



Economic Development Advisory Committee Meeting
City of West Fargo, Online via Zoom (Special Meeting)

Thursday July 13, 2023

11:00- 11:30 AM

Voting Members

Eddie Sheeley Chair
Banking
Choice Financial
Nicole Steen-Dutton V. Chair
Retail
Thunder Coffee
Jaysen Schock
Past Chair
Manufacturing
Cargill
Marshall McCullough
Service
Ohnstad Twichell
Paul Matthys
Utilities
Cass County Electric
Tom McDougall
Technology
High Point Networks
Nick Killoran
Small Business Owner
Great North Insurance
Jeffrey Volk
Const./ Engineering
Moore Engineering
Carin Reisch
Member at Large
Marvin

Ex-Officio Members

Shannon Full
FMWF Chamber of
Joe Raso
GFMEDC
Levi Bachmeier
WFPS
Robert Wilson
Cass County

City Commissioners

Roben Anderson
Brad Olson

City Staff

Nick Lee
City Assessor
Casey Sanders
Economic Development
Aaron Nelson
Planning Director

The Economic Development Advisory Committee (EDAC) meets regularly on the first Thursday of every month to review incentive applications and other items pertaining to Economic Development within the City of West Fargo. The committee provides recommendations to the City Commission for final review. All Committee meetings are open to the public and any Executive Sessions abide by North Dakota Century Code. The Committee reserves the right to hold special meetings at its discretion to facilitate efficient development within the City of West Fargo.

(Special meeting to ensure a timely way forward for Housing Authority applicant. At July 6th meeting we did not have a quorum due to a voting member recusing themselves due to a board position with the Housing Authority.)

AGENDA

1. Call to Order
2. Attendance Roll Call
3. Re-Cap of Housing Authority PILOT Application (Casey Sanders)
4. Adjournment

Future Meeting Dates (1st Thursdays):

Thursday, August 3, 2023

Thursday, September 6, 2023

Thursday, October 5, 2023

CITY OF WEST FARGO ECONOMIC DEVELOPMENT

STAFF REPORT

Housing Authority of Cass County	
2500 6 th Street E West Fargo ND 58078	
Lot 2 BLK 1 North Pond At the Preserve 16 th Addition, City of West Fargo, North Dakota	
Applicant: Beyond Boundaries Owner:	Staff Contact: Economic Development Casey Sanders
Economic Development Advisory Committee:	July 2023
West Fargo Public School District:	
Cass County Board of Commissioners:	
Public Hearing:	
City Commission:	

PURPOSE:

The applicant is proposing a Low-Income Senior Housing project. The goal of the project is to provide the community with an additional seventy-one new units for low-income seniors. The applicant group has a waitlist of over 300 seniors for current spaces that are in the community so the recognition that this is an area of need is significant. Additionally, the community is positioned as ideal with the wide amount of services it can provide as well as access to medical professionals.

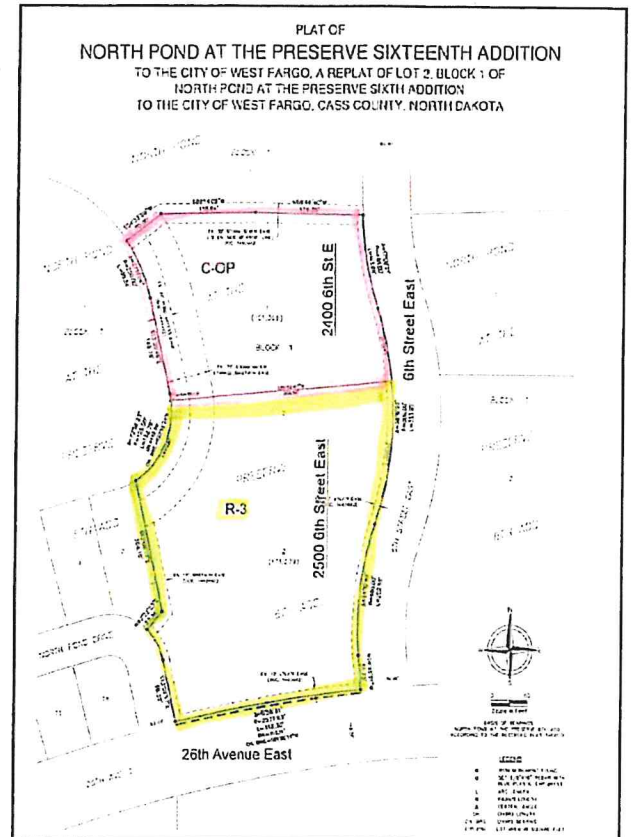
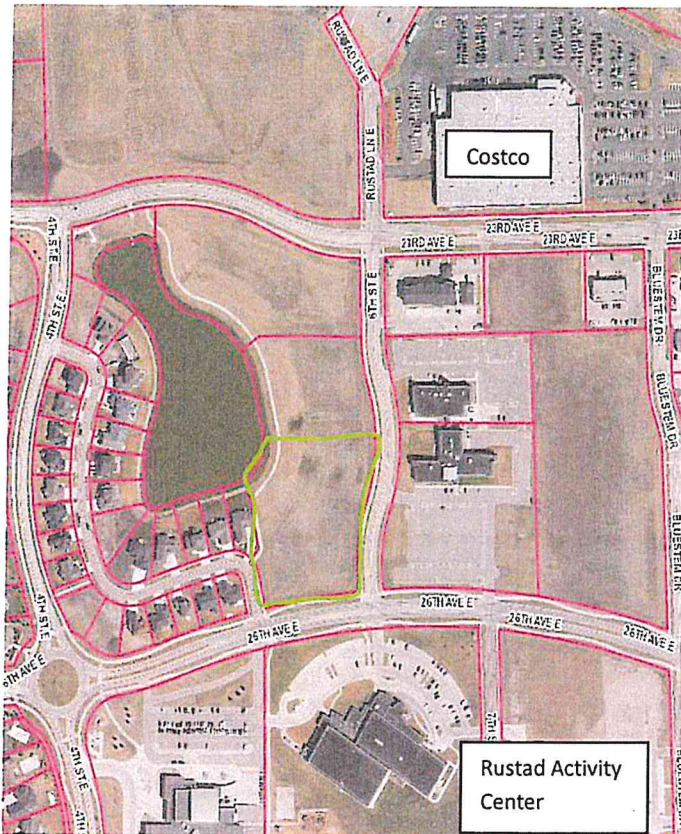
STATEMENTS OF FACT:

Land Use Classification:	
Existing Land Use:	None
Existing Improvements:	None
Identified Blight or Slum:	No
Relocation Requirements:	None
Current Zoning District(s):	Rezoned as R3
Zoning Overlay District(s):	None
Total area size:	171,279 Sq Ft 3.932 Acres
Adjacent Zoning Districts:	Commercial Office Park
Adjacent street(s):	North Pond Drive / 26 th Ave E / 6 th St E
Adjacent Bike/Pedestrian Facilities:	Park pathway
Available Parks/Trail Facilities:	Block away from Rustad Activity Center

PROPERTY OWNERSHIP, VALUES, & LOT SIZES:

Total number of properties	1
Property ID:	02-4605-00020-000
Legal Description:	Lot 2 BLK 1 North Pond At the Preserve 16 th Addition
Address:	2500 6 St E West Fargo, ND 58078
Lot Size:	171,279 Sq Ft 3.932 Acres
Owner:	BSI HACC, LLC to be sold to Elson Shores Land LLC
True & Full Value:	\$1,712,790

STAFF REPORT

**PROJECT ELIGIBILITY FOR DEVELOPMENT:**

The project is located in a parcel that was rezoned to R3 from light commercial office park. The project would advance the City's economic development goals by providing senior housing in an area where there are over 300 seniors on the waiting list. Many of the objectives as described in the West Fargo 2.0 plan that this project supports include:

- Diversification of housing choices
- To support the growing senior population.
- To assure development of high standards in site planning, use compatibility, buildings, and creation of an environment that will promote new development in areas.

DISCUSSION AND OBSERVATIONS:

- This project is to be completed in two phases. Thirty-five units and the community space in phase one and 36 units to be completed in phase two.
- Senior Housing continues to grow in need in our region. Currently the Housing Authority has 300+ individuals on their waiting list.
- The land north of the highlighted property for this planned development is also owned by the same party. They plan to sell this property as it remains zoned commercial office space. (2.3 acres)
- A parking reduction was approved for this project with one underground parking spot per unit and an additional 35 surface stalls. It is noted that 70% of residents own a vehicle.

CITY OF WEST FARGO ECONOMIC DEVELOPMENT

STAFF REPORT

- It is estimated that during construction this project will create 107 local jobs. It is estimated that 27 annual local jobs will be supported after construction.
- Neighborhood meetings were held to offer a time for public input and comments. A required 150 sq. ft radius to send letters for response and invitation and the project leaders moved forward with a 300 sq. ft radius for good measure.
 - Goals from meeting to continue to be visually sensitive to single family homes
 - Minimal line of sight impact
 - The fact that it is a three-story building seemed to not be a concern.
 - Design, upkeep, and complimentary building materials were discussed briefly and remain to be a top priority as the project moves forward.

PUBLIC PARTICIPATION:

Public assistance for this project will be proposed to consist of a PILOT (Payment In Lieu of Taxes). During the purchase and build out of the project the ownership investment requests the PILOT to support the state grant application to show support for the need and want for this project to happen in West Fargo. However, after the PILOT ends at 17 years there is a transfer of ownership to the Housing Authority of Cass County which is a political subdivision and there would be no property tax placed on this property at that time. The Housing Authority in its current properties pays a voluntary Payment each year based on a HUD in order for them to cover the public uses such as public infrastructure, police, fire, etc. For this project the break, down is \$100 per unit at 71 units.

HACC Phase I and II - Payment In Lieu of Property Tax Payment Schedule

06.19.2023

Cal Year	Year	Phase I PILOT	Phase II PILOT	Total PILOT	Land Tax est.	Total est. pmt
2026	1	\$ -	\$ -	\$ -	\$ 26,472.88	\$ 26,472.88
2027	2	\$ -	\$ -	\$ -	\$ 27,002.34	\$ 27,002.34
2028	3	\$ -	\$ -	\$ -	\$ 27,542.38	\$ 27,542.38
2029	4	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 28,093.23	\$ 31,593.23
2030	5	\$ 3,570.00	\$ 3,600.00	\$ 7,170.00	\$ 28,655.10	\$ 35,825.10
2031	6	\$ 3,641.40	\$ 3,672.00	\$ 7,313.40	\$ 29,228.20	\$ 36,541.60
2032	7	\$ 3,714.23	\$ 3,745.44	\$ 7,459.67	\$ 29,812.76	\$ 37,272.43
2033	8	\$ 3,788.51	\$ 3,820.35	\$ 7,608.86	\$ 30,409.02	\$ 38,017.88
2034	9	\$ 3,864.28	\$ 3,896.76	\$ 7,761.04	\$ 31,017.20	\$ 38,778.24
2035	10	\$ 3,941.57	\$ 3,974.69	\$ 7,916.26	\$ 31,637.54	\$ 39,553.80
2036	11	\$ 4,020.40	\$ 4,054.18	\$ 8,074.58	\$ 32,270.29	\$ 40,344.88
2037	12	\$ 4,100.81	\$ 4,135.27	\$ 8,236.08	\$ 32,915.70	\$ 41,151.78
2038	13	\$ 4,182.82	\$ 4,217.97	\$ 8,400.80	\$ 33,574.01	\$ 41,974.81
2039	14	\$ 4,266.48	\$ 4,302.33	\$ 8,568.81	\$ 34,245.49	\$ 42,814.31
2040	15	\$ 4,351.81	\$ 4,388.38	\$ 8,740.19	\$ 34,930.40	\$ 43,670.59
2041	16	\$ 4,438.85	\$ 4,476.15	\$ 8,914.99	\$ 35,629.01	\$ 44,544.00
2042	17	\$ 4,527.62	\$ 4,565.67	\$ 9,093.29	\$ 36,341.59	\$ 45,434.88
Totals:		\$ 55,908.78	\$52,849.19	\$ 108,757.98	\$ 529,777.15	\$ 638,535.13

Assumptions:

- 1) First full year of operations for Ph I = 2026
- 2) Estimated first full year of operations for Ph II = 2027
- 3) PILOT pmt starts with a base of \$100 per unit and increases by 2% per year
- 4) Estimated Land taxes increase by 2% per year

Land

\$ 1,712,790.00 2022 full certified value at \$10 psf

STAFF REPORT

LAND USE, ZONING, STREET PLANS, DISPLACEMENT OF RESIDENCE OR BUSINESSES:

This parcel is currently vacant. There is no displacement of residences or businesses that would take place due to the renovation or expansion of this property.

RECOMMENDATIONS:

The proposed development plan is located in the Sub-Urban Growth Sector. An area that has residential, mixed use, as well as commercial properties. This project is unique in the way it is structured in order to leverage federal grant dollars through a grant and the change over of ownership after the PILOT would close. In analyzing this property financially as well as with a community lens I recommend this property for consideration.

Financially, the project requests a PILOT to show the City, County, and School's support for this project through the grant making process as they look to score as high as possible to receive a grant in order to make this project move forward. Additionally, once the ownership transfer happens after the PILOT the entity will move forward as a non-profit (Housing Authority) that would not have property tax owed. However, this property and the Housing Authority in the past have paid a voluntary payment based on the number of units and a set dollar amount per year with the understanding that they want to cover their debt payment to the municipality that they receive community, safety, and public support from.

As our communities continues to age, we will continue to increase the need as well as more modern and accessible senior living opportunities. This supports a variety of housing options within our community while also supporting residents from other smaller communities moving into the city because of amenities like this property.

ECONOMIC DEVELOPMENT ADVISORY COMMITTEE RECOMMENDATION:

Economic Development Advisory Committee is reviewing this project on July 6th 2023.

HACC
WEST FARGO
PRESERVE
SENIOR
HOUSING

FOSS
ARCHITECTURE
+ INTERIORS
1000 1st Ave NW
Fargo, ND 58102
701.785.1111

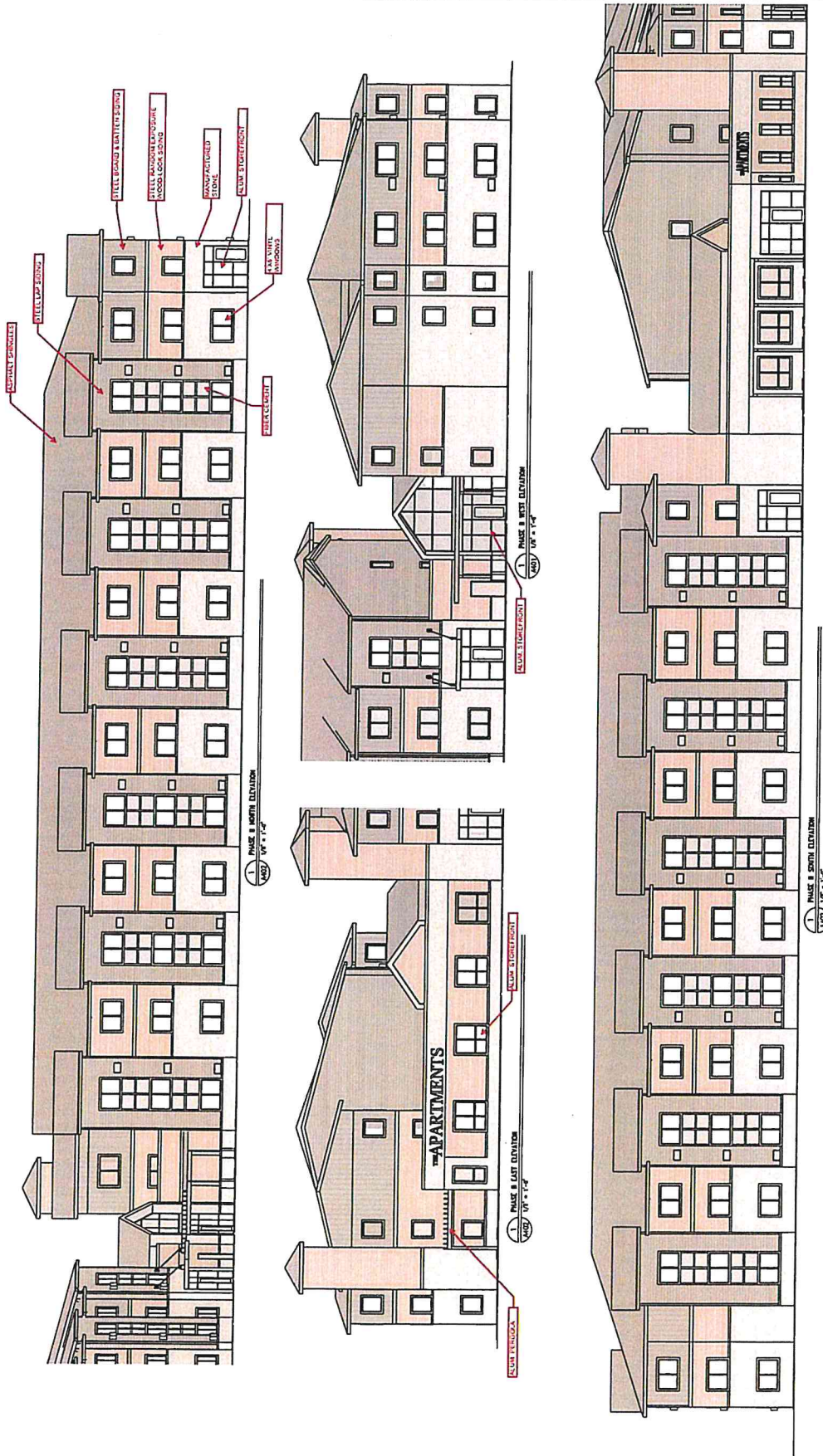
NOT FOR CONSTRUCTION May 17, 2023
DRAWINGS ARE PRELIMINARY AND SUBJECT TO CHANGE

REVISION	DATE	DESCRIPTION

DESIGNED BY
FOSS ARCHITECTURE + INTERIORS
DRAWN BY
FOSS ARCHITECTURE + INTERIORS
CHECKED BY
FOSS ARCHITECTURE + INTERIORS
DATE
2023.05.17

SHEET
A402

PHASE II EXTERIOR
ELEVATIONS





Foss
ARCHITECTURE
INTERIORS



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ARCHITECTURE
+INTERIORS



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INTERIORS



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