



City of Grand Forks

Staff Report

Committee of the Whole – November 10, 2025

City Council – November 17, 2025

APPROVED & ACCEPTED

by City Council

11/17/2025

Maureen Storstad
Maureen Storstad
City Auditor

Agenda Item: Visit Greater Grand Forks Loan

Submitted by: Maureen Storstad, Finance Director
Todd Feland, City Administrator

Staff Recommended Action: Forgiveness of remaining Visit Greater Grand Forks loan balance of \$90,000.

Committee Recommended Action: Motion by Sande second by Vein to refer to City Council with a recommendation to approve.
Motion passed 6-1, with Osowski dissenting.

Council Action: Motion by Sande, second by Berg to approve. Motion passed 5-1 with Osowski dissenting.

BACKGROUND:

Visit Greater Grand Forks was established to market, promote, advertise, sponsor and fund events that provide for the promotion of meetings, conventions, trade shows, sporting events, artistic productions, tourism & leisure travel in the Greater Grand Forks area and to coordinate the efforts of public, private, and volunteer agencies involved with such service priorities. Funding for these service priorities primarily comes from a lodging tax on overnight hotel stays.

Due to the COVID-19 Pandemic, the hotel industry was greatly impacted as many events were cancelled and reducing hotel stays, and therefore, impacted the Visit Greater Grand Forks revenue stream used for operations. Julie Rygg, Executive Director of Visit Greater Grand Forks, made budget cuts to help offset, and the City of Grand Forks loaned \$150,000 to help cash flow in 2020.

The funding source for this loan came from the City's Economic Development Fund (2163). This was originally set up to be paid back over a period of 5 years. In a time when visitor traffic was rebounding, the demands of event support were ever increasing. In 2022, due

to Visit Greater Grand Forks having unexpected expenses with the building that included a pipe burst/flooding, vandalism, and water seepage, a request had been made to extend the 5-year loan repayment out to 10 years. This request was approved with \$15,000 annual payments. The current balance remaining on the loan is \$90,000.

As Mayor Bochenski put together the FY 2026 budget for City Council approval, it was recommended the special event funding from the City's Economic Development Fund end. Julie Rygg and her team at Visit Greater Grand Forks will continue their efforts to support local events and encourage tourism. Freeing up these dollars would greatly help the organization as they work with dollars available for local special event support. Mayor Bochenski and administration are asking for City Council approval to forgive the remaining outstanding balance of \$90,000.

ANALYSIS AND FINDINGS OF FACT:

- A 3% lodging tax is placed on hotel overnight stays, which is used by the organization for tourism/promotional activity for the Greater Grand Forks area.
- \$150,000 loan was issued from Economic Development Fund 2163 to be paid back over a 5-year period with 0% interest.
- These repayment terms were adjusted from 5-years to 10-years, with the ability to pay back early with no penalty.
- Mayor Bochenski and administration are requesting to forgive the remaining \$90,000 balance, leaving more money available for Visit Greater Grand Forks' efforts to support special events.

SUPPORT MATERIALS:

- Previous staff reports regarding loan to Visit Greater Grand Forks.



City of Grand Forks
Staff Report
Committee of the Whole - N/A
City Council - November 7, 2022

APPROVED & ACCEPTED
by City Council
Maureen Storstad
11/07/2022
Maureen Storstad
City Auditor

Agenda Item: Visit Greater Grand Forks loan terms

**Submitted by: Maureen Storstad, Finance Director
Todd Feland, City Administrator**

Staff Recommended Action: Review & amend loan terms extending the 5-year to a 10-year repayment with the next \$15,000 payment due December 2023.

Committee Recommended Action: N/A

Council Action:

Motion by Weigel, second by Lunski to approve the change in terms. Motion carried unanimously.

BACKGROUND:

Visit Greater Grand Forks was established to market, promote, advertise, sponsor, and fund events that provide for the promotion of meetings, conventions, trade show, sporting events, artistic productions, tourism, and leisure travel in the Greater Grand Forks area and to coordinate the efforts of public, private & volunteer agencies involved with such matters. Funding for such purpose primarily comes from a lodging tax on overnight hotel stays.

Due to the COVID-19 Pandemic, the hotel industry was greatly impacted as many events had been cancelled, reducing hotel stays, and therefore, impacted the organization's revenue stream used for operations. Julie Rygg, Executive Director of Visit Greater Grand Forks, made budget cuts to help offset, and the City of Grand Forks loaned \$150,000 to help cash flow in 2020.

The funding source for this loan came from the City's Economic Development Fund (2163). This was originally set up to be paid back over a period of 5 years. The first of these payments was made in 2021 for \$30,000, leaving a balance of \$120,000.

While visitor traffic is rebounding, the demands of event support are increasing. The organization has also had unexpected expenses with the building that include pipe burst/flooding, vandalism, and water seepage.

A request has been made to extend this 5-year loan repayment out to 10 years,

with a \$15,000 annual payment due December 2023 and forward to complete a 10-year term. This would be 0% interest. There would be an ability to make extra payments during the good years with no penalty.

ANALYSIS AND FINDINGS OF FACT:

- A 3% lodging tax is placed on hotel overnight stays, which is used by the organization for tourism/promotional activity for the Greater Grand Forks area.
- In 2020, the City Council approved a \$150,000 loan from the Economic Development Fund 2163 to be paid back over a 5-year period with 0% interest.
- Request has been made to extend these repayment terms from 5-years to 10-years, with the ability to pay back early with no penalty.

SUPPORT MATERIALS:

- Email request from City Council Vice President Bret Weber, dated November 3, 2022.
- Visit Greater Grand Forks and 3% lodging tax historic revenue overview.

From: "Weber, Bret" <BWeber@grandforksgov.com>
Date: Thursday, November 3, 2022 at 8:04 AM
To: "Sande, Dana" <DSande@grandforksgov.com>, Julie Rygg <julie@visitgrandforks.com>
Subject: Visit GF Loan

Dear President Sande,

VisitGF paid \$30,000 in December 2021, so they currently owe \$120,000. Below is a proposal for changing their loan term from 5 to 10 years:

- Duration - 10 years
- Annual payment - \$15,000/year
- Paid to date - 2021 and 2022 (paid \$30,000 in December 2021)
- Next payment – \$15,000 in December 2023
- The ability to make extra payments during good years with no penalty

If this sounds good to you, I will work with the Mayor's office to implement the change.

Julie,

Please add any corrections or let us know if I'm missing anything, bret

From: Julie Rygg <julie@visitgrandforks.com>
Sent: Thursday, November 3, 2022 10:12 AM
To: Weber, Bret <BWeber@grandforksgov.com>; Sande, Dana <DSande@grandforksgov.com>
Cc: Nicole Blair <nicole@visitgrandforks.com>
Subject: Re: Visit GF Loan

Good morning,

Thank you to both of you for considering this adjustment to our loan repayment. I don't want our loan to extend too long, but a change from five years to 10 years as outlined below will definitely be helpful, as we have encountered many additional costs in 2022 due to water pipe burst/flooding, vandalism, building seepage, and more.

Please let me know if I may provide any additional information.

Thank you again!

Julie

Julie Rygg, Executive Director

Visit Greater Grand Forks

4251 Gateway Drive, Grand Forks, ND 58203

p: 701.746.0444 | tf: 800.866.4566 | visitgrandforks.com

[facebook](#) | [twitter](#) | [instagram](#) | [flickr](#)



Find Forksful of Fun at GrandForksEvents.com!



Revenue Worksheet Report

Account	Account Description	2018 Actual Amount	2019 Actual Amount	2020 Actual Amount	2021 Actual Amount	2022 Actual Amount (y-t-d)
Fund - Convention & Visitors Bureau						
Department 000 - Revenues						
<i>Selective Sales Tax</i>						
303.0010	Motel And Room Tax	\$ 955,837.76	\$ 969,962.86	\$ 529,768.06	\$ 750,470.65	\$ 715,540.06
303.0015	Car Rental Tax-Airport	\$ 33,311.98	\$ 29,875.55	\$ 19,647.07	\$ 16,585.64	\$ 33,162.25
<i>Selective Sales Tax Totals</i>		<u>\$ 989,149.74</u>	<u>\$ 999,838.41</u>	<u>\$ 549,415.13</u>	<u>\$ 767,056.29</u>	<u>\$ 748,702.31</u>



City of Grand Forks
Staff Report
Committee of the Whole – May 11, 2020
City Council – May 18, 2020

APPROVED & ACCEPTED
by City Council

05/18/20

Maureen Storstad
Maureen Storstad
City Auditor

Agenda Item: \$150,000 Loan Request from Convention & Visitors Bureau (CVB) from Economic Development Fund 2163

Submitted by: Maureen Storstad, Finance Director

Staff Recommended Action: Review & consider loan request from the CVB

Committee Recommended Action:

Refer to City Council with the recommendation to

approve.
Council Action:

Approved unanimously on consent agenda

BACKGROUND:

The Convention and Visitor's Bureau was established to market, promote, advertise, sponsor, & fund events that provide for the promotion of meetings, conventions, trade shows, sporting events, artistic productions, tourism & leisure travel in the Greater Grand Forks area and to coordinate the efforts of public, private & volunteer agencies involved with such items. Funding for such purpose primarily comes from a lodging tax on overnight hotel stays.

Due to the COVID-19 Pandemic, the hotel industry has been greatly impacted as many events have been cancelled, reducing hotel stays. In response, the CVB will see reduced lodging tax collections used to run their operations. Julie Rygg, Executive Director of the Greater Grand Forks Visitors Bureau, has stated that budget cuts have been made to help offset, but are estimating a need of \$150,000 to help cash flow in 2020. The Bureau has applied for SBA EIDL loans and they are working with local lenders regarding this program. The CVB has also been in contact with congressional delegation regarding the needs of the hotel industry for possible future funding relief.

The funding source for this loan would come from the City's Economic Development Fund (2163), to be paid back over a period of 5 years or less. Tourism is an allowable use of economic development fund dollars. Julie has stated if other program dollars become available, the City would be reimbursed sooner.

ANALYSIS AND FINDINGS OF FACT:

- A 3% lodging tax is placed on hotel overnight stays, which is used by the CVB for tourism/promotional activity for the Greater Grand Forks area
- COVID-19 Pandemic has impacted the Lodging industry significantly
- CVB has made \$166,000 in budget cuts to date
 - Will not hire part time visitor center staff and not filling open full-time position
- March hotel activity dropped to 34.9% (54% in 2019)
 - No data yet for April
 - 4th quarter projections estimate 50% of projected revenue
- CVB does not qualify for the Paycheck Protection Program (PPP) as they are a 501c6
- The CVB did receive \$6,000 for the SBA's EIDL Advance with the understanding that it will be forgiven
- The CVB has applied for the COVID-19 PACE Recovery Program, which is being offered through the Bank of ND
 - Working through a local bank and currently waiting for update
- The CVB did have \$35,700 in Event Funding dollars cancel, but still have \$115,000 in funds already paid or projected to use for events in 2020
- This \$150,000 loan would come from Economic Development Fund 2163 to be paid back over a 5 year period or sooner if other funding becomes available.

SUPPORT MATERIALS: