



City of Grand Forks

Staff Report

Committee of the Whole – October 11, 2021

City Council – October 18, 2021

APPROVED & ACCEPTED
by City Council

10/18/2021

Maureen Storstad
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City Auditor

Agenda Item: Grand Forks Renaissance Zone Project GF-71: Harry's on Demers

Prepared by: Andy Conlon, Senior Community Development Specialist

Submitted by: Meredith Richards, Community Development Director

Staff Recommended Action: Approve Renaissance Zone Project GF-71 contingent on receipt of Certificate of Good Standing and authorize staff to submit the project to the North Dakota Department of Commerce, Division of Community Services for action.

October 11, 2021 – Committee Action:

Motion by Weber, second by Dachtler to approve. Motion carried unanimously.

October 18, 2021 – City Council Action:

Motion by Weber, second by Kvamme, to approve. Motion carried unanimously.

BACKGROUND:

Harry's on Demers LLC has submitted a Renaissance Zone application for a lease of commercial property project at 421 Demers Avenue. The project will involve the operation of a steakhouse restaurant (dubbed Harry's Steakhouse) in the space leased from 421 Demers LLC, which received a separate Ren Zone exemption for the building's extensive rehabilitation. The subject request applies solely to the business entity that will occupy the space.

Renaissance Zone regulations require applications be approved, both locally and at the State level. Applicants must also provide a "Certificate of Good Standing" from the ND Tax Commissioner's Office. Staff expects receipt of the Certificate shortly, after which the application would be sent to the State for its approval.

ANALYSIS AND FINDINGS OF FACT:

- If approved, the project will be eligible for a five-year state income tax exemption for business income generated. As a lease project, no City property tax exemption applies.

- This project meets the following Renaissance Zone goals in the Development Plan:
 - Encourage retail development
 - Enhance ground floor uses that promote a lively, vibrant atmosphere
 - Support a pedestrian-oriented environment
 - Promote downtown as a historic, cultural, entertainment and recreational center of the City