

# 500 in 5 Housing Goal:

The City of Moorhead will encourage development of 500 additional downtown housing units in the next 5 years.

## Proposed Partnerships and Strategies:

- 1. Review/modify downtown incentives to encourage development.
- 2. Conduct a downtown planning study to analyze market trends with partners, Downtown Moorhead Inc. and EDA Economic Development Authority.
- 3. Evaluate/identify possible development opportunities in Downtown Moorhead.
  - Property acquisition/divesture
  - -> Environmental remediation
  - -> Infrastructure installation

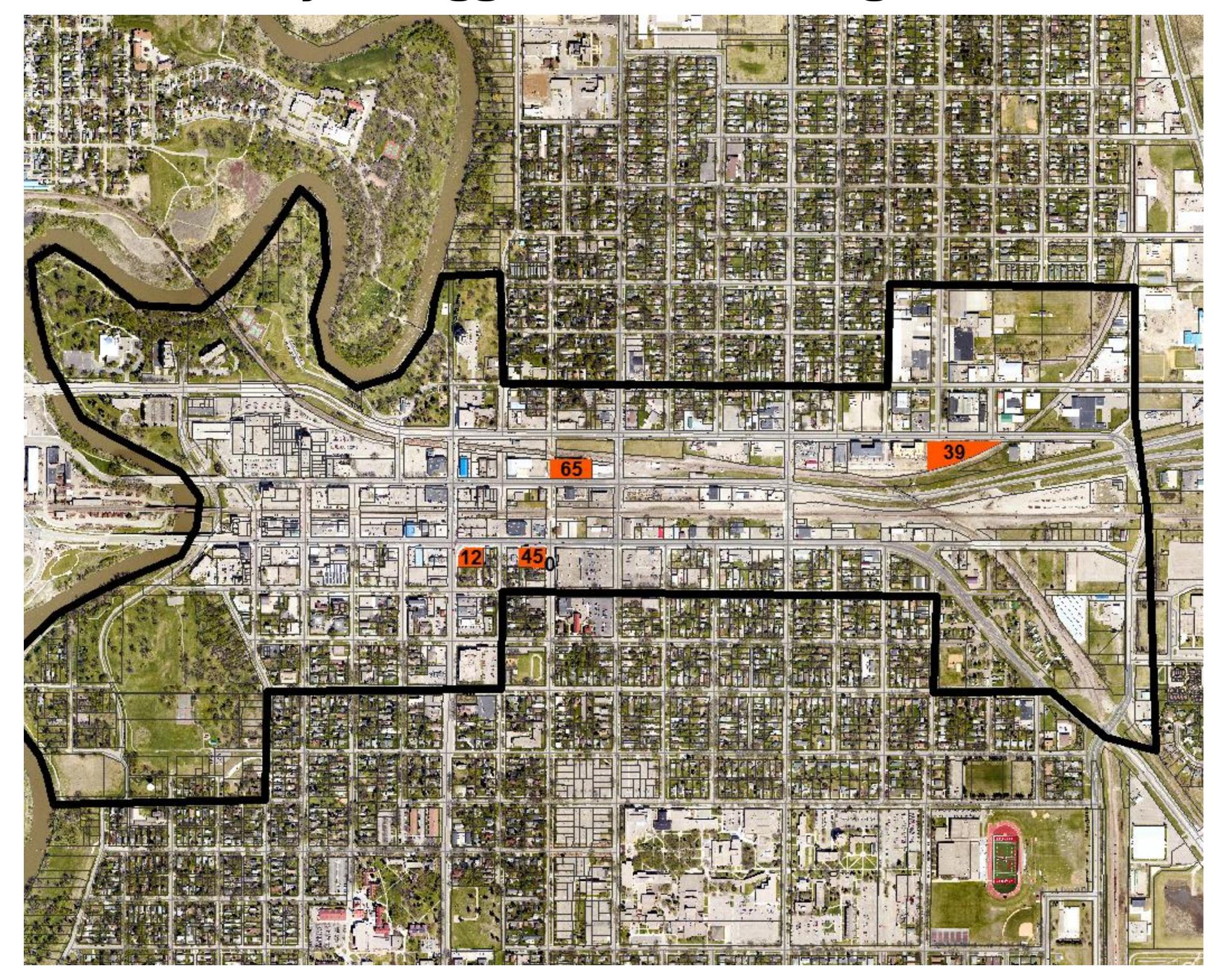
What e	else is	needed	to reach	our downto	own housing	g goal?



# 500 in 5 Housing Goal:

The City of Moorhead will encourage development of 500 additional downtown housing units in the next 5 years.

There are already building permits for 161 NEW UNITS in 2018! Where do you suggest more housing be located?





# Renaissance Zone Vision:

**Economic Vitality** - Provide an environment that will both strengthen current businesses and attract new commercial enterprises in order to build a sound economic base that is marked by sustainability and diversity.

**Housing Diversity** - Encourage sustainability in the downtown residential market by promoting the development of a variety of attainable housing options, enhancing the sense of community and neighborhood in the downtown area, and in general, increasing the area's attractiveness as a place to live, work and play.

**Vibrant City Center -** Make downtown Moorhead a desirable destination by creating a physical environment that is aesthetically pleasing and sensitive to the historic significance of the area, while also encouraging programs, activities and investments that will draw visitors and residents downtown. Vibrancy shall be viewed as conterminous with high density and activity generating uses as well as maxim use of a property and strong urban design principles.

**Unique Character -** Enrich our sense of community, respect our heritage and provide quality place for visitors, workers, students and residents.

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# Renaissance Zone Goals:

	goals are most important to you!]
<b>Activity Generators:</b> Develop and encourage activity generating enterprises and uses along the Renaissance Zone's major corridors. This includes Main Avenue, Center Avenue, 1st Avenue and the north/south cross-streets.	<b>High Quality Housing:</b> Continue to encourage the production of unique high-quality housing that is developed in areas targeted for residential development or as a component of a mixed-use project.
Walkable Districts: Create "walkable districts" that integrate a wide range	1 C:11.
of pedestrian activities and land uses, including cultural attractions; thus encouraging on-street activity and interaction while discouraging unnecessary auto traffic, parking problems and congestion.	<b>Infill:</b> Encourage and actively pursue projects that increase the productivity of underutilized property such as surface parking lots, vacant land and parcels with low building to land value ratios. Infill projects shall conform and be consistent with urban design principles as set forth in Goal 3bV, above.
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<b>Ground Floor Uses:</b> Reserve ground floor land uses to those that will encourage streets to come to life – retail, high turn-over commercial, cafes, restaurants and other "public" facilities. Residential uses on the ground floor should not be considered a priority on critical commercial corridors in the downtown core.	Housing Amenities: Integrate quality housing with public open space and neighborhood amenities, requiring the enhancement of existing amenities in conjunction with the creation of new ones.
Neighborhood Center: Make Center Avenue Moorhead's "Center" – a pedestrian-friendly, mixed-use magnet that anchors downtown neighborhoods.	<b>Downtown Entryways:</b> Enhance auto entry experiences with landscaping improvements to all major corridors and gateway statements (specifically Center Avenue)
<b>Urban Design:</b> Projects will embody strong urban design principles inclusive of building massing and form (differentiation of the ground level through articulated entries and windows, canopies, arcades, recessed entries, material changes, etc.), building materials, pedestrian orientated design, streetscape, building orientation and recognition of the importance of defined block corners, architectural style, high building coverage percentages, limited setbacks or	The Place to Be: Make downtown the entertainment/cultural/ recreational center of the city: "If you are looking for something to do – down- town is the place to be." Make downtown a key destination for visitors/ conventioneers and a key destination for residents.
downtown district appropriate setbacks, design longevity and street level transparency.	
Transportation: Manage downtown transportation, accessibility and park-	24 Hours a day – 7 Days per Week – 365 Days a Year: Design spaces, facilities and features that will attract people to the area both day
ing issues in a manner that will allow for further commercial development and will make the entire area more user-friendly.	and night, on weekdays and weekends, and during all seasons of the year.
<b>Safe Streets – Safe Neighborhoods:</b> Encourage safe streets and safe neighborhoods by relying on and utilizing the "natural surveillance" of lively and active streets.	<b>Connections and Coordination:</b> Coordinate public and private efforts to ensure that projects enhance, rather than detract from the connectivity of the area. Strong connections between people, places and things to do are vital to creating a strong sense of community.
What are other GOALS 1	for Downtown Moorhead?





# **Upcoming Plans:**

**Future Downtown Plan** 

# **Existing Plans: 2018 Strategic Plan**

Goal:

Target public investments and policies that promote private investments to create a vibrant and dense downtown.

### 2018 Arts and Cultural Framework Plan

PLACEMAKING - Create places people want to gather.

**Goal:** Use arts and cultural elements to bring soul, life and people to a revitalized downtown core. Create elements that position downtown as a core gathering place.

**Objective:** Downtown Moorhead will have revitalized urban center, a downtown where people want to gather, known for its beauty and cultural vitality.

# 2009 Comprehensive Plan Update

#### Vibrant Downtown

Downtown is a gathering place for the community. Its interesting architecture, inviting landscape, connections to the Red River, mixture of uses and pedestrian experience make it a great place to live, work, shop, dine or just gather. Downtown Moorhead's identity draws people from the community and the region just for the experience or to satisfy a retail, economic, recreational or entertainment needs.

## 2007 Downtown Framework Plan Update

- 1. Economic Vitality
- 2. Balanced Housing Choices
- 3. Vibrant City Center
- 4. Unique Character

#### Focus Areas:

River-Oriented Development—Enhance and connect to Red River's beauty and evoke its rich heritage for recreation and entertainment

Town & Gown Development—Partner with education institutions and scholars Corridor Development—Promote sense of place as integral part of Downtown experience

# Let's Talk Downtein

# Hey, what's going on Downtown?

Construction on Main underway and 500 more housing units in 5 years

The City of Moorhead recently set a goal for downtown housing: 500 new units in the next 5 years. Around the country, interest in urban housing has grown exponentially. The millennial generation, empty nesters, people with vacation homes, and households of all kinds are excited about downtown city living. With housing underway in downtown and near-downtown Moorhead, the momentum has started. Everyone in Moorhead is eagerly watching the construction progress along Main Ave where two multi-story buildings will be open for occupancy later in 2018.

#### Block E (801 Main Ave)

- Main floor: Usher's Restaurant and additional commercial space
- 2nd Floor: Eventide Corporate Headquarters
- 3rd & 4th Floors: 12 apartments



The building will have a public plaza for all to enjoy—right across from the iconic Moorhead Dairy Queen.

#### 913 Lofts (913 Main Ave)

- 45 rental unit building
- Features balconies and enclosed parking next to Hornbacher's



#### Center Avenue Retail (814 Center Ave)

- 10,400 square feet new and remodeled commercial/office/retail space
- Four bedroom residential rental unit with rooftop patio



#### Just the beginning—coming soon on Center Ave

A street construction project is planned on Center Avenue from the Red River to 8 St during the 2019 construction season. While the road width will not be changing, design features will improve safety and traffic flow and encourage more pedestrian traffic.

A bit further to the east, the former Simon Warehouse at Center Ave and 10 St will be converted by Mutchler Bartram Architects (MBA) into 65 rental apartments while maintaining the historical significance of the 1923 brick building. Just to the west of the Simon building is the former Moorhead

Armory. MBA intends to transform this building into an event center. Remodeling plans include removal of the metal siding and uncovering the original brick façade.

# Retail staple Herberger's closes—what's next?

Moorhead was so fortunate to have the Herberger's store as part of the Moorhead Center Mall since 1980 when it was still Eckstein's Department Store. Herberger's bought Eckstein's in 1983 and the Mall expanded its footprint in 1992—building a larger store. The City added the parking ramp at the same time. Locals and those beyond our city borders count Herberger's as their favorite department store, and it's unfortunate that the national chain has gone out of business.

There are many community conversations underway about the future of this space. Future plans for this privately-owned property are not known at this time.



# CONCEPT DRAWINGS: Center Mall South Plaza









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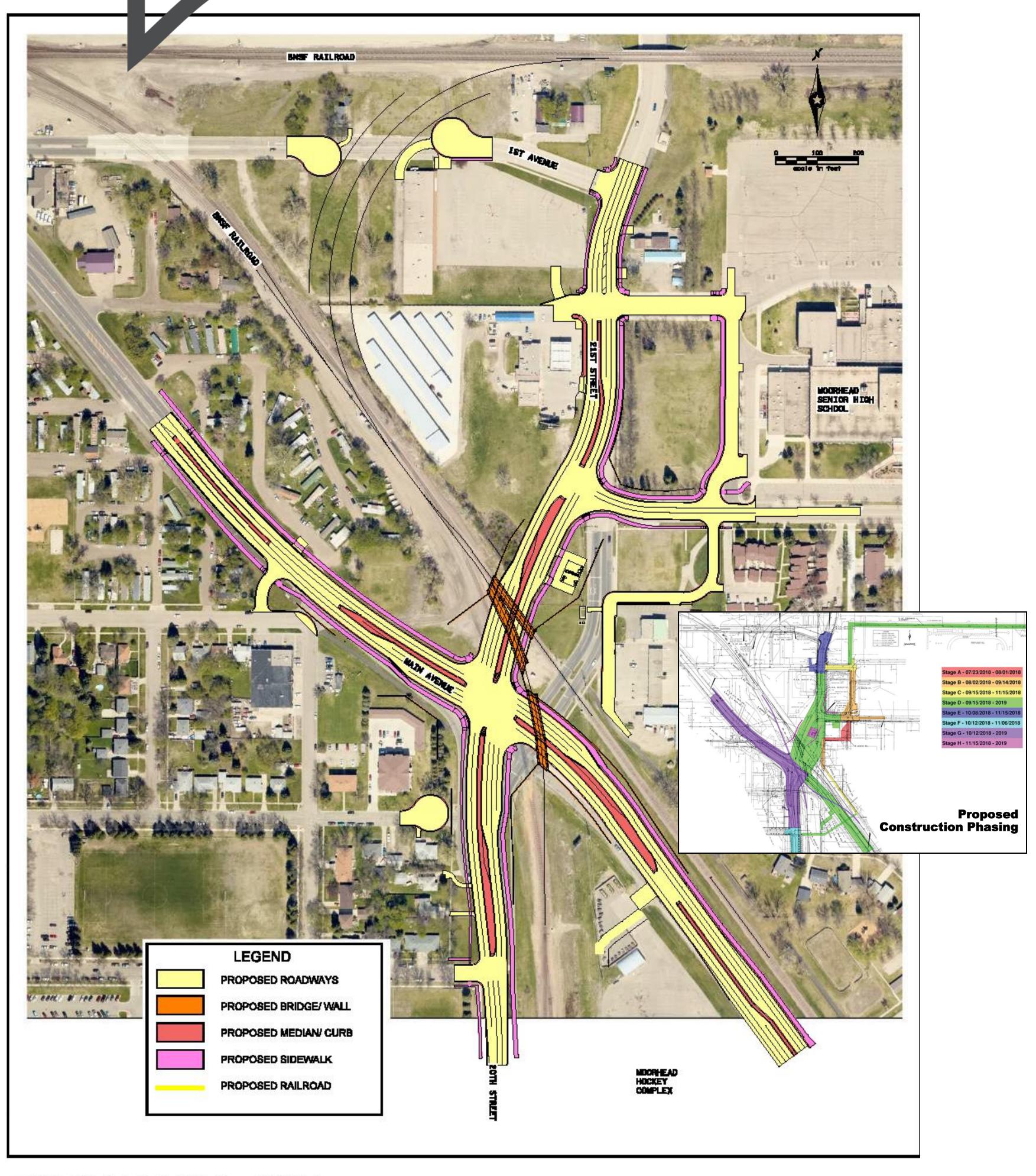


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Center Avenue Looking East



# Let's Talk DOWNTEWN

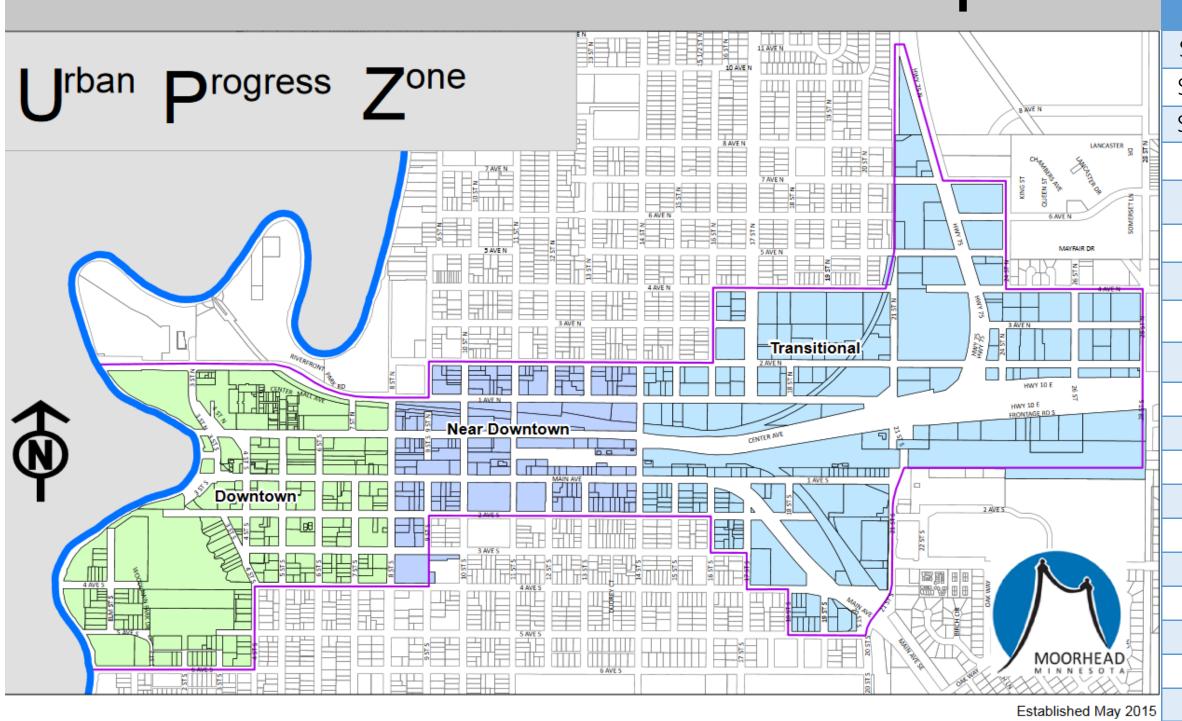




# Draft Moorhead Renaissance Zone Incentives

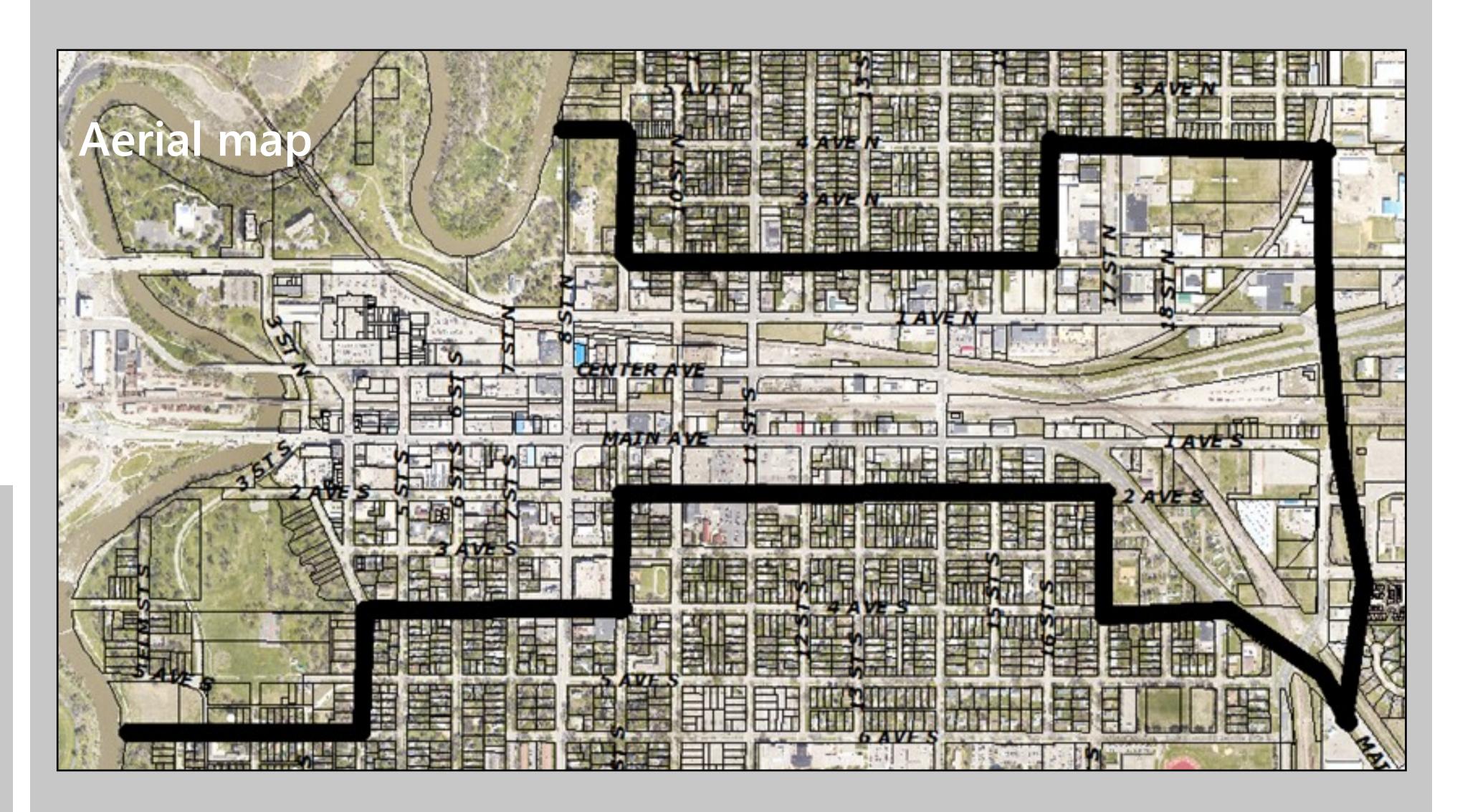
chabilitation Cost per Sq. Ft.	New Construction  Cost per Sq. Ft.	Exemption Term	Incentive as Percentage of Post-Project Value
\$30	\$75	5 years (@ 100%)	8%
\$80	\$125	10 years (5 years @ 100%; and 5 years at 75%)	14%
\$130+	\$175+	15 years (5 years @ 100%; plus 5 years @ 75%; and 5 years @ 50%)	18%

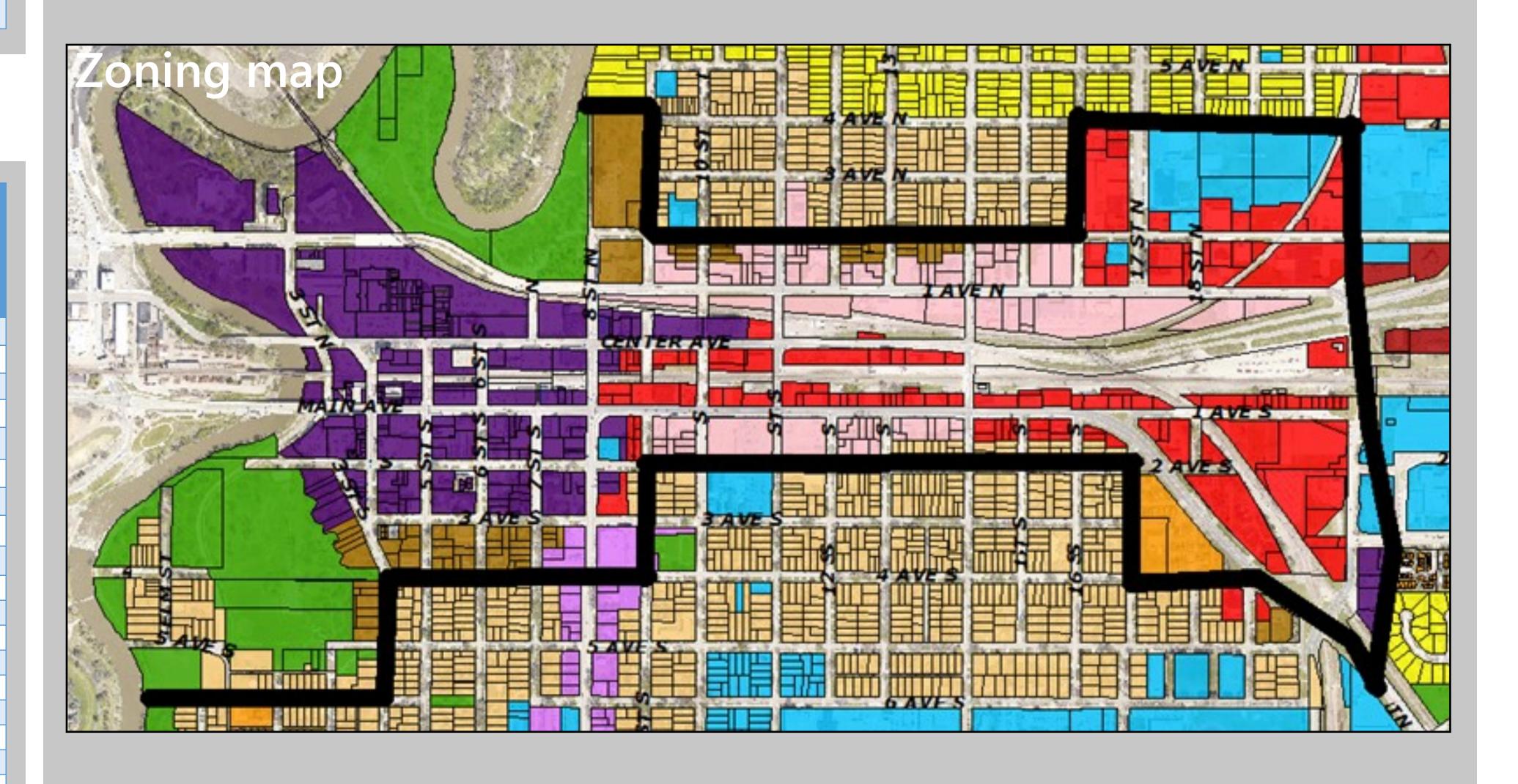
# Existing Downtown Moorhead UP Zone Incentives & Map



New Building Taxable Value	Full Time Equivalent Jobs  (Min. created or retained)	Exemption Term (100% yrs. 1-5; 99% yrs. 6-10)	UP Zone Ramp UP
\$150,000-\$249,999	1	2 years	80-60-40-20
\$250,000-\$499,999	2	3 years	80-60-40-20
\$500,000-\$449,999	3	4 years	80-60-40-20
\$1 - 1.99 million	5	5 years	80-60-40-20
\$2 - 2.99 million	6	6 years	80-60-40-20
\$3 - 3.99 million	7	7 years	80-60-40-20
\$4 - 4.99 million	8	8 years	80-60-40-20
\$5 - 5.99 million	9	9 years	80-60-40-20
\$6 - 6.99 million	10	10 years	80-60-40-20
\$7 - 7.99 million	11	11 years	80-60-40-20
\$8 - 8.99 million	12	12 years	80-60-40-20
\$9 - 9.99 million	13	13 years	80-60-40-20
\$10 - 10.99 million	14	14 years	80-60-40-20
\$11 - 11.99 million	15	15 years	80-60-40-20
\$12 - 12.99 million	16	16 years	80-60-40-20
\$13 - 13.99 million	17	17 years	80-60-40
\$14 - 14.99 million	18	18 years	80-60
\$15 - 15.99 million	19	19 years	80
\$16 - 16.99 million	20	20 years	No ramp up

# Where should the downtown incentive boundary be located?







## **Draft City-wide Property Tax Exemptions**

STANDARD COMMERCIAL SCALE

New Building			Term	Tax Benefit		Perc of Project	
Low	High	Goals*	Years	Benefit Low	Benefit High	Perc Low	Perc High
\$ 150,000	\$ 1,999,999	1 to 2	5	\$12,000	\$160,000	8.0%	8.0%
\$ 2,000,000	\$ 3,999,999	2 to 3	5	\$160,000	\$320,000	8.0%	8.0%
\$ 4,000,000	\$ 7,999,999	4 to 7	5	\$320,000	\$640,000	8.0%	8.0%
\$ 8,000,000	\$ 15,999,999	8 to 15	5	\$640,000	\$1,280,000	8.0%	8.0%
\$ 16,000,000	\$100,000,000	16+	5	\$1,280,000	\$8,000,000	8.0%	8.0%

<sup>\*1</sup> job / \$1,000,000 NBV; Minimum 1 job

## Current City-wide Incentive Program: Workers Comp. Rebate

As part of Moorhead's Border City programs to assist with the cost disparity of doing business in Minnesota, the Workers Compensation Rebate Program reduces a portion of Moorhead business' worker's compensation insurance costs to support and retain existing Moorhead businesses.

## Current Incentive Program: Tax Increment Financing (TIF)

Blighted properties located within a designated district may be eligible for Tax Increment Financing incentives for developments that add a minimum of \$1.5 million dollars of new assessed building value, typically used to help remediate contaminated soils, or other brownfield development costs.

## Current Incentive Program: Restaurant & Housing with Services

Program to incentivize certain businesses with additional support: restaurants and housing with health-related services business types.

## Current City-wide Incentive Programs: Property Tax Exemptions

### Commercial - Industrial

A project which meets the minimum qualifications for jobs and new (assessed) building value shall receive a property tax exemption for the term shown on the table below. Land and existing improvement value remain taxable throughout the term. The first five years receive a 100% exemption and years 6 through 20 receive a 99% exemption (also known as payment in lieu of taxes - PILOT).

on
s 6-20

### Multi-Family Residential

The project must be newly constructed, a substantial expansion/rehabilitation of an existing facility or the conversion of an existing facility from a commercial or industrial use to a multi-family residential facility. Only building improvements are eligible for the property tax exemption. Land and existing improvements (unless demolished) remain taxable during the exemption period.

New Building Value / Unit	Exemption Amount	Term of Exemption
\$55,000 (minimum)	\$25,000 / unit / year	2 years
\$70,000 (minimum)*	\$25,000 / unit / year	4 years

\*Additional incentive if the project includes structured parking. Structured parking means a below ground garage or ramped parking and does not include at-grade parking garages.



# Share your IDEAS!

Please participate in a short online survey about Downtown Moorhead incentives.

Use the QR Code below to access the survey on your smartphone:

