

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND FORKS**

**APPROVING**

**PAYMENT IN LIEU OF PROPERTY TAX DEVELOPMENT AGREEMENT**

**FOR AGRISTO NORTH DAKOTA, LLC**

**WHEREAS**, the City Council of the City of Grand Forks, North Dakota (the “City”) has considered, reviewed, and held a public hearing on July 21, 2025 regarding (a) Developer’s proposed construction of potato processing plant to be located located 3500-3600 27<sup>th</sup> Avenue North, Grand Forks, ND 58201 (the “Project”), and attendant proposed property tax incentive in the form of a payment in lieu of taxes under N.D.C.C. § 40-57.1-03(2) (“PILOT”), and (b) the draft Payment in Lieu of Property Tax Development Agreement (attached hereto and referred to herein as the “PILOT Development Agreement”):

**NOW THEREFORE, BASED ON SUCH CONSIDERATION, REVIEW AND PUBLIC HEARING BY THE CITY COUNCIL, THE CITY COUNCIL DOES HEREBY MAKE THE FOLLOWING RESOLUTIONS:**

**1. Findings Relating to Project and PILOT.** The City Council does approve and adopt the following findings:

**1.1.** The property that is the subject of the development and construction of the Project by Agristo North Dakota, LLC (the “Developer”) a parcel of real property located along 27<sup>th</sup> Avenue North, Grand Forks, ND 58201 and described as following (the “Project Land”):

Lot 2, Block 1, Peony First Subdivision to the City of Grand Forks,  
North Dakota

The Project shall be constructed and located on only a portion of said parcel.

**1.2.** The Project, which is the subject of the PILOT Development Agreement (and the terms and conditions described therein), is the construction of a building, structures, facilities, fixtures, infrastructure, improvements, to be erected, built, assembled, constructed, installed and operated for Developer’s proposed potato processing plant to be located on the Project Land.

**1.3.** As outlined in prior meetings of the City Council and the Committee of the Whole, (including meetings that occurred on June 9, 2025 and June 16, 2025), the development, construction and operation of the Project and the anticipated employment resulting therefrom will have a significant positive economic impact upon the City and the residents of the City and the region, which in turn are anticipated to create new job opportunities, contribute to the local economy, and workforce development within the community of Grand Forks and the

region, enhancing the City's and the region's economic climate, enhancing the City's and the region's property tax base, encouraging other capital investment and diversifying the City's and the region's economy.

**1.4.** A property tax incentive became necessary to induce the Developer to develop, construct and operate the Project in the City, and when considering the significant economic benefits that are expected to be derived therefrom, the granting of such property tax incentive aligns with economic objectives and goals of the City.

**1.5.** The development, construction and operation of the Project meets and is aligned with the public purpose benefits for the granting of a PILOT, including the following:

- (a) Achieving high quality redevelopment and private investment on sites, which would not be redeveloped otherwise.
- (b) Further develop a currently undeveloped industrial site that has a significant amount of available infrastructure.
- (c) Enhancing and diversifying the City's economic base, including manufacturing.
- (d) Making meaningful contribution to the City's tax base.
- (e) Retaining and/or increasing the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.
- (f) Supported by the State of North Dakota, including the Developer anticipated to be eligible for a \$30,000,000 forgivable loan pursuant to legislation adopted by the North Dakota legislature during the 2025 legislative session (HB 1332)

**1.6.** On June 23, 2025, the City Planning Department consulted and briefed the North Dakota Department of Commerce regarding the development and construction of the Project, and the property tax incentive in the form of a PILOT, and on June 27, 2025 the North Dakota Department of Commerce responded that it has "determined no further action is required by the North Dakota Department of Commerce [on the Developer's PILOT] request."

**1.7.** On June 23, 2025, and in accordance with N.D.C.C. § 40-57.1-03(7), the City's Local Government Advisory Committee (which committee include members of the Grand Forks City Council, Grand Forks County Commission, the Grand Forks Public School District and Grand Forks Park District) reviewed the proposed development and construction of the Project, including the attendant proposal for property tax incentive for such development and construction, and provided a consensus and non-binding recommendation to move forward with the proposed PILOT property tax incentive process for the Project.

**1.8.** On June 19, 2025, the City, pursuant to N.D.C.C. §§ 40-05-24 and 40-57.1-03(7), sent the required letter to Grand Forks County and Grand Forks Public School District; and on July 1, 2025 obtained the consent of Grand Forks County and on July 14, 2025 obtained the consent of Grand Forks Public School District to participate in the property tax incentive in the form of a PILOT for the Project as proposed and to be documented under the terms of the PILOT Development Agreement.

1.9. Pursuant to N.D.C.C. §40-57.1-03(5), a notice to competitors was published in the Grand Forks Herald on June 25, 2025 and July 2, 2025.

1.10. Based on the review and recommendations by the City Council, the City's Local Government Advisory Committee, and City staff reports, and pursuant to N.D.C.C. § 40-57.1-03(5) and the City's policy on tax incentives, the Project development, and the granting of the PILOT described in the PILOT Development Agreement (and subject to all of the terms and conditions precedent described therein being satisfied), is the best interests of the City.

1.11. Based on the foregoing findings and pursuant to N.D.C.C. § 40-57.1-03, the PILOT Development Agreement and the granting of the PILOT will not result in unfair competition and is in the best interests of the City.

**2. Approval of PILOT Development Agreement.**

2.1. Based on the foregoing and on the condition, the PILOT Development Agreement is approved and adopted, subject to final review and approval by the City Attorney.

2.2. The City reserves the right to amend and modify the PILOT Development Agreement, with any such amendment and modification being subject to further approval by the City Council.

**3. Approval of PILOT.**

3.1 Based on the foregoing, the PILOT covering the Project, subject to the satisfaction of all of the terms and conditions precedent described in the PILOT Development Agreement, is approved and adopted.

3.2. The City reserves the right to amend and modify this Resolution, with any such amendment and modification being subject to further approval by the City Council.

Adopted by the Grand Forks City Council the 21<sup>st</sup> day of July, 2025.

**CITY OF GRAND FORKS**

\_\_\_\_\_  
Brandon Bochenski, Mayor

Dated: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Maureen Storstad, City Auditor

Date: \_\_\_\_\_