



City of Grand Forks
 Staff Report
 Committee of the Whole - December 8, 2025
 City Council - December 15, 2025

APPROVED & ACCEPTED
 by City Council
Maureen Storstad
 12/15/2025
 Maureen Storstad
 City Auditor

Agenda Item: Redevelopment of the Former Water Treatment (WTP) Plant Site

Submitted By: Todd Feland, City Administrator

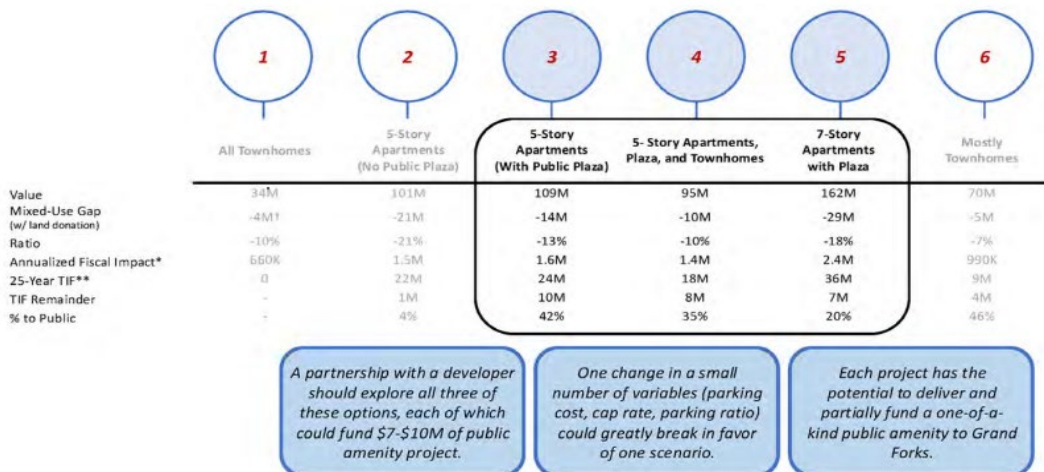
Staff Recommended Action: Authorize proceeding with Phase 2 as described below

Committee Recommended Action: Motion by Berg, second by Fridolfs to move staff recommendation to City Council with a recommendation to approve. Motion carried unanimously.

Council Action: Motion by Berg, second by Fridolfs to approve staff recommendation.
 Motion passed unanimously.

BACKGROUND: In February 2024, the City issued a Request for Qualifications (RFQ) ([638441008865000000](#)) that sought an experienced consultant to combine public input, local knowledge and world-class expertise to create an aspirational yet viable redevelopment concept for the former Water Treatment Plant site just south of downtown -- in short, help Grand Forks dream big responsibly. The RFQ listed several goals to inform the process; these generally called for a primarily residential development that supports some form of forever-public amenity. City Council authorized contracting with St. Louis-based Development Strategies (DS) in April 2024.

DS presented their report on May 12, 2025 ([638824070926200000](#)). Their dream-big-responsibly approach combined stakeholder input and market research to produce a concept that maximizes value creation (via a high-density, high-value, market-rate, mixed-use residential project) to support a legacy-type public amenity that capitalizes on the site's unique attributes. DS provided a recommended "catalyst concept" to generically illustrate this type of project and how it would relate to the neighborhood, greenway, flood protection project, etc. However, the graph below from their final report shows a range of possible concepts to be considered.



*annual impact; assumes stabilized occupancy; TIF and remaining property tax | **net present value; assumes 100% capture

City Council Members raised several concerns about the recommended concept, primarily regarding the following:

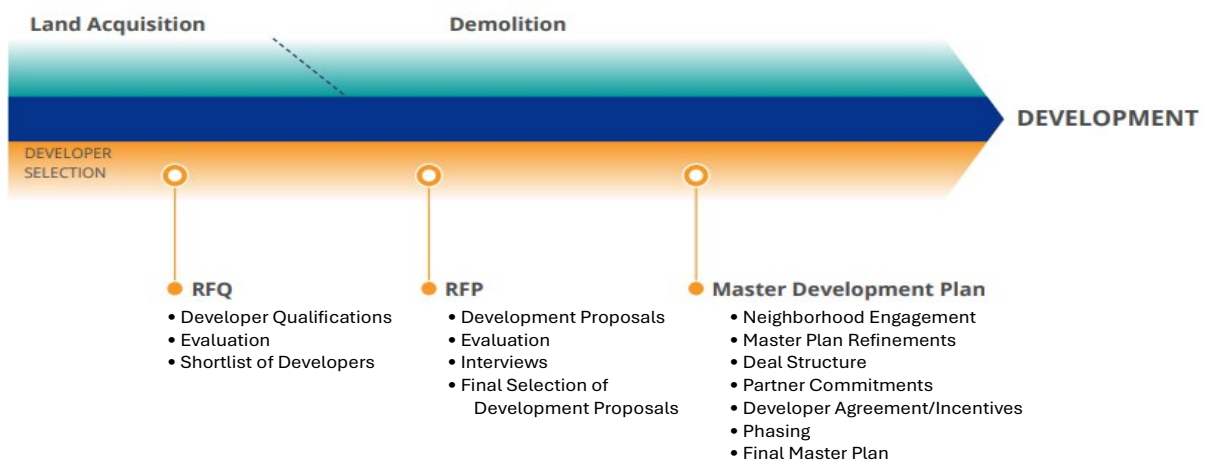
- the absence of home ownership opportunities.
- the size/density proposed and its effect on traffic and parking,
- dislike of the conceptual project rendering.
- skepticism about expanding public spaces,
- consultant costs.

The action at that time was to receive and file. Based on subsequent discussion and feedback from the City Council and administration, there now appears to be consensus on some key issues and support for proceeding with a City-led Phase 2 process as a low-cost, low-commitment means to refine the concept, address these and other concerns, and regain momentum on the project.

- Adding a preference for condos would create homeownership opportunities while still generating a taxable value that supports a public amenity and offsets demolition/remediation costs. A condo option for commercial spaces could also be considered.
- A ±\$6 million low-interest loan through the Drinking Water State Revolving Loan Fund is available for demolition costs. A determination on return on this investment that the City expects (in the form of property tax revenue, additional sales tax receipts, spin-off developments/businesses) will be determined. Phase 2 will explore this question to help with right-size density options.
- The uniqueness of this site – its history, heritage, views of “The Forks”, and Greenway access – warrants incorporating a forever-public amenity into the development, with a boardwalk/plaza as its focal point. Complementary secondary options (such as a pocket park off 4th Street or rooftop access) should also be explored.
- A staff-led Phase 2 process would cost less than a consultant-led process and enable more frequent communication and consultation with City Council on key issues and decision points.

FINDINGS OF FACT:

- DS completed Phase 1 in approximately 15 months and relied on a steering committee of local stakeholders to review and comment on their work. Phase 2, with City staff working directly with City Council, is also expected to take 12-15 months.



- In Phase 1, DS was tasked with developing concepts that met community goals and priorities, then testing them for market and economic feasibility. A key feature of the concepts proposed is their ability to leverage private investment to create a public amenity. DS also looked beyond the site itself to provide a strategy for the larger area/district. Their work indicates that this site can support a catalytic, legacy-type development that has the potential to attract regional and possibly national interest.

- Phase 1 verified the feasibility of a range of projects that would meet community goals to varying degrees. Phase 2 will refine those project concepts and solicit developer input that will help City Council make informed decisions on final project parameters and selection criteria. Until then, traffic and parking impacts are difficult to assess. Likewise, answers to questions on infrastructure, architectural elements, flood protection project impact, etc., depend on information that will be generated by Phase 2 activities.
- Rather than continuing with a consultant-led process, Phase 2 would be led by City Council and staff, supplemented with limited third-party support as needed. For example, obtaining updated housing market data could support this project as well as inform community-wide housing needs, issues, and policies.

ATTACHMENTS:

- Proposed Phasing Plan

PROPOSED PHASING PLAN - FORMER WTP REDEVELOPMENT

PHASE 1 VISIONING & CONCEPT DEVELOPMENT: COMPLETE

PHASE 2 PROJECT REFINEMENT & DEVELOPER RECRUITMENT

Step 1 City Council authorizes Phase 8.

- ✓ Staff engages with City Council on the items bulleted below to set the parameters of a developer RFQ; its purpose; market the WTP site and showcase its potential; verify an appetite for the City's vision for the site; identify and engage a wide pool of qualified developers;...

- Update project goals, timeline
- Refine baseline requirements
- Identify preferred options
- Outline potential P3 opportunities/constraints
- Develop evaluation criteria, selection process

- ✓ City formally invites USACE into redevelopment process

Step 2 City Council authorizes issuing RFQ described in Step 7

- ✓ City Council reviews and approves parameters bulleted in Step 7

Step 3 Analyze RFQ submissions - assuming a strong response? City Council approves developer pool

- ✓ Staff engages with Council on the items bulleted below to finalize the parameters of the RFP for site development;

- Update project goals/priorities/requirements as needed
- Identify needed data/studies (e.g., traffic, parking)
- Finalize preference point items
- Update P3/funding options
- Determine phasing options
- Develop evaluation criteria, selection process

- ✓ Evaluate inclusion of adjacent privately owned properties

Step 4 City Council authorizes issuing WTP redevelopment RFP.

- ✓ City Council reviews and approves parameters bulleted in Step 9;

Step 5 City Council selects development team

- ✓ City Council selects developer(s) and authorizes proceeding with Phase 9. (development agreements? incentives? etc);

Step 6 Council authorizes RFQ for engineering services to design WTP demolition. ...subsequently approves contract with selected qualified firm.

- ✓ Staff updates RFQ prepared in May 868

PHASE 3 PROPERTY DISPOSITION & CONSTRUCTION

PHASE 4 DISTRICT STRATEGY IMPLEMENTATION