

Request for Council Action

Agenda Item: One-Off Residential Property Tax Abatements

Date: February 10, 2026

To: East Grand Forks City Council Mayor Mark Olstad, Council President Brian Larson, Council Vice-President Tim Riopelle, Council Members Tami Schumacher, Ben Pokrzywinski, Dale Helms, Donald Casmey, and Karen Peterson.

Prepared by: Maggie Brockling, Economic Development Director

Cc: File

Staff Recommendation:

1. Consider request of the one-off 2024 property tax abatement;
2. Authorize EDA staff to move forward with one-off abatement process;
3. Hold public hearing on this request at the City Council meeting on Tuesday, March 3, 2026;

Background:

This property was unintentionally excluded from the 2024 newly built tax abatement approvals due to a technical oversight that caused it to appear as though it was not assessed at full value because a veteran's property tax discount was applied. This veteran's property tax means the first \$300,000 of the home's value isn't taxed. The owner brought this to our attention in January 2026. The owner indicated intentions to sell the house this year so adding the missed year onto this year's regular approval batch will not work.

- Is there willingness to run an individual process for this one property outside of the normal tax abatement approvals in the fall?
- Should the school district or county decline applying tax credits, is the council open to covering their portions?
- The taxing entity breakouts are: City: \$1,050.95 | School: \$129.28 | County \$555.54 for a total rebate of \$1,735.77

To prevent this from occurring in the future, the tax abatement standard operating procedure was updated to include awareness of this tax credit. Staff plan to review the newly built home values-to-property tax bills for this tax credit and any others the state/county tax credits that may be included going forward.