

MEMORANDUM

TO: Board of City Commissioners

FROM: Jim Gilmour, Director of Strategic Planning and Research 

DATE: June 18, 2026

SUBJECT: Bank of ND Interest Buydown Program

The City Fargo approves various property tax exemptions for businesses. These include the Renaissance Zone program, remodeling exemptions, new industry exemptions, Payments in Lieu of Taxes (PILOT) and Tax Increment Financing.

Many of the businesses that receive these exemptions apply for a Flex PACE loan from the Bank of ND. The Flex PACE loan program buys the interest rate down by up to 5%. FLEX PACE loans require a community match. The various property tax exemptions provided by the City qualify as that match.

In order to qualify the property tax exemption as match for the Flex PACE loan program, the Mayor must sign that the City approves the use of the exemption as community match for the Bank of ND program. I have been putting these requests individually on the consent agenda.

I would like to streamline and speed approval of allowing property tax exemptions as community match. I'm recommending the Mayor be authorized to sign documents that allow property tax exemptions approved by the City Commission to be match for the Bank of ND Flex PACE Program.

Recommended Motion

Authorize the Mayor to sign documents that allow property tax exemptions approved by the City Commission to be match for the Bank of ND Flex PACE Program.