUISITIONS LLC	334 6 AVE S	\$ 38,000	\$ 584,500	\$ 622,500	Group Home
JT PARKING LLC	321 NORTHERN PACIFIC AVE N	\$ 81,000	\$ 14,000	\$ 95,000	Parking Ramp/Lot
JT PARKING LLC	319 NORTHERN PACIFIC AVE N	\$ 40,000	\$ 7,000	\$ 47,000	Parking Ramp/Lot
FORUM PUBLISHING CO	317 NORTHERN PACIFIC AVE N	\$ 81,000	\$ 14,000	\$ 95,000	Parking Ramp/Lot
IRISH PROPERTIES II LLC	313 NORTHERN PACIFIC AVE N	\$ 40,000	\$ 424,500	\$ 464,500	Office
FAMILY HEALTHCARE CENTER	307 NORTHERN PACIFIC AVE N	\$ 121,000	\$ 2,432,400	\$ 2,553,400	Medical Clinic
FAMILY HEALTHCARE CENTER	301 NORTHERN PACIFIC AVE N	\$ 121,000	\$ 5,013,900	\$ 5,134,900	Medical Clinic
DALE R LARSON REV LIVING TRUST AGREEMENT	308 1 AVE N	\$ 242,000	\$ 457,000	\$ 699,000	Retail
CITY OF FARGO	69 4 ST N	\$ 145,000	\$ 989,000	\$ 1,134,000	City Of Fargo
DALE R LARSON REV LIVING TRUST AGREEMENT	67 4 ST N	\$ 48,000	\$ 8,000	\$ 56,000	Parking Ramp/Lot
DALE R LARSON REV LIVING TRUST AGREEMENT	65 4 ST N	\$ 48,000	\$ 8,000	\$ 56,000	Parking Ramp/Lot
BORTNEM FAMILY LTD PTSHP	219 NORTHERN PACIFIC AVE N	\$ 116,000	\$ 349,000	\$ 465,000	Retail & Offices
BORTNEM FAMILY LTD PTSHP	213 NORTHERN PACIFIC AVE N	\$ 116,000	\$ 245,000	\$ 361,000	Retail
BORTNMEN FAMILY LTD PTSHP	209 NORTHERN PACIFIC AVE N	\$ 77,000	\$ 286,000	\$ 363,000	Retail
FARMERS UNION OIL COMPANY OF MOORHEAD	205 NORTHERN PACIFIC AVE N	\$ 154,000	\$ 561,000	\$ 715,000	Convenience Store
BORTNAM FAMILY LTD PTSHP	65 3 ST N	\$ 308,000	\$ 56,000	\$ 364,000	Parking Ramp/Lot
BORTNEM FAMILY LTD PTSHP	72 2 ST N	\$ 154,000	\$ 28,000	\$ 182,000	Parking Ramp/Lot
CITY OF FARGO	411 2 AVE N	\$ 144,000	\$ 2,451,600	\$ 2,595,600	Parking Ramp/Lot
CITY OF FARGO	95 2 ST N	\$ 6,000	\$ -	\$ 6,000	County
CASE PLAZA LLC	117 NORTHERN PACIFIC AVE N	\$ 394,000	\$ 2,533,000	\$ 2,927,000	Office
CASE PLAZA LLC	101 NORTHERN PACIFIC AVE N	\$ 78,000	\$ 92,000	\$ 170,000	Parking Ramp/Lot
CITY OF FARGO	93 NORTHERN PACIFIC AVE N	\$ 157,000	\$ -	\$ 157,000	
PARK DISTRICT OF THE CITY OF FARGO	101 2 ST N	\$ 71,000	\$ -	\$ 71,000	Fargo Park District
AMERICAN FEDERAL BANK	406 4 ST N	\$ 343,000	\$ 57,000	\$ 400,000	Parking Ramp/Lot
DVAW LLC	417 5 ST N	\$ 309,000	\$ 624,100	\$ 933,100	Warehouse & Office
FARGO HOUSING & REDEVELOPMENT	409 4 ST N	\$ 115,000	\$ 798,600	\$ 913,600	Apartment
FARGO HOUSING & REDEVELOPMENT AUTHORITY	355 4 AVE N	\$ 53,000	\$ 310,700	\$ 363,700	Apartment
FARGO HOUSING & REDEVELOPMENT AUTHORITY	415 BURRELL CT N	\$ 69,000	\$ 16,900	\$ 85,900	Fargo Housing Authority
FARGO HOUSING & REDEVELOPMENT AUTHORITY	311 4 AVE N	\$ 69,000	\$ 16,900	\$ 85,900	Fargo Housing Authority
SIMONSON, BONITA J	410 3 ST N	\$ 72,000	\$ 176,400	\$ 248,400	Warehouse & Office
CITY OF FARGO	415 4 ST N	\$ 429,000	\$ 2,494,000	\$ 2,923,000	Fargo School Board
CITY OF FARGO	421 4 ST N	\$ -	\$ -	\$ -	City Of Fargo
CITY OF FARGO	419 3 ST N	\$ 489,000	\$ 1,606,000	\$ 2,095,000	County
CITY OF FARGO	402 OAK ST N	\$ 19,000	\$ -	\$ 19,000	City Of Fargo
CITY OF FARGO	403 OAK ST N	\$ 65,000	\$ -	\$ 65,000	City Of Fargo
CITY OF FARGO	565 2 ST N	\$ 29,000	\$ -	\$ 29,000	City Of Fargo
BORTNEM FAMILY LTD PARTNERSHIP	221 MAIN AVE	\$ 225,000	\$ 223,000	\$ 448,000	Warehouse
CITY OF FARGO	92 NORTHERN PACIFIC AVE N	\$ 1,213,000	\$ 113,500	\$ 1,326,500	Warehouse
PARK DISTRICT OF THE CITY OF FARGO	100 MAIN AVE	\$ 163,000	\$ -	\$ 163,000	Fargo Park District
CITY OF FARGO	1 2 ST S	\$ 1,453,000	\$ -	\$ 1,453,000	Vacant Land
FARGO HOUSING AUTHORITY	101 2 ST S	\$ 697,000	\$ 7,498,800	\$ 8,195,800	Fargo Housing Authority
PROFESSIONAL ASSOCIATES LLC	100 4 ST S	\$ 929,000	\$ 2,068,000	\$ 2,997,000	Office
C/D BETTENHAUSEN, STEVEN W & SHARI L	330 MAIN AVE	\$ 270,000	\$ 387,000	\$ 657,000	Convenience Store
AMERICAN LINEN SUPPLY CO	206 NORTHERN PACIFIC AVE N	\$ 83,000	\$ 246,000	\$ 329,000	Laundry/Dry Cleaner
AMERICAN LINEN SUPPLY CO	208 NORTHERN PACIFIC AVE N	\$ 55,000	\$ 285,000	\$ 340,000	Laundry/Dry Cleaner
VOGEL LAW OFFICE BUILDING LLP	218 NORTHERN PACIFIC AVE N	\$ 251,000	\$ 2,553,700	\$ 2,804,700	Office
AMERICAN LINEN SUPPLY CO	50 2 ST N	\$ 343,000	\$ 648,000	\$ 991,000	Laundry/Dry Cleaner
FRITZ PROPERTIES LLC	310 NORTHERN PACIFIC AVE N	\$ 151,000	\$ 618,000	\$ 769,000	Office
TTC LLP	35 4 ST N	\$ 440,000	\$ 2,215,000	\$ 2,655,000	Office
TTC LLP	35 4 ST N	\$ -	\$ 39,500	\$ 39,500	Warehouse
NORTHLAND HOSPITALITY LLC	404 4 AVE N	\$ 182,000	\$ 1,295,000	\$ 1,477,000	Office
CITY OF FARGO	401 3 AVE N	\$ 364,000	\$ 1,406,600	\$ 1,770,600	City Of Fargo
RUBY RULES LLC	321 4 ST N	\$ 195,000	\$ 752,000	\$ 947,000	Medical Clinic
PONTOPPIDAN LUTHERAN CHURCH	309 4 ST N	\$ 390,000	\$ 716,400	\$ 1,106,400	Church
NORTHLAND HOSPITALITY LLC	334 4 AVE N	\$ 430,000	\$ 59,000	\$ 489,000	Parking Ramp/Lot
CITY OF FARGO	207 3 AVE N	\$ 127,000	\$ -	\$ 127,000	County
CITY OF FARGO	203 4 AVE N	\$ 54,000	\$ -	\$ 54,000	County
DFI AP LLC	225 4 AVE N	\$ 262,000	\$ 1,256,000	\$ 1,518,000	Office
CITY OF FARGO	425 2 ST N	\$ 13,000	\$ -	\$ 13,000	City Of Fargo
PARK DISTRICT OF THE CITY OF FARGO	345 2 ST N	\$ 440,000	\$ -	\$ 440,000	Fargo Park District
CITY OF FARGO	225 4 ST N	\$ 1,915,000	\$ 27,089,000	\$ 29,004,000	City Of Fargo
CITY OF FARGO	200 3 ST N	\$ 1,972,000	\$ 740,000	\$ 2,712,000	City Of Fargo
CITY OF FARGO	207 4 ST N	\$ -	\$ 4,365,000	\$ 4,365,000	City Of Fargo
CITY OF FARGO	225 4 ST N	\$ -	\$ -	\$ -	City Of Fargo
CITY OF FARGO	102 3 ST N	\$ 558,000	\$ 10,186,800	\$ 10,744,800	City Of Fargo
CITY OF FARGO	222 4 ST N	\$ 319,000	\$ 1,383,300	\$ 1,702,300	City Of Fargo
CITY OF FARGO	210 4 ST N	\$ 26,000	\$ 158,900	\$ 184,900	City Of Fargo
LARSON, RICHARD W & GAYLE L	202 4 ST N	\$ 216,000	\$ 698,600	\$ 914,600	Automobile Repair Shop

PSJ ACQUISITION LLC	510 4 ST S	\$ 614,000	\$ 4,615,400	\$ 5,229,400	Hospital
PSJ ACQUISITION LLC	510 4 ST S	\$ -	\$ 520,800	\$ 520,800	Hospital
PSJ ACQUISITION LLC	510 4 ST S	\$ -	\$ 278,600	\$ 278,600	Hospital
CITY OF FARGO	430 4 ST S	\$ 100,000	\$ 58,100	\$ 158,100	City Of Fargo
CITY OF FARGO	200 4 ST S	\$ 427,000	\$ 120,600	\$ 547,600	City Of Fargo
CITY OF FARGO	200 4 ST S	\$ -	\$ 4,810,000	\$ 4,810,000	City Of Fargo
AMERIPRIDE SERVICES INC	20 2 ST N	\$ 366,000	\$ 142,000	\$ 508,000	Laundry/Dry Cleaner
BORTNEM FAMILY LP	315 MAIN AVE	\$ 59,000	\$ 395,800	\$ 454,800	Warehouse & Office
CITY OF FARGO	106 NORTHERN PACIFIC AVE N	\$ 849,000	\$ 663,500	\$ 1,512,500	Manufacturing-Heavy
CITY OF FARGO	106 NORTHERN PACIFIC AVE N	\$ -	\$ 166,500	\$ 166,500	Manufacturing-Heavy
CITY OF FARGO	106 NORTHERN PACIFIC AVE N	\$ -	\$ 18,800	\$ 18,800	Manufacturing-Heavy
CITY OF FARGO	92 NORTHERN PACIFIC AVE N	\$ 1,211,000	\$ 256,200	\$ 1,467,200	Manufacturing-Heavy
CITY OF FARGO	92 NORTHERN PACIFIC AVE N	\$ 346,000	\$ 54,800	\$ 400,800	Manufacturing-Heavy
CITY OF FARGO	92 NORTHERN PACIFIC AVE N	\$ -	\$ 14,800	\$ 14,800	Manufacturing-Heavy
CITY OF FARGO	92 NORTHERN PACIFIC AVE N	\$ -	\$ 165,300	\$ 165,300	Manufacturing-Heavy
CITY OF FARGO	2 NORTHERN PACIFIC AVE N	\$ 16,000	\$ -	\$ 16,000	Vacant Land
BORTNEM FAMILY LP	307 MAIN AVE	\$ 142,000	\$ 226,300	\$ 368,300	Warehouse & Office
RIVER CITY CHURCH	323 MAIN AVE	\$ 70,000	\$ 635,000	\$ 705,000	Church
223 MAIN AVE LLC	223 MAIN AVE	\$ 67,000	\$ 185,000	\$ 252,000	Warehouse
CITY OF FARGO	320 MACHINERY ROW AVE N	\$ 376,000	\$ 83,300	\$ 459,300	City Of Fargo
EPIC GATEWAY NORTH REAL ESTATE HOLDINGS LLC	310 MAIN AVE	\$ 330,000	\$ -	\$ 330,000	Retail & Apartments
EPIC GATEWAY LLC	300 MAIN AVE	\$ 1,074,000	\$ 1,689,000	\$ 2,763,000	Strip Center
EPIC GATEWAY LLC	44 4 ST S	\$ 130,000	\$ 845,000	\$ 975,000	Medical Clinic
BUTLER, FRANCIS J	300 NORTHERN PACIFIC AVE N UNIT 307	\$ 12,700	\$ 464,600	\$ 477,300	Single Family - Loft
JOHN S ABBOTT REV TRUST	300 NORTHERN PACIFIC AVE N UNIT 302	\$ 9,600	\$ 375,200	\$ 384,800	Single Family - Loft
RED RIVER VALLEY REGIONAL DISPATCH CENTER	300 NORTHERN PACIFIC AVE N UNIT C2	\$ 19,000	\$ 330,000	\$ 349,000	Condominium (Commercial)
NETREIT 300 NP LLC	300 NORTHERN PACIFIC AVE N UNIT C1	\$ 190,000	\$ 3,382,000	\$ 3,572,000	Retail & Offices
RODENBURG, CLIFTON G & DONNA	300 NORTHERN PACIFIC AVE N UNIT 311	\$ 13,200	\$ 436,000	\$ 449,200	Single Family - Loft
BRUCE G PITTS REV LIVING TRUST	300 NORTHERN PACIFIC AVE N UNIT 310	\$ 11,200	\$ 428,400	\$ 439,600	Single Family - Loft
JOHNSEN, JEFFREY K	300 NORTHERN PACIFIC AVE N UNIT 309	\$ 10,500	\$ 409,900	\$ 420,400	Single Family - Loft
DAWSON, DEBRA ANN	300 NORTHERN PACIFIC AVE N UNIT 308	\$ 9,800	\$ 376,400	\$ 386,200	Single Family - Loft
BURCHILL, THOMAS S & SHELLEY L	300 NORTHERN PACIFIC AVE N UNIT 306	\$ 10,500	\$ 411,900	\$ 422,400	Single Family - Loft
HUMMEL, PETER K	300 NORTHERN PACIFIC AVE N UNIT 305	\$ 10,200	\$ 387,800	\$ 398,000	Single Family - Loft
ZIMMERMAN, STEVEN L & KIMBERLY K	300 NORTHERN PACIFIC AVE N UNIT 303	\$ 23,000	\$ 630,700	\$ 653,700	Single Family - Loft
QUICK, BRUCE D & ROBERTA	300 NORTHERN PACIFIC AVE N UNIT 301	\$ 12,800	\$ 432,700	\$ 445,500	Single Family - Loft
404 PLACE LLC	200 4 AVE N UNIT 410	\$ 26,000	\$ 358,000	\$ 384,000	Single Family - Loft
OFFUTT, RYAN	200 4 AVE N UNIT 301	\$ 17,700	\$ 395,700	\$ 413,400	Single Family - Loft
PIETERICK, BRENT L & KLEIN-PIETERICK, ANDREA R	200 4 AVE N UNIT 401	\$ 19,900	\$ 478,000	\$ 497,900	Single Family - Loft
MCCORMICK, THOMAS & JUDITH MARY	200 4 AVE N UNIT 403	\$ 23,200	\$ 416,300	\$ 439,500	Single Family - Loft
ARUSELL, ROBERT M RLT & SANDA, JANELLE C RLT	200 4 AVE N UNIT 404	\$ 17,800	\$ 456,400	\$ 474,200	Single Family - Loft
404 PLACE LLC	200 4 AVE N UNIT 405	\$ 17,800	\$ 320,900	\$ 338,700	Single Family - Loft
RILEY, KEVIN J & KATHLEEN J	200 4 AVE N UNIT 408	\$ 23,800	\$ 428,600	\$ 452,400	Single Family - Loft
SAND, MICHAEL L & LINDA	200 4 AVE N UNIT 409	\$ 17,800	\$ 345,500	\$ 363,300	Single Family - Loft
CURIOE, TIMOTHY W & KRISTI L	200 4 AVE N UNIT 303	\$ 23,200	\$ 705,600	\$ 728,800	Single Family - Loft
HYSJULIEN, RANDY & CHERYL	200 4 AVE N UNIT 304	\$ 15,700	\$ 312,200	\$ 327,900	Single Family - Loft
VOORHEES, JEAN C	200 4 AVE N UNIT 307	\$ 15,700	\$ 310,600	\$ 326,300	Single Family - Loft
HILLSTROM, ROBERT & KARIN	200 4 AVE N UNIT 308	\$ 22,100	\$ 397,000	\$ 419,100	Single Family - Loft
HOPPERSTAD, ERIK S & LISA M	200 4 AVE N UNIT 309	\$ 19,900	\$ 449,300	\$ 469,200	Single Family - Loft
ADAMS, DAVID W	200 4 AVE N UNIT 310	\$ 19,600	\$ 362,000	\$ 381,600	Single Family - Loft
SOLWOLD, ROSS & SANDREN, GINA M	200 4 AVE N UNIT 406	\$ 17,800	\$ 345,500	\$ 363,300	Single Family - Loft
404 PLACE LLC	200 4 AVE N UNIT 407	\$ 17,800	\$ 345,500	\$ 363,300	Single Family - Loft
RELLER, TAMRA L	200 4 AVE N UNIT 204	\$ 15,700	\$ 432,300	\$ 448,000	Single Family - Loft
HAGEN, MICHELLE L	200 4 AVE N UNIT 205	\$ 15,700	\$ 310,600	\$ 326,300	Single Family - Loft
DABY, DARIN L & DIANE	200 4 AVE N UNIT 206	\$ 15,700	\$ 310,600	\$ 326,300	Single Family - Loft
DEWALD, STEVEN B & MARY T	200 4 AVE N UNIT 207	\$ 15,700	\$ 386,800	\$ 402,500	Single Family - Loft
STRAND, RACHEL L	200 4 AVE N UNIT 305	\$ 15,700	\$ 476,700	\$ 492,400	Single Family - Loft
JOHNSON, DAVID L & BONNIE O T/O/D	200 4 AVE N UNIT 306	\$ 15,700	\$ 310,600	\$ 326,300	Single Family - Loft
404 PLACE LLC	200 4 AVE N UNIT 210	\$ 19,600	\$ 362,000	\$ 381,600	Single Family - Loft
SELL, ERIK	200 4 AVE N UNIT 101	\$ 10,700	\$ 282,500	\$ 293,200	Single Family - Loft
IVERSON, JORDAN J	200 4 AVE N UNIT 102	\$ 13,900	\$ 246,100	\$ 260,000	Single Family - Loft
BERGMAN, JOHN DAVID	200 4 AVE N UNIT 103	\$ 7,800	\$ 151,500	\$ 159,300	Single Family - Loft
HAMRE, PERRY & CHERYL	200 4 AVE N UNIT 201	\$ 17,700	\$ 341,500	\$ 359,200	Single Family - Loft
BOROWICZ, RONALD J & KRANTZ, DOUGLAS	200 4 AVE N UNIT 203	\$ 23,200	\$ 705,600	\$ 728,800	Single Family - Loft
404 PLACE LLC	200 4 AVE N UNIT 106	\$ 7,800	\$ 151,500	\$ 159,300	Single Family - Loft
ROUTLEDGE, CLAY D & JENNY A	200 4 AVE N UNIT 107	\$ 7,800	\$ 151,500	\$ 159,300	Single Family - Loft
404 PLACE LLC	200 4 AVE N UNIT 108	\$ 7,800	\$ 151,500	\$ 159,300	Single Family - Loft
MACZIK, MATTHEW G	200 4 AVE N UNIT 109	\$ 7,800	\$ 151,500	\$ 159,300	Single Family - Loft
404 PLACE LLC	200 4 AVE N UNIT 208	\$ 22,100	\$ 397,000	\$ 419,100	Single Family - Loft
LOSEE, KURT	200 4 AVE N UNIT 209	\$ 19,900	\$ 649,000	\$ 668,900	Single Family - Loft
ZIMMERMAN, MATTHEW J	200 4 AVE N UNIT 110	\$ 7,800	\$ 151,500	\$ 159,300	Single Family - Loft
404 PLACE LLC	200 4 AVE N UNIT 111	\$ 8,000	\$ 154,000	\$ 162,000	Single Family - Loft
404 PLACE LLC	200 4 AVE N UNIT 112	\$ 13,700	\$ 274,600	\$ 288,300	Single Family - Loft
NORTHLAND HOSPITALITY LLC	200 4 AVE N UNIT LP	\$ 155,000	\$ 2,517,000	\$ 2,672,000	Parking Ramp/Lot
OSBORNE, MATTHEW J	200 4 AVE N UNIT 104	\$ 7,800	\$ 151,500	\$ 159,300	Single Family - Loft
ALBERTSON, BRIAN R	200 4 AVE N UNIT 105	\$ 7,800	\$ 151,500	\$ 159,300	Single Family - Loft

APPENDIX D

POTENTIAL FOR REDEVELOPMENT

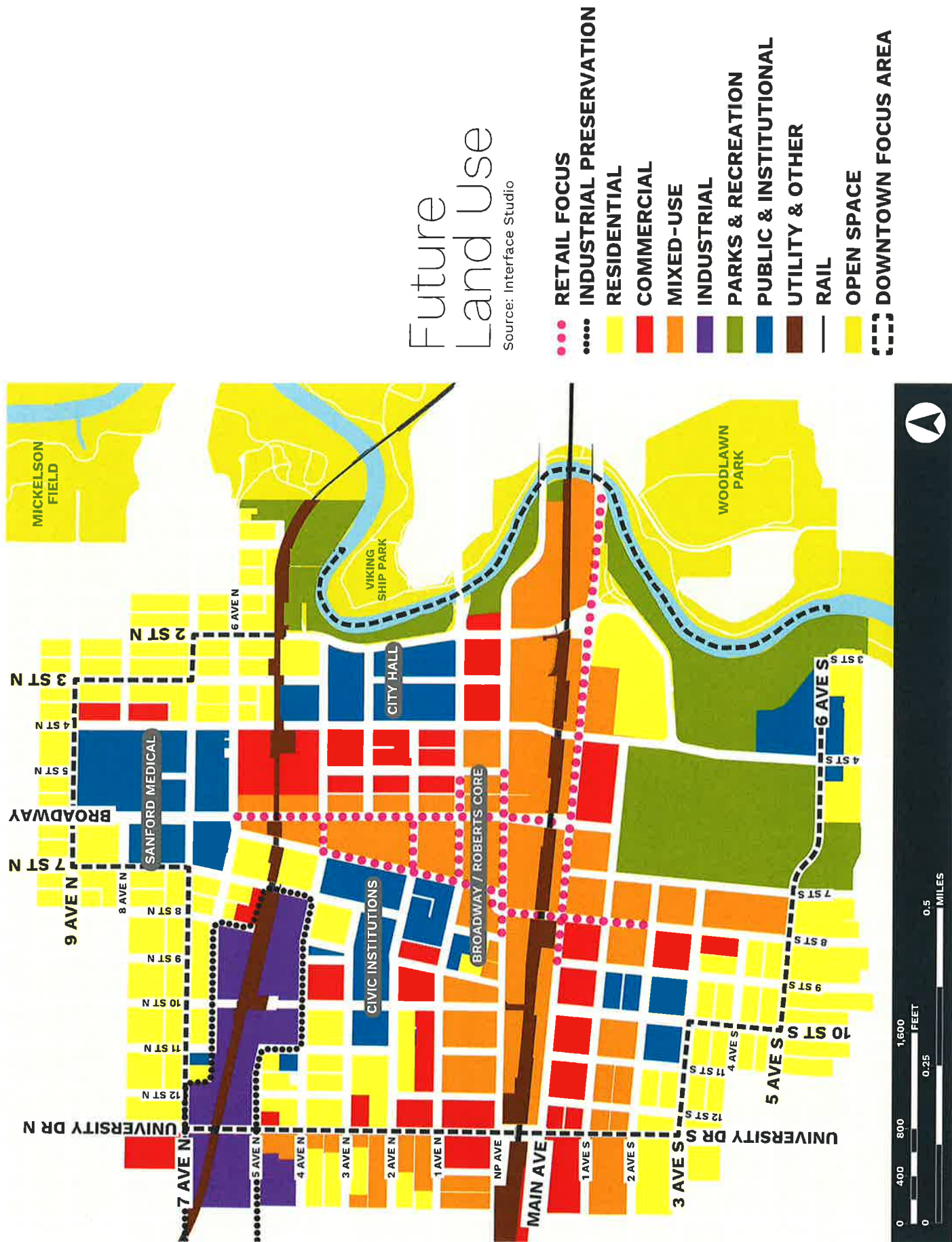
Page 36



Renewal Area/TIF District
Redevelopment Potential

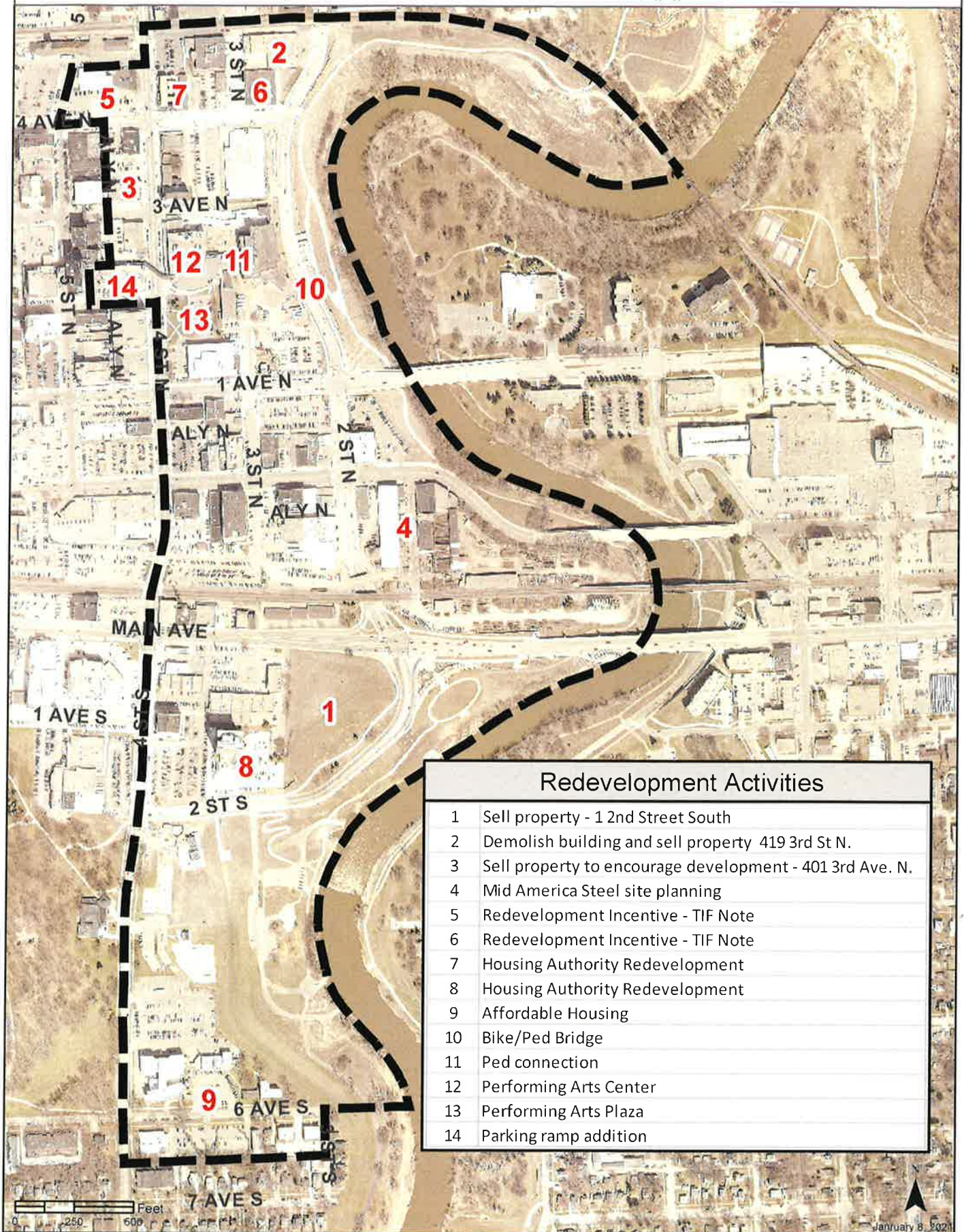
TIF District No. 2021-01

APPENDIX E
LAND USE PLAN FOR REDEVELOPMENT



APPENDIX F

REDEVELOPMENT ACTIVITY MAP



BACKGROUND INFORMATION AND POSSIBLE SUGGESTIONS FOR ENABLING ND OPPORTUNITY FUND'S PACE/FLEX PACE COMMUNITY BUYDOWN OPTION

North Dakota Opportunity Fund

The **North Dakota Opportunity Fund (NDOF)** originated in 2012 as part of the Small Business Jobs Act of 2010, which created the State Small Business Credit Initiative. The initiative was intended to leverage private financing to help small businesses and manufacturers attain loans and investments needed to expand and create jobs. A consortium of 38 municipalities, *which included the City of Fargo*, was allocated approximately \$9.7 million in funding for the operation of a loan participation program.

Bank Of North Dakota PACE/Flex PACE

The **Bank of North Dakota's (BND)** PACE and Flex PACE interest buydown loan programs require a matching community contribution. Along with the community contribution, BND will provide additional funds to "buy down" the interest rate of the business loan associated with BND and a lead lender. The community funds may come in the form of a loan, grant or eligible in-kind. The community in which the business is located will determine if the objectives of the business meet the needs of the community and to what extent they will provide the matching portion of the buydown funds required to access this program.

The primary function of the **Growth Initiative Fund (GIF)**, which is administered by the **Greater Fargo Moorhead Economic Development Corporation**, is to provide the matching community contribution loan for PACE and Flex PACE loans within the Cass County area. The community contribution by the GIF is limited to applications and use by primary sector companies.

BND currently allows NDOF to act as the community contributor of the PACE or Flex PACE program in instances where a local community fund does not exist or chooses not to participate via their own fund due to their own policy and/or availability of funds. As per NDOF policy, for this to occur, loan applications requesting funds for local match of buydown must be accompanied by a letter of support from the local body overseeing the PACE program decision, stating their support of the project and NDOF local match financing involvement. The above-mentioned GIF only oversees primary sector-related applications, so in the cases for the non-primary sector requests, the determination of community support should be in the hands of the particular city of the business location.

It should be noted that support by a city does dictate or need to judge the credit worthiness of an application. A city's support would only indicate they are in support of the project and the objectives of the business meet the needs of the community. Buydown funds are only utilized if the PACE or Flex PACE lead loans are approved and financed by both the lead lender and BND.

The City may want to develop an efficient support decision process so that not only does a potential applicant better understand their applicability but the City can more easily make their determinations. The process could include:

- A listing of particular types of businesses/industries that may fit the strategies, focus areas and/or needs of the City. Examples could be businesses with core customer markets that help bring new revenue and visitors to the community; provide a community amenity or service currently not served in the City; businesses that fill a needed gap related to any City strategies; licensed child care centers; etc. – that’s up to the City.
 - Hotels
 - Tourist attractions (how to define?)
 - Child care centers
 - Particular downtown projects or missing biz types
 - Particular neighborhood development amenities
 - Support of a project like Brewhalla that serves the local community but is known and expects to draw out-of-town visitors.
- A process for applicants and committee to follow:
 - Potential applicant should first engage with their lender(s) and NDOF to determine if the lending needs fit the PACE and Flex PACE programs.
 - Utilize template letter provided by City. A letter addressed to the City committee requesting support for the provision of the required community match for an interest buydown from the NDOF; and supply a one-page summary of the project to include:
 - Business Description — ownership, products or services provided, years in business, etc.
 - Project Description — address for project, estimated costs, the intended use of loan proceeds such as expansion, new construction, leasehold buildout, equipment, etc.
 - Explanation Of Community Benefits —total project investment; number of jobs created or retained; is this an existing business expansion or the start of a new business; and any other information that will be helpful to decision makers to see positive community impacts from this project. *(if City ends up having clear criteria, ask how this fits in that criteria)*
 - Local Competition – any local competitors within the City of Fargo
- City staff determines if application meets the eligibility requirements. If so, the letter of request will be presented at the next scheduled Tax Exempt Review Committee meeting. The business will be asked to attend in-person or virtually to present the request and answer any questions of the committee.
- If approved, City staff prepares the letter of support to share with both the applicant business and NDOF staff.

Below are sample letters for both the applicant and the City.

Requesting Support From The City of Fargo For Flex PACE Interest Buydown
Via The North Dakota Opportunity Fund

Background

The North Dakota Opportunity Fund (NDOF) leverages private financing to help new and expanding businesses attain needed loans. Fargo is part of a consortium of 38 North Dakota municipalities that received funding for the loan participation program through the U.S. Treasury Department.

The NDOF Loan Committee will consider applications for loans for the required community share of an interest buydown through the Bank of North Dakota Flex PACE programs. The loan committee needs to receive documentation of community support for use of an interest buydown to assist the particular business or project. This requirement is in place because policies for incentives for various types of businesses and projects vary from community to community. A letter from a City confirms that a business project provides community benefit and has the support of the governing entity.

Procedure for Seeking a Letter of Support From The City

Following are guidelines for requesting a letter of support from the City of Fargo for application for a loan from the NDOF to cover the required community share of an interest buydown.

A first step is to visit with your lender to determine if the lending needs fit the Flex PACE program. The lender will also need to communicate with the NDOF at Lewis & Clark Development Group.

In addition to Flex PACE loan eligibility, the business project should fit into any of the following eligibility and focus areas of the City of Fargo:

- Hotel and accommodations
- Tourist attractions
- Licensed child care centers
- X
- Y
- Z

For questions about the City's focus areas, please contact *{applicable City contact}* at EMAIL or PHONE.

If the project fits both the Flex PACE and City focus criteria, then the prospective borrower should submit the following information to the *{applicable City contact}* at least *{one week}* prior to a Tax Exempt Review Committee meeting (typically 4th Tuesday of the month):

- A letter addressed to the Committee requesting support for the provision of the required community match for an interest buydown from the NDOF.
- A summary of the project, to include:
 - Business description — ownership, products or services provided, years in business, etc.
 - Project description — address for project, estimated costs, the intended use of loan proceeds such as expansion, new construction, leasehold buildout, equipment, etc.
 - How it fits a City focus area
 - Explanation of community benefits — total project investment; number of jobs created or retained; is this an existing business expansion or the start of a new business; and any other information that will be helpful to decision makers to see positive community impacts from this project.
 - Local Competition — any local competitors within the City of Fargo

- Bank of North Dakota estimated interest buydown amortization schedule (borrower obtains this from their banker). (UNSURE IF THIS ADDS ANY VALUE OR HAS RELEVANCE FOR DECISION??? – my gut thought is not to require it)

Note: The {City} City Commission schedule can be found at ...

Requests should be submitted to {City Contact & address} or by email to {City Contact email}. Questions? Call 701-xxx-xxxx.

City Letterhead Here

Date

Dear North Dakota Opportunity Fund Loan Committee,

Please accept this letter as evidence of support by the City of Fargo for a North Dakota Opportunity Fund (NDOF) Flex PACE loan to {*borrower applicant*}, for the community-share of a proposed interest buydown through the Bank of North Dakota Flex PACE program. The {*Tax Exempt Review Committee*} met on {*DATE*} and approved the request for a letter of support for Flex PACE financing.

As one of 38 participating municipalities involved in creating the NDOF, the City of Fargo values the role of the revolving loan fund in partnering with private financing to help fill gap financing. The local Flex PACE “community” fund in our region (Growth Initiative Fund) is limited to primary sector projects and the access to these NDOF funds for impactful non-primary sector projects is appreciated.

{Paragraph listing Borrower Business Name, overall use of the funds/project scope and community benefits.}


We appreciate your consideration of this request.

Sincerely,

{Name & Title of applicable authorized City staff or elected official}
City of Fargo

MEMORANDUM

TO: Tax Exempt Review Committee

FROM: Jim Gilmour, Director of Strategic Planning and Research 

DATE: March 15, 2021

SUBJECT: Review of Tax Exempt Policy

The Policy and Program of the Tax Exempt Review Committee provided that the policy be reviewed sometime after the 2020 City Commission election. The City Commission is now interested in reviewing that policy and is planning a meeting to discuss the policy this spring.

I am recommending that one of the changes be in the outline of our policies. The current policy is often confusing because the PILOT program is used for such a wide range of activities that include job creation, lower income housing, downtown housing and housing redevelopment near NDSU. This creates confusion for potential applicants and the general public about the purposes and impacts of these programs.

The attached sheet shows the present and proposed outline of policies.

I would also like to discuss these other changes.

- Update scoring system for economic development and job creations projects.
- Requests for TIF assistance to start with Tax Exempt Review Committee. The requests now start with the City Commission before they are considered for staff work and a financial review. Since this Committee will make a recommendation to the City Commission, should the process could start with the Tax Exempt Committee?
- TIF and PILOT should not be used to provide incentives to new "greenfield" redevelopment. The City Commission recently denied two such requests, and this appears to be a pattern for the future. Therefore, should it be adopted as policy?

Attachments

Tax Exempt Review Committee

Policy and Guidelines

Current Format – Organized by type of Exemption

- Remodeling Exemption
- New Residential Exemption
- New Industry/PILOT (Jobs, Market Housing, Mixed Use, Affordable Housing)
- University Mixed Use PILOT
- Tax Increment Financing

Proposed Format – Organized by Goals and Objectives

- Economic Development (Business expansion and new businesses) – New Industry/PILOT/Others
- Redevelopment – TIF/PILOT/Remodeling/Renaissance Zone
- Housing (Downtown, NDSU Area, Affordable) – Remodeling/New Residential/PILOT