

ASSISTANCE FOR BUSINESSES

Start-Ups, Expansion and Succession Planning

OPPORTUNITY

**MADE IN
MANDAN**

FINANCIAL ASSISTANCE AND INCENTIVES

MANDAN GROWTH FUND PROGRAMS

Mandan voters in 1991 approved a portion of the 1% city sales tax for job and economic development. The fund accumulated for this purpose is the Mandan Growth Fund. The Growth Fund Committee considers applications for assistance and incentives with a focus on developing employment within the area, expanding the local tax base, increasing capital investment and improving the entrepreneurial climate. The committee provides recommendations to the Mandan City Commission for final consideration. Applications must generally be approved prior to construction, building occupancy, or the start of business operations..

Retail Incentive Program

New and expanding retail stores locating anywhere in city limits may apply as long as the business fills a gap in the city's market profile and meets other program criteria. Eligible businesses may receive assistance of up to \$5 per square foot of operating space for their first 12 months, not to exceed \$20,000 per property.

Property Tax Incentives For New & Expanding Businesses

Businesses must be certified as primary sector by the N.D. Department of Commerce. Primary sector businesses, through the employment of knowledge or labor, add value to a product, process, or service that results in the creation of new wealth. Eligible businesses may be considered for property tax exemption on newly constructed or expanded buildings. Criteria for consideration of applications include jobs creation, job quality as measured by wages and benefits, diversification of the economic base and synergies with existing businesses. Based on the criteria, an exemption may be considered at one of three levels:

- 100% for years 1-2,
- 100% for years 1-2, 75% year 3, 50% year 4 and 25% year 5, or
- 100% years 1-5.

Note: State legislation approved in 2013 requires voter approval for municipalities to consider standard exemptions for retail projects.



Guitar Lot - Retail Incentive Recipient



Shoezam - Retail Incentive Recipient



Cloverdale Foods Company - received approval for a property tax exemption for an expansion to be completed in 2021.

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INTEREST BUY DOWNS

Partners in Community Expansion (PACE) and Flex PACE programs utilize a partnership between financial institutions and the Bank of North Dakota through a participatory lending arrangement in which half of the loan amount is provided by a lender and half by the state-owned bank. Funds are used to reduce interest costs by up to 5% below the lead lender's rate to a rate as low as 1%. The buy down must be matched by the community at a 35% participation level.

- **Primary sector projects (PACE program)** — BND will provide up to \$500,000 for the interest buydown. This puts the maximum local share at \$269,231 for a maximum total interest buydown of \$769,231. The BND buydown is based through a tiered approach on either the business investment or the number of jobs created.
- **Other projects (Flex PACE program)** — Projects providing a community benefit may apply. BND will provide up to \$200,000 for the interest buydown, putting the maximum local share at \$107,692 for a maximum total interest buydown of \$307,692. Applications for standard business projects should be submitted to the Lewis and Clark Development Group (LCDG) for consideration
- **Repayment** of the local share is generally required at an interest rate dependent on the type of project and public benefit.



DaWise Perry Funeral Services - Bank of North Dakota
Flex PACE Interest Buydown Recipient



The Paddle Trap - Bank of North Dakota
Flex PACE Interest Buydown Recipient



Malloy Electric Expansion - Bank of North Dakota
Flex PACE Interest Buydown Recipient

BUILDING IMPROVEMENT PROGRAMS

DOWNTOWN STOREFRONT IMPROVEMENT PROGRAM

Commercial property owners and business tenants in the downtown area may apply for matching funds in the form of a forgivable loan for improvements to building facades such as exterior finish, windows, doors, awnings, canopies, and signage, plus landscaping. Storefront funds are provided in the form of a maximum \$30,000 forgivable loan for up to 50 percent of the investment in rehabilitating a building façade. Up to \$60,000 may be considered for a large or multi-level downtown corner building depending upon the extent of the project.



218 W Main St - Co
Renaissance Zone & Storefro

RENAISSANCE ZONE

Existing and new owners of commercial and residential properties within established boundaries may be eligible to receive property and state income tax incentives with a qualifying investment in a building purchase, new construction or rehabilitation. Businesses leasing space in buildings improved as Renaissance Zone projects may also be eligible for state income tax incentives.

LOAN PROGRAMS

LEWIS & CLARK DEVELOPMENT GROUP

Operates various programs and services for a 10-county area to foster economic growth and community development. The City of Mandan collaborates with the LCDG on lending programs to assist with business start-ups, expansions and retention.

- Loan options complement financing from traditional lenders by reducing owner equity requirements to a minimum 10%.
- Interest rates typically range from 4% to market rate. Other loan terms are based on the loan purpose and asset being financed, credit risk, economic impact and borrower's ability to cash flow.

Intermediary Relending Program

Two \$1 million loan funds are being loaned out to businesses, paid back and revolving as a result of two \$750,000 loans from USDA Rural Development in 2007 and 2009 matched each time by City of Mandan \$250,000 contributions from sales tax revenue.

- Business projects must be in Mandan or the surrounding 10-mile radius in Morton County.
- Loans can be no more than 50% of total financing needs with a maximum of \$250,000 per project. Most loans are for 10 to 25% of the financing package.



Big O Tires - N.D. Opportunity Fund



Culver's - Intermediary Relending Program Loan

N.D. Opportunity Fund

A Mandan-led consortium of 38 municipalities received \$9.7 million from the U.S. Department of Treasury's State Small Business Credit Initiative for a loan participation program for small businesses.

- The fund targets borrowers that employ 500 or fewer full-time employees.
- Loan share cannot exceed \$1 million or 50% of proposed project costs.
- Must have at least 20% private capital at risk.

Lewis & Clark Development Group

200 First Avenue NW, Suite 100 • Mandan, ND 58554

Phone: 701-667-7601 • www.lcdgroup.org

SBA 504 Lending

The Lewis and Clark CDC is licensed to administer and facilitate the Small Business Administration's 504 loan program throughout North Dakota. An SBA 504 loan provides businesses with fixed rate financing for the purchase of long-term fixed assets. Proceeds can be used for the purchase of land, building and equipment as well as to finance eligible closing costs. The loan is made in conjunction with the borrower's local financial institution, which provides a first mortgage for up to 50% of the project cost.

200 First Avenue NW • Suite 100 • Mandan, ND 58554

Phone: 701-667-7620 • www.lcdgroup.org



opper Dog Cafe
nt Improvement Project



417 E Main St - Old 10 Bar & Grill
Renaissance Zone & Storefront Improvement Project



504 W Main St - Runnings
Renaissance Zone & Storefront Improvement Project

COMMERCIAL REMODELING EXEMPTION

Commercial properties are eligible for an exemption for up to 3 years for value added due to certain remodeling projects or additions. The exemption is limited to value added by the City Assessor for completed remodeling or additions. Applications must be approved prior to the commencement of the improvements. To apply, contact the City of Mandan Assessing Department, phone 701-667-3232.

RESOURCES FOR ADDITIONAL GUIDANCE

ASSISTANCE IN EARLY STAGES OF BUSINESS PLANNING

1 Million Cups

This networking program caffeinates business success by engaging, educating, and connecting entrepreneurs with weekly presentations featuring area business startups speaking about their endeavor. Entrepreneurs gain feedback and the audience learns from the dynamic discussion.

www.1millioncups.com/bisman

CTB & North Dakota Women's Business Center

CTB offers free and confidential business advising, training and networking opportunities for entrepreneurs and small business owners. It also hosts the North Dakota Women's Business Center (NDWBC). NDWBC helps women who want to advance their career, business, and leadership skills.

2720 E. Broadway Avenue • Bismarck ND 58501

Phone: 701-223-0707 • www.ctbnd.com • www.ndwbc.com

Dakota Business Lending

Loans from \$1,000-\$5.5 million possible. Below market, fixed interest rates. Small Business Administration (SBA), USDA Rural Development, Main Street, and Kiva loan programs.

Phone: 701-364-0197 • www.dakotabusinesslending.com

Innovate ND

Innovate ND guides entrepreneurs with innovative and scalable ideas through a two-year business plan and equips them with \$40,000 as they reach milestones in their businesses. This grant program gives entrepreneurs expert guidance that helps turn innovative ideas into profitable businesses.

N.D. Department of Commerce

1600 E. Century Ave., Suite 2 • Bismarck, ND 58503

Phone: 701-328-5300 • www.innovatend.com

Legal Services for Small Businesses

The State Bar Association of North Dakota can help provide free legal assistance in non-litigation matters to low-income owners of small businesses and small non-profit organizations.

1661 Capitol Way • Bismarck, ND 58501

Phone: 701-255-1404 • www.sband.org

NDSU Extension

Provides educational programming to help small businesses. Focuses on leadership development, civic engagement and volunteerism.

Phone: 701-231-5640 • 701-349-3249, ext. 127

www.ag.ndsu.edu/extension

SCORE Association

Counselors to America's small businesses. Operates in cooperation with SBA to provide free business advice from retired and working business professionals.

U.S. Small Business Administration Satellite Office

1200 Memorial Hwy • Bismarck ND 58504

Phone: 701-328-5851

Small Business Administration

Great on-line resources at www.sba.gov. The website covers topics such as writing a business plans, financing a business start-up, buying an existing business or franchise, choosing a business structure, obtaining licenses and permits, and managing a business including employees, marketing and other aspects.

Bismarck Area Office

1200 Memorial Hwy • Bismarck ND 58504

Phone: 701-250-4303

Small Business Development Center

Free and confidential counseling to start-up and existing, small businesses. Assist with development of business plans, market analysis, and projected cash flows and financial statements. Answer questions, discuss ideas, solve problems and provide guidance on all aspects of small business management. Offers workshops, seminars, and conferences aimed at providing continuing education in the latest business techniques.

1200 Memorial Highway • Bismarck ND 58504

Phone: 701-328-5865 • www.ndsbdc.org

TAKE YOUR IDEA AND START TODAY!

RESOURCES FOR ADDITIONAL GUIDANCE

MID-TO LATER STAGES OF PLANNING

Once you have developed a business plan and determined the financing needed, it may be time to visit with a bank and realtor of your choosing. Here are other sources of assistance and guidance:

City of Mandan Business Development Office

When selecting a location, please contact Mandan's Business Development Office. In addition to info about available commercial properties, we can provide local market demographics, a retail gap analysis, traffic counts, and application assistance for business incentives.

205 Second Avenue NW • Mandan, ND 58554
Phone: 701-667-3485 • www.cityofmandan.com

Bismarck Mandan Chamber EDC

The Chamber EDC advocates for business on behalf of its members, provides networking and education opportunities and economic development services including entrepreneurial development, primary sector business recruitment, business retention and expansion visits, workforce development and talent attraction.

1640 Burnt Boat Dr • Bismarck, ND 58503
Phone: 701-223-5660 • www.bismarckmandan.com



The City of Mandan Business Development Department and the Bismarck Mandan Chamber EDC annually coordinate a handful of educational workshops for new entrepreneurs and seasoned business owners.



The Mandan Business Pitch Challenge is an opportunity for start-up businesses to receive valuable feedback and prizes to boost them on their entrepreneurial journey. Stay tuned for the next competition at www.cityofmandan.com/businesspitch.

BUSINESS SUCCESSION PLANNING

You may wish to leave your business for reasons such as retirement, transitioning the business to a relative, or selling it to an employee. Perhaps it did not live up to expectations and you want to close. Whatever the reason, a planned exit strategy may help with recouping your investment, beneficial tax consequences, and continuation of the business. Sources of guidance include lawyers, accountants, real estate brokers, the Small Business Development Center, and Small Business Administration website at www.sba.gov.

OTHER INFORMATION SOURCES

N.D. New Business Registration Website

Visit www.nd.gov/businessreg for:

- tips on developing a business plan
- information on gaining capital
- protections including trademarks, copyrights and patents
- sources of assistance
- business structures and links for registering with the Secretary of State
- state licensing requirements
- sales tax requirements
- federal requirements

Traffic Counts

Vehicular traffic is a factor in finding the optimum location for retail businesses. Most recent car counts for highways and streets near and in Mandan can be found at: www.dot.nd.gov/docs/maps/traffic/mandan.pdf

N.D. Procurement Technical Assistance Center

Government contracting assistance.

1200 Memorial Hwy • Bismarck, ND 58504
Phone: 701-328-5857 • www.ndptac.org

ASSISTANCE FOR BUSINESSES

Start-Ups, Expansion and Succession Planning

Resources for All Stages
of the Business Lifecycle

OPPORTUNITY

**MADE IN
MANDAN**



Business Development
and Communications Office
205 Second Avenue NW
Mandan, ND 58554

PRSTD STD
US POSTAGE
PAID
UNITED PRINTING

LOCAL REQUIREMENTS & RESOURCES

Before buying or renting a property, be sure it can be used for your intentions. A change in ownership or use of a property may trigger new zoning, building or fire codes. Here are helpful contacts:

Assessing

Phone: 701-667-3232

- Assessed property values for tax purposes
- Application for new & expanding business property tax exemption
- Commercial remodeling exemption

Building Inspection

Phone: 701-667-3230

- Building code requirements
- Building, utility and mechanical permits
- Architectural review (building design & site layout)
- Sign permits
- Flood zone elevations

Business Development Office

Phone: 701-667-3485

- Available properties
- Incentive & assistance programs

Custer District

Phone: 701-667-3370

- Retail food licenses, permits & inspection

Engineering & Planning Department

Phone: 701-667-3225

- Platting
- Public utilities (location, size)
- Street access
- Storm water management
- Vacation of public right of way
- Zone changes
- Zoning regulations

Finance Department

Phone: 701-667-3271

- Special assessment
- Local licensing and bonding

Fire Department

Phone: 701-667-3288

- Fire code

Waste Water Treatment

Phone: 701-667-3278

- Discharge permit

Revised July 2020

BUSINESS DEVELOPMENT AND COMMUNICATIONS OFFICE • CITY OF MANDAN

205 Second Avenue NW • Mandan, ND 58554 • Phone: 701-667-3485 • www.cityofmandan.com/businessdevelopment