APPROVED & ACCEPTED
by City Council
04/21/2025
Maureen Storstad
Maureen Storstad
City Auditor

City of Grand Forks Staff Report

Committee of the Whole – April 14, 2025
City Council – April 21, 2025

Agenda Item: RTVMPS, LLC Tax Incentive Pre-Application

Submitted by: Todd Feland, City Administrator

Staff Recommended Action: Invite applicant to submit full tax incentive application.

April 14, 2025 – Committee Recommended Action: Motion by Berg, second by Weigel to refer to City Council with a recommendation to approve. Motion carried 6-1, with Osowski dissenting.

April 21, 2025 – Council Action: Motion by Lunski, second by Berg to approve. Motion carried 4-3 with Sande, Osowski, and Vein dissenting.

BACKGROUND:

The proposed RTVMPS, LLC development is a mixed-use development in the southeast corner of 47th Avenue and South Washinton Street and near the proposed location of Hugo's Family Marketplace grocery store. The proposed development is a significant mixed-use development investment. The development is a private development, and the development team consists of Valley Markets (Hugo's Family Marketplace), Dakota Commercial, and Community Contractors.

The development includes the following: approximately 153 residential rental units with 10,000 square feet of commercial space. The start of the development is proposed for the spring of 2027 with a 2029 completion.

The development project is an estimated $42 million investment. The development project will not require significant public infrastructure development as it is an infill development and served by public infrastructure. The developer is requesting the consideration of a tax incentive exemption for a greater than five (5) year period of time. The development will meet the Grand Forks community's strategic interest in growing the tax and economic base and provide further and needed housing opportunities.

With City Council concurrence, the next step in the process is to invite the applicant to submit a full tax incentive application, which includes a $2,500 fee. The tax incentive request is proposed to exceed five (5) years. The complete application will be provided to Baker Tilly for third party financial review and analysis. This review will then be presented to the Local Government Advisory Committee (LGAC), which consists of representatives of the four local taxing entities. City Council President Dana Sande and City Council Vice President Danny Weigel serve as the City's LGAC representatives. The recommendation from LGAC will then be forwarded to City Council for preliminary action at which point a public hearing date (approximately 45 days later) will be set. During that time period, the tax incentive request will be heard by the Grand Forks County Commission and Grand Forks School Board, per North Dakota Century Code requirements.

ANALYSIS AND FINDINGS OF FACT:

- The pre-application is the first step to allow further financial review of a tax incentive request to proceed.
- The third-party review takes into consideration appropriate industry standards and expected rates of

return, which helps to depoliticize the decision-making process and "right-size" the tax incentive structures. Baker Tilly performs this service for other regional communities and has assisted the City in this process. The $2,500 application fee offsets the cost of the review.

- The timeline of the tax incentive process is approximately two to three months from beginning to end and includes City Council Pre Application tax incentive approval; third party financial analysis; LGAC review and recommendation; City Council preliminary recommendation and public hearing date setting; Grand Forks County Commission, Grand Forks Public School Board, and City Council final actions.

SUPPORT MATERIALS:

- City of Grand Forks Tax Incentive Pre-Application for RTVMPS, LLC.
- Grand Forks Mixed-Use Development Site Plan and Renderings.

Incentive City of Grand Forks 4/14/25
Tax ~~Increment~~ Financing Pre-Application

Applicant Information:

Applicant Name: **RTVMPS, LLC**

Primary Contact: **Kevin Ritterman, President**

Address: 615 First Avenue North

Phone: **218-779-8377** Email: kritterman@dakotacommercial.com

Legal Entity Type: ND **Limited Liability Company**

Project Information:

Address of proposed project: **1065 47th Ave S, Grand Forks**

Proposed project timeline/milestones: Spring of 2027 start with 2029 completion

Current tax roll value of property: **$886,000**

Estimated value of property upon completion of proposed project: **$886,000 (land)**

$42million (improvements)

Attach a brief description of the proposed project; This location is on SE corner 47th Avenue and South Washington.

Approx 153 apartments with 10, 000 sqft of commercial space.

TIF Information:

___ TIF Bond __X_ TIF Exemption – Request Pilot

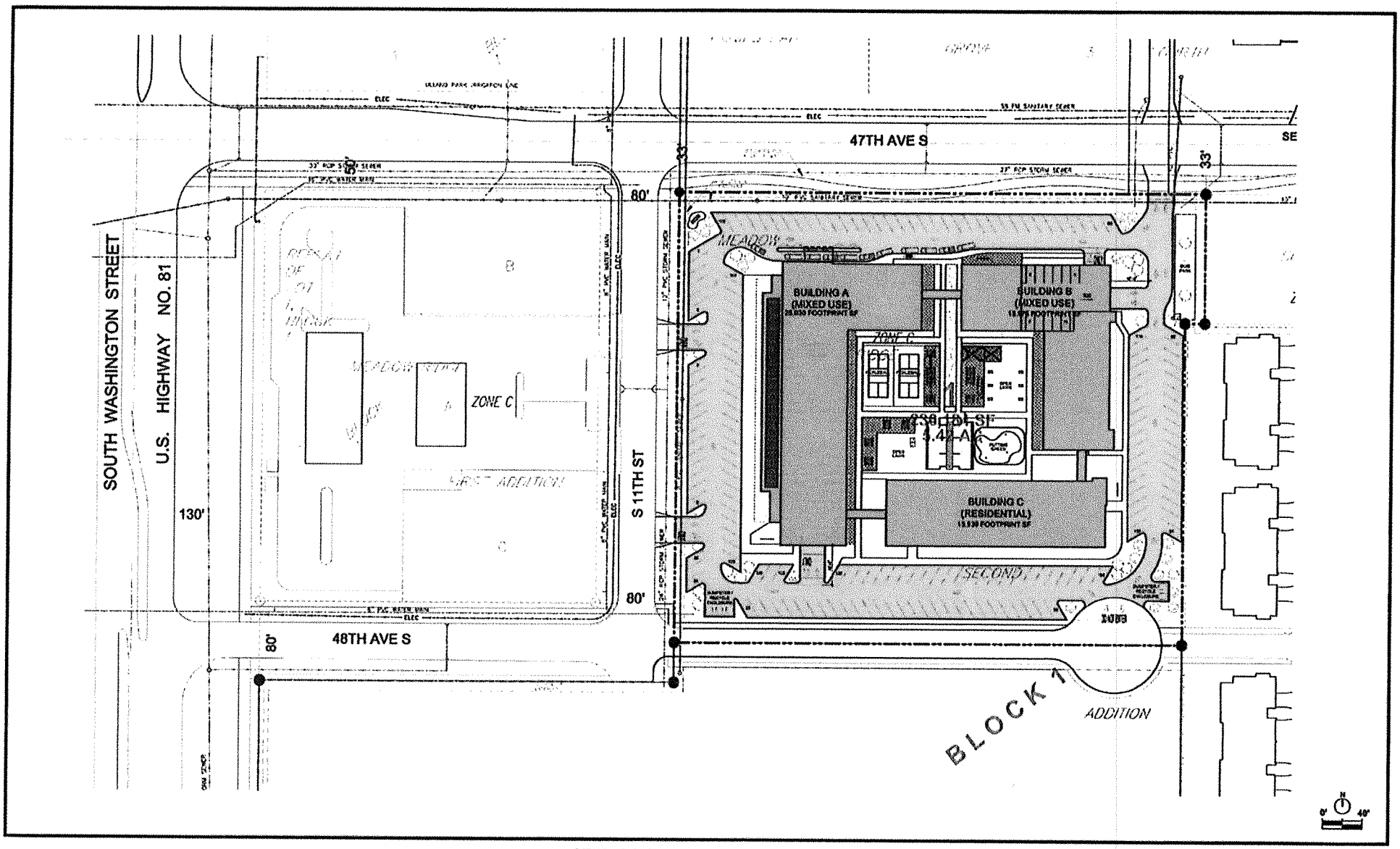
___ Slum/Blight TIF ___ Undeveloped/Underdeveloped TIF

Will requested TIF exceed 5 years? _X__ YES ___ NO

The undersigned certifies that all information provided in this pre-application is true and correct to the best of the undersigned's knowledge, and that the undersigned is a duly authorized representative of the applicant. The applicant agrees to provide additional information as may be requested by the City after the filing of this application.

Signature of Applicant's Representative

4/10/25
Date



Grand Forks Mixed-Use Development

1065 47th Ave S
Grand Forks, ND 58201

SITE PLAN - OVERALL
Option A

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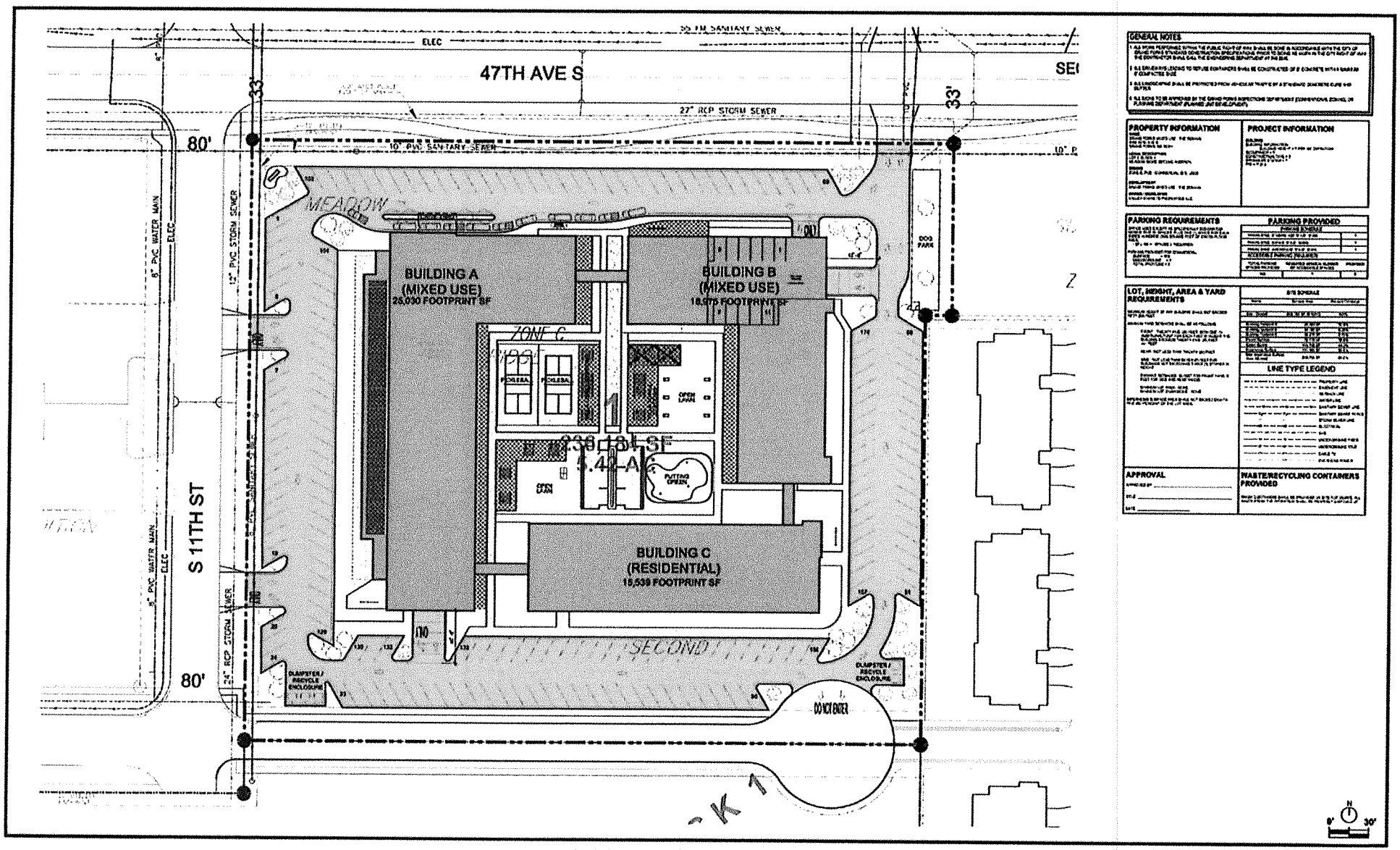

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SITE PLAN - ENLARGED
Option A

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RENDERS
Option B

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