

MEMORANDUM

TO: City Commission

FROM: Nicole Crutchfield, Planning Director *NC*
Maegin Elshaug, Planning Coordinator

DATE: July 15, 2026

RE: Renaissance Zone Application for a rehabilitation project from JS2L Partners, LLP (378-F) located at 120 8th Street South

The City received a Renaissance Zone (RZ) application from JS2L Partners, LLP to rehabilitate a commercial building at 120 8th Street South. Pursuant to the application, the project will rehab the existing structure with interior work, including a new elevator, demolition of existing walls, new HVAC and electrical systems, and new finishes and doors. Exterior work includes new windows, replacement of existing metal siding, and new roof. Separate from the RZ application, asbestos abatement has occurred and there will be some improvements related to parking. Attached is a copy of the staff report, application and corresponding materials.

As indicated in the attached documentation, the project meets all state and local requirements for approval and is consistent with goals and objectives as established in the Fargo Renaissance Zone Development Plan. The application indicates an investment of approximately \$1,300,000, which is approximately \$134 per square foot and exceeds the minimum investment threshold as set forth in the plan.

The RZA recommended approval unanimously on June 24, 2026.

Recommended Action: Approve the Renaissance Zone application for JS2L Partners, LLP and grant property tax exemptions and State income tax exemptions as allowed by the ND Renaissance Zone law contingent upon completion of the project and verification of costs.

Staff Report
Renaissance Zone Application for
JS2L Partners, LLP (378-F)
120 8th Street South

Project Evaluation:

The City of Fargo received a Renaissance Zone application from JS2L Partners, LLP for a commercial rehabilitation project at 120 8th Street South. Pursuant to the application, the project will rehab the existing structure with interior work, including a new elevator, demolition of existing walls, new HVAC and electrical systems, and new finishes and doors. Exterior work includes new windows, replacement of existing metal siding, and new roof. Separate from the RZ application, asbestos abatement has occurred and there will be some improvements related to parking. The building is two stories and 9,696 square feet.

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. *(portions of responses are from applicant, as noted)*
 - a. *Grow as a Neighborhood:* Invest in housing to increase the population living Downtown and maintain Downtown's diversity.
The project does not provide housing. The application states that it will repurpose an aging office facility into a new, vibrant office / studio space on the edge of Downtown.
 - b. *Prosper as a Business Center:* Increase the number and types of jobs Downtown.
The application notes that the new use will result in 40 or more jobs directly onsite and that businesses in the neighborhood will benefit as a result.
 - c. *Thrive as a Destination:* Create a unique Downtown experience with an activated riverfront and vibrant sidewalks and public spaces that serve as the backdrop of the community's social life.
Per the application, the project will create a vibrant Downtown experience by attracting creative professionals and a variety of businesses, which will enliven sidewalks and public spaces, adding to the Downtown Fargo experience.
 - d. *Be a model for Inclusive Growth and Development:* Protect Downtown's diversity and evolve as a model for equitable growth and development.
The project does not address diversity in housing, public amenities, or needs for specific populations. The application states that, in part, by supporting a variety of different businesses, the project ensures Downtown Fargo benefits all residents and sets a benchmark for inclusive growth.
 - e. *Complete our Streets:* Make complete streets common place and encourage trips by foot, bicycle, and bus, as well as car.
The building location is the 100 block of 1st Avenue South. It's across from Island Park and nearby housing and amenities that would lend themselves to trips by foot, bicycle and bus. The subject property is two blocks from MATBUS Routes 15 and 18, which run along 10th Street South with a shelter between 2nd and 3rd Avenues South.

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

The application states that parking will include a mix of on-site parking and shared parking arrangements with nearby facilities, prioritizing efficient use of space, and ensuring adequate parking for drivers while freeing up areas for new development and increased activity.

- 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 application states that the spaces will include landscaped areas and outdoor courtyards for social gatherings.

(15/20 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 is 9,696 square feet. Overall, the application estimates a total capital investment of \$1,300,000 (overall project costs are \$2,250,000). This equates to roughly a \$134 investment per square foot on the commercial space.

(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:

No tenants have been identified as this time, so it is unknown if there would be any primary sector business users.

- b. Active Commercial, Specialty Retail or Destination Commercial:

No tenants have been identified as this time, however, the building is anticipated to be office use.

- c. Mixed Use Development:

The building is not mixed use.

(10/20 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 building was built in 1970. According to the applicant, the building has been vacant for approximately 18 months.

- b. Parcels specifically targeted for clearance:

The RZ Plan identifies Block 23 for redevelopment and infill of surface parking lots; ground floor retail/commercial on 1st Avenue and 8th Street.

(10/10 points)

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

The building was constructed in 1970. Along with work internal to the building, the project includes new windows and replacement of existing metal siding and roof. The project is located within the DMU, Downtown-Mixed Use zoning district and will have to meet the architectural intent of that zoning district requirements as well.

(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 \$40 per square foot requirement for commercial rehabilitation. The application represents a total estimated capital investment of \$1,300,000 with a current building valuation of \$627,500, which exceeds 50%. The capital investment is approximately \$134 per square foot, which exceeds \$40 per square foot. At final construction of the project, staff will evaluate costs to verify the project has exceeded the minimum requirements. A cost estimate is attached.

(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?

Staff is not aware that the project will include or accommodate a relocation of a business from another ND community

(10/10 points)

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

Renaissance Zone projects are anticipated to be conscience of four-sided design, which has been seen with other projects within the downtown, this project will be a rehabilitation of an existing building. The building was built in 1970 and the project includes new windows, replacement of existing metal siding, and new roof.

(8/10 points)

Summary:

This application received a score of 81 on a 100-point scale. The proposed project surpasses the local capital improvement requirement of \$40 per square foot requirement for commercial rehabilitation. The amount invested in the project exceeds state and local guidelines.

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

Suggested motion:

Recommend approval to the Fargo City Commission to approve the application submitted by JS2L Partners, LLP 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.

Criteria:		Staff Rating	Possible Points
1	Consistency with Plan Goals	15	20
2	Investment Thresholds	10	10
3	High Priority Land Uses	10	20
4	Consistency with Targeted Areas	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)		81	100



These data are provided on an "AS-IS" basis, without warranty of any type, expressed or implied, including but not limited to any warranty as to their performance, merchantability, or fitness for any particular purpose.

120 8th Street South

1:4,514

6/8/2026 12:52 PM

This map is not a substitute for accurate field surveys or for locating actual property lines and any adjacent features.

THE CITY OF
Fargo
FAR MORE



Planning & Development
225 4th Street North
Fargo, North Dakota 58102
Office: 701.241.1474 | Fax: 701.241.1526
Email: Planning@FargoND.gov
www.FargoND.gov

APPLICATION FOR RENAISSANCE ZONE PROJECT

Property owners, business owners, developers or investors interested in pursuing a Renaissance Zone project should review the 2024 RZ Plan. The RZ Plan delineates the current geographical boundaries of the program (only certain blocks within the downtown core are included) and provides additional detail on minimum investment requirements and applicable program goals and objectives that must be met.

Application submitted for (check all that apply):

- | | |
|--|---|
| ☐ New Construction | ☐ Commercial Lease |
| ☒ Purchase with Major Improvements | ☒ Rehabilitation: ☒ Commercial ☐ Residential |
| ☐ Primary Residential Purchase | ☐ Block Addition |

Property Owner Information
Name (printed): JS2L Partners LLP
Name (printed):
Address: 4133 30th Ave S
Fargo, ND 58104

Contact Person Information (if different than owner)
Name (printed): Stephen Lyngstad
Address: 4133 30th Ave S
Fargo, ND 58104

Parcel Information
Address: 120 8th St S
Unit Number:
Renaissance Zone Block Number: 23
Legal Description (attach separate sheet if more space is needed): Lots 7, 8, 9 & ADJ S 1/2 Vac
Alley Lying N & Adj to 7 - 9
Parcel Number: 01-2240-02571-000

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) \$2,250,000 *See Attachment for revised cost of \$1,300,000	
Current Use of Property: Vacant Office	
Anticipated Use Upon Completion: Multiple Tenant Leasable Office	
Expected Date of Purchase: 4/30/25	Expected Date of Occupancy: February, 2027
Estimated Property Tax Benefit: (Over five year exemption period) 103,125	Estimated State Income Tax Benefit: (Over five year exemption period) 15,000
Current Employees: (Full-time equivalent) None	Anticipated Employees: (Full-time equivalent) N/A

Scope of Work

Asbestos abatement, interior demolition of existing walls, entirely remodeled interior space including new elevation, HVAC, & Electrical Systems, finishes, doors, etc. Exterior work will include new windows, replacement of existing metal siding and roof.

Additional Project Information

New Construction/Rehabilitation/Purchase with Improvements Only

Current Building Value: (Taxable Improvement Value) \$627,500	Estimated Building Value Upon Completion: (Taxable Improvement Value) \$2,250,000
Building Area Upon Completion (SF): 9,696 SF	Number of Stories Upon Completion: 2

Commercial Lease Only

Lease Area Upon Completion (SF):			
Type of Business:			
☐ New business moving to the Renaissance Zone	☐ Expanding Business moving to the Renaissance Zone	☐ Existing Business Expanding within the Renaissance Zone	☐ Continuation of a lease moving from one Renaissance Zone Project to another Renaissance Zone Project

Residential Purchase Only

Will this be your primary place of Residency?:

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): <u>[Signature]</u>	Date: <u>5/26/26</u>
Joint Owner (Signature): <u>[Signature]</u>	Date: <u>5/26/26</u>
Representative (Signature): _____	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?

Repurpose an aging office facility into a new, vibrant office / studio space on the edge of downtown. Will continue the commercial development of the area along 1st Avenue S which will in turn support the addition of more housing units.

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

The former use as a medical office building has space for approximately 40 - 50 employees on-site. The new use will result in 40 or more jobs directly on site. The new businesses will benefit many existing businesses in the neighborhood.

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?

This project will create a vibrant downtown experience by attracting creative professionals and a variety of businesses. These businesses will enliven sidewalks and public spaces, adding to the downtown Fargo experience.

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?

This project will protect downtown Fargo's diversity and model equitable growth by promoting diverse ownership and inclusive environments. By supporting a variety of different businesses, the project ensures downtown Fargo benefits all residents and sets a benchmark for inclusive growth.

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?

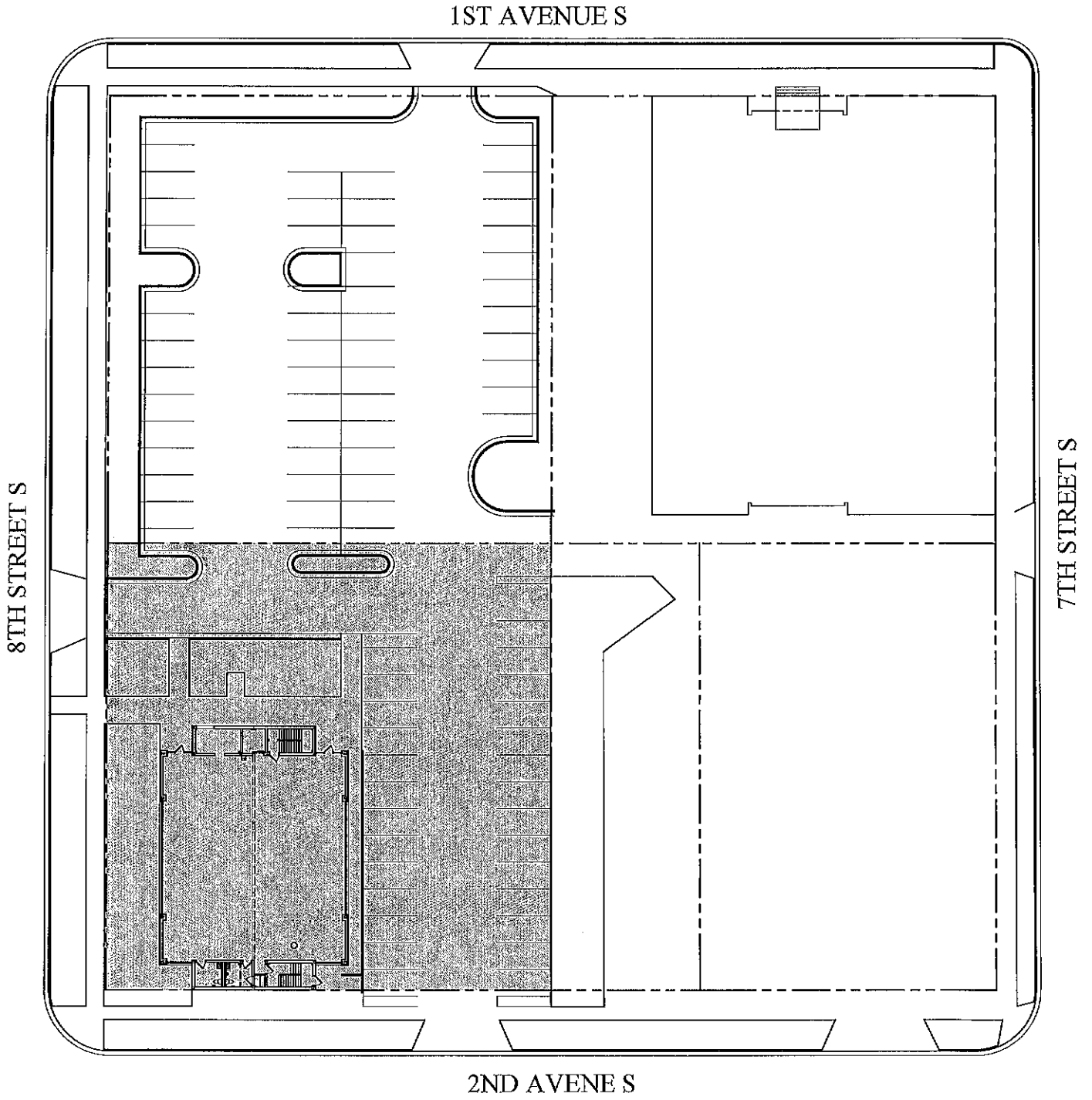
The building location near Island Park and on the edge of downtown encourages trips by foot and bike, and staff residing in nearby housing.

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?

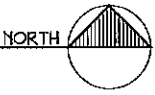
This project will manage parking resources by optimizing existing space and incorporating smart parking solutions. It will include a mix of on-site parking and shared parking arrangements with nearby facilities. The design will prioritize efficient use of space, ensuring adequate parking for drivers while freeing up areas for new development and increased activity.

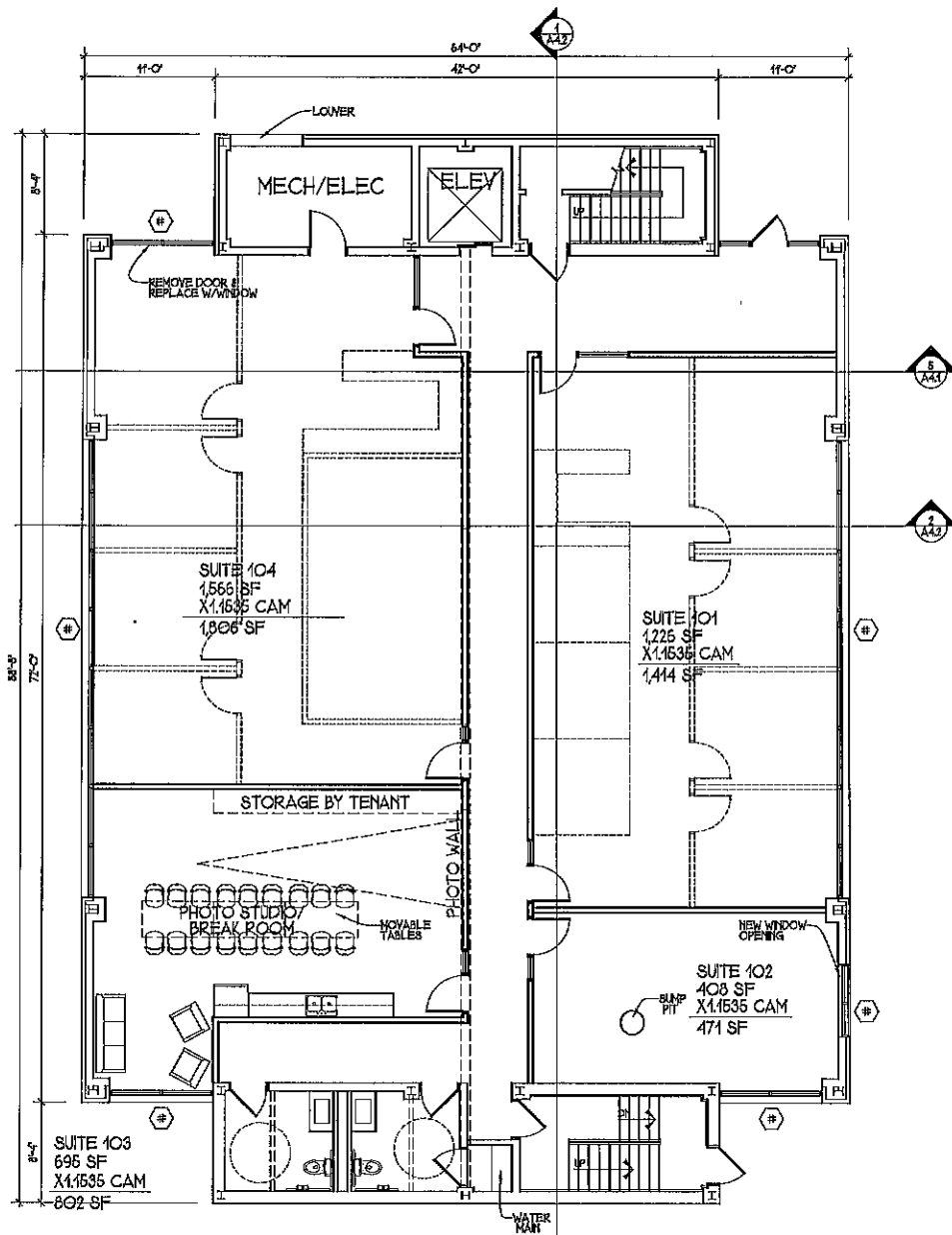
7. *Play with Purpose.* Will this project develop a system of connected all-season green spaces designed for people (of a range of ages and interests) and purpose (as infrastructure that absorbs stormwater)?

These spaces will include landscaped areas for relaxation and outdoor courtyards for social gatherings.



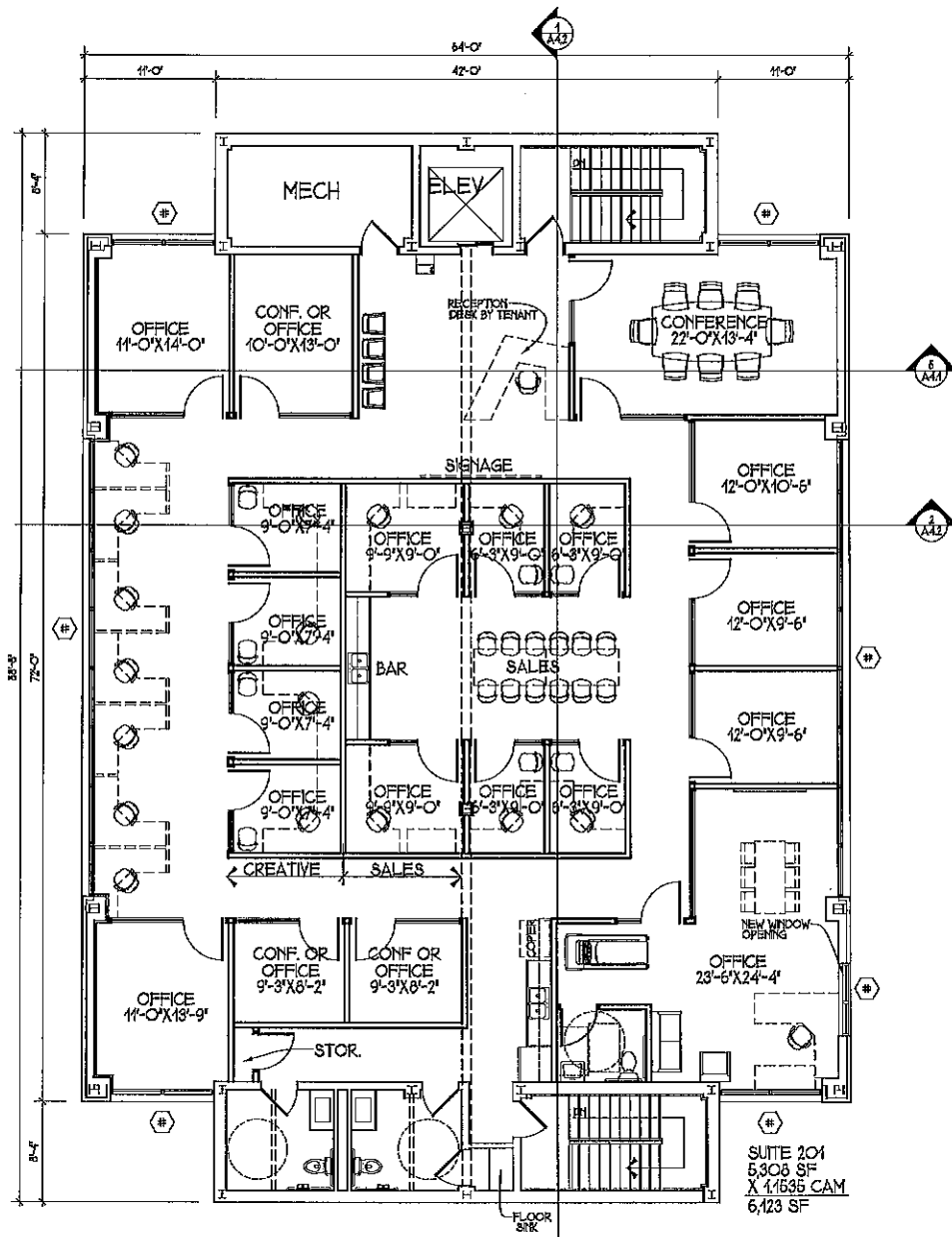
1 SITE PLAN
1" = 50'-0"



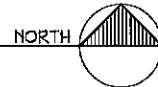


1 FIRST FLOOR PLAN
1/16" = 1'-0"

NORTH



1 SECOND FLOOR PLAN
1/16" = 1'-0"

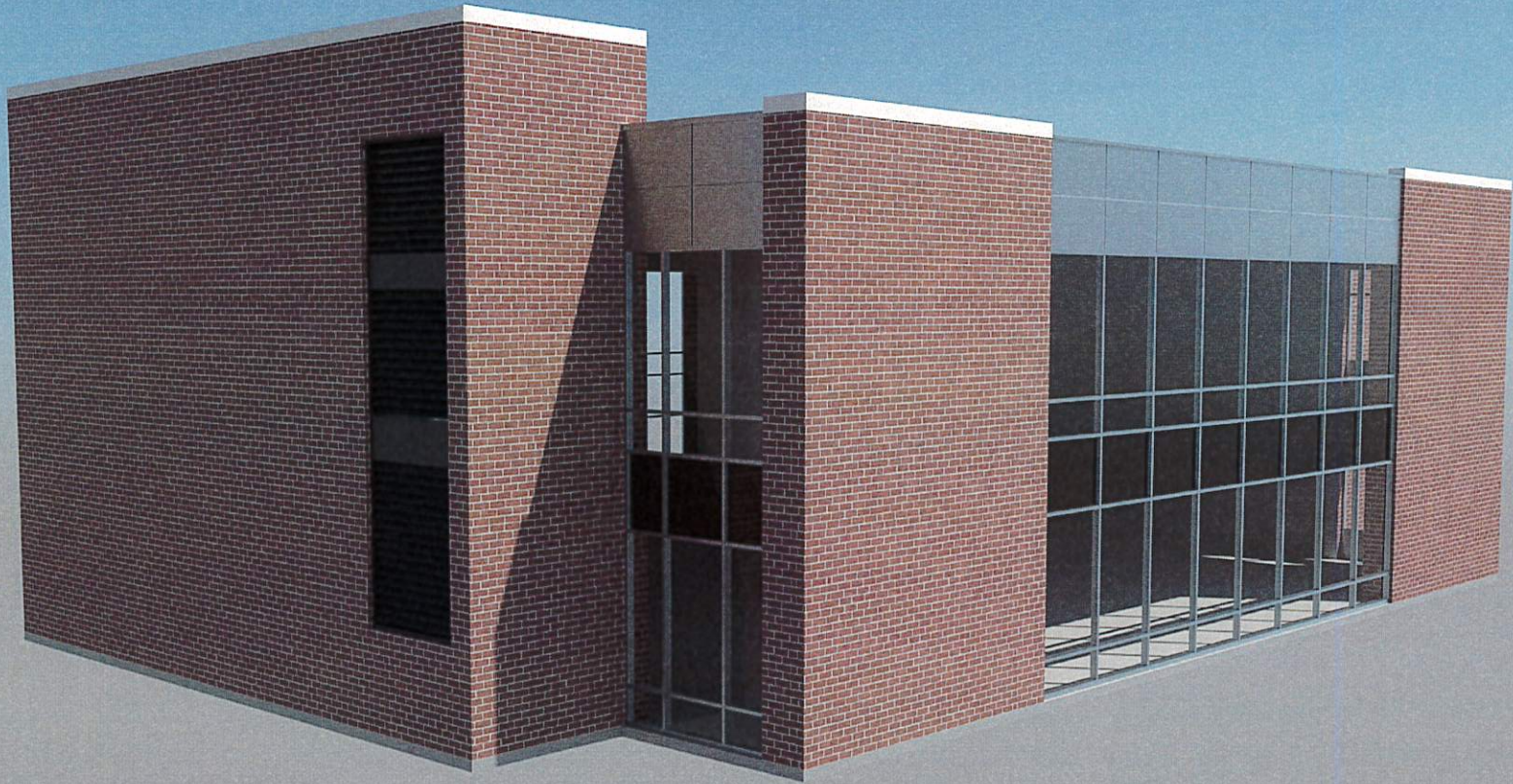




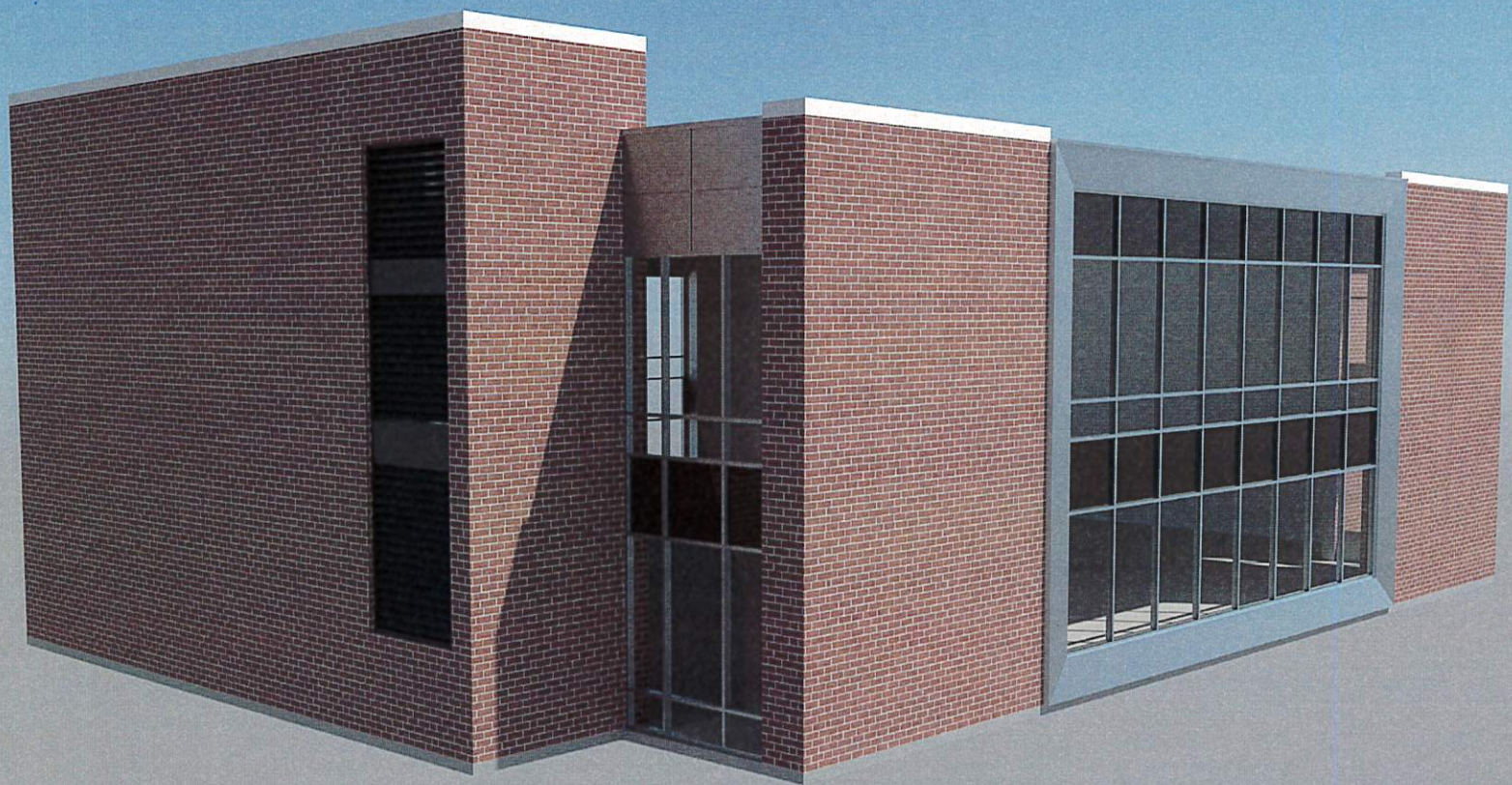
Site Photos



Images of interior after asbestos abatement



Rendering A



Rendering B

Preliminary Construction Cost Estimate
Office Building Remodeling
120 8th St S, Fargo, ND
Project No. 25032
June 16, 2026

ESTIMATED PROJECT COST

• Interior Remodeling		
- Finishes	\$375,000	
- Walls / Drywall	175,000	
- HVAC / Plumbing	250,000	
- Electrical	175,000	
- New Elevator	100,000	
		\$1,075,000
• Exterior Work		
- New windows / Ext. Doors	\$100,000	
- Replace metal siding	25,000	
- Roof	100,000	
		\$225,000
		\$1,300,000
		\$134/SF