



City of Grand Forks
Staff Report
Committee of the Whole – March 23, 2026
City Council – April 6, 2026
City Council (Public Hearing) – May 4, 2026



Agenda Item: RTVMPS, LLC (Domain), Located at 1065 47th Avenue South, Tax Incentive PILOT Application

Submitted by: Todd Feland, City Administrator
Dan Gaustad, City Attorney
Maureen Storstad, Finance Director
Tami Lazur, City Assessor

Staff Recommended Action: Approve the The Domain Project Tax Incentive Application and approve moving through the tax incentive final review and approval process to include the preliminary recommendation of a five (5) year and 90% Payment In Lieu of Taxes (PILOT) and set the City Council Public Hearing date for Monday, May 4, 2026.

March 23, 2026 – Committee Recommended Action: Motion by Fridolfs, second by Sande to move staff recommendation to City Council with a recommendation to approve. Motion carried 6-1 with Osowski dissenting.

April 6, 2026 – Council Action: Motion by Sande, second by Berg to move staff recommendation and set public hearing for May 4, 2026. Motion carried 6-1 with Osowski dissenting.

May 4, 2026 (Public Hearing) – Council Action:

BACKGROUND:

The proposed Domain 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 Domain development is a significant mixed-use development investment. The Domain development is a private development, and the development team consists of Valley Markets (Hugo’s Family Marketplace), Dakota Commercial, and Community Contractors.

The Domain development includes the following: approximately 150 residential rental units with 10,000 square feet of commercial space. The start of the development is proposed for the fall of 2027 with a 2029 completion.

The Domain development project is an estimated \$43,730,000 investment, which includes \$1,425,000 in land and \$42,305,000 in newly constructed buildings and structures. 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 PILOT tax incentive of up to five (5) years and 100%. 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.

ANALYSIS AND FINDINGS OF FACT:

- On April 21, 2025, the City Council approved the Domain Development’s Tax Incentive Pre-Application as the first step to allow further financial review of a tax incentive request to proceed.
- Originally the Domain developers requested a greater than five (5) year PILOT tax incentive and later requested an up to five (5) year and 100% PILOT tax incentive.

- Baker Tilly is recommending a five (5) year/90% PILOT tax incentive for the Domain development (See attached Baker Tilly But-For Analysis)
- The Domain taxable value of the newly constructed buildings and structures when completed is estimated at \$26 million, which includes \$1 million in land and \$25 million in improvements. The initial and current land value is \$886,000.
- Based on a 5 year and 90% PILOT, the Domain project's net gain in property tax revenue is estimated as follows.
 - 5 Year Period - \$218,773.
 - 10 Year Period - \$2,418,337.
 - 20 Year Period - \$7,171,024.
 - 30 Year Period - \$12,436,054.
- Since the Domain development PILOT tax incentive is five (5) years or less, the PILOT incentive is within the City Council authority with a scheduled City Council Public Hearing on May 4, 2026 for final review and consideration.

SUPPORT MATERIALS:

- Baker Tilly But-For Analysis – Dated March 23, 2026
- City of Grand Forks Financial Impact Analysis.
- Application for Property Tax Incentives.
- Approved City of Grand Forks Staff Report for RTVMPS, LLC Tax Incentive Pre-Application for RTVMPS, LLC, dated April 21, 2025.
- Grand Forks Mixed-Use Development Site Plan and Renderings.