

# ASSISTANCE FOR BUSINESSES

Start-Ups, Expansion and Succession Planning

## OPPORTUNITY

**MADE IN  
MANDAN**



Cloverdale Foods Company \$20 million investment in a plant, warehouse and office expansion was assisted with property tax exemption and a PACE interest buydown.

## LOAN PROGRAMS

### INTEREST BUYDOWNS

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 buydown 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.



The Skin Boutique + Hair Lounge  
Flex PACE Interest Buydown Recipient

# MORE 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.

### 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 • lcdgroup.org*

### 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.

### 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 • lcdgroup.org*

### DAKOTA BUSINESS LENDING

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

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

# FINANCIAL ASSISTANCE AND INCENTIVES

**Applications must generally be approved prior to construction, building occupancy, or the start of business operations.**

## 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.

### 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.



#SwingAway — Retail Incentive Recipient

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.*



# 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.

## 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.

## 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.

## Fire Sprinkler Assistance Program

Fire sprinkler assistance began in 2021 under the Mandan Growth Fund. Matching funds not to exceed \$10,000 for up to 50% of project cost are available in the form of a forgivable loan. The assistance for installation, upgrade or retrofit of fire sprinkler systems is available citywide for buildings constructed before 2004. Goals include encouraging private sector capital investment in fire safety improvements and upgrades to existing commercial structures; reducing commercial property vacancies, and otherwise optimizing use of existing buildings, thus improving community vibrancy.

## COMMERCIAL SITES & BUILDINGS

### Brownfield Assessment Program

The City received a \$300,000 brownfields assessment grant from the U.S. Environmental Protection Agency (EPA) in 2021 to inventory sites and conduct environmental site assessments, such as phase I or II studies often needed to secure a loan for purchase or improvement of a property. The grant can be used for up to 16 site assessments for properties where potential contamination is an obstacle to redevelopment. Learn more at [cityofmandan.com/brownfieldsgrant](http://cityofmandan.com/brownfieldsgrant).



Barney's 2.1  
Renaissance Zone Project



Legacy Law Firm & ICON Architectural Group  
Renaissance Zone & Flex PACE Interest Buydown Project



Rice Bowl Restaurant  
Renaissance Zone & Storefront Improvement Project



Copper Dog Cafe brought attention to the need for a fire sprinkler assistance program. By installing a sprinkler system, the restaurant was able to increase its capacity with the addition of an outdoor patio open in 2022.

### Requirement for Electric Handicap Accessible Doors

Many entities and commercial buildings open to the public that receive public funds from the City of Mandan are required to have an automatic door for at least a main entrance. The requirement came about through a 2008 voter initiated ordinance, now Mandan Municipal Code Section 111-2-9. Review the code online to learn about exceptions for some zoning use groups.

# 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.

[1millioncups.com/bisman](http://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 • [ctbnd.com](http://ctbnd.com) • [ndwbc.com](http://ndwbc.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 • [sband.org](http://sband.org)

### Mandan Business Pitch Challenge

Held annually, the competition's purpose is to inspire and support entrepreneurship, assisting start-up businesses with fine-tuning ideas and plans to secure investment, financing and other needed support. Find rules, entry procedures and prizes at [cityofmandan.com/businesspitch](http://cityofmandan.com/businesspitch).



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.

### Native American Development Center

Services include financial coaching, preliminary business planning and micro-enterprise business loans.

2403 E Thayer Ave • Bismarck ND 58501  
Phone: 701-595-5181 • [ndnativecenter.org](http://ndnativecenter.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  
[ag.ndsu.edu/extension](http://ag.ndsu.edu/extension)

### SCORE Mentors West-Central North Dakota

Network of free business mentors, workshops and more.

1200 Memorial Hwy • Bismarck ND 58504  
Phone: 701-328-5851 • [westcentralnorthdakota.score.org](http://westcentralnorthdakota.score.org)

### Small Business Administration

SBA has resources for start-up and established businesses alike. Visit [sba.gov](http://sba.gov) for information on business plan development, financing, exporting support, government contracting assistance, marketing, management and start-up guidance, as well as recovery assistance that can get you back in business after a disaster.

North Dakota District Office • Phone: 701-239-5131  
Email: [north.dakota@sba.gov](mailto:north.dakota@sba.gov)

### 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 • [ndsbdc.org](http://ndsbdc.org)

## 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 • [cityofmandan.com/businessdevelopment](http://cityofmandan.com/businessdevelopment)

### 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 • [bismarckmandan.com](http://bismarckmandan.com)

## 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 [sba.gov](http://sba.gov).

# OTHER INFORMATION SOURCES

## Impact North Dakota

Provides consultation services for manufacturers and other industries including process improvement, site and cybersecurity assessments, creation of innovation systems, leadership development, planning, and training.

1929 N Washington St, Suite M · Bismarck ND 58501

Phone: 701-204-7000 · [impactdakota.com](http://impactdakota.com)

## North Dakota Agriculture Department

Programs managed by the Business, Marketing & Information Division include a local foods initiative and grant, Agricultural Products Utilization grant, Bioscience innovation grant, and Pride of Dakota.

600 E Boulevard Ave, Dept. 602 · Bismarck ND 58505

Phone: 701-319-6958 · [nd.gov/ndda](http://nd.gov/ndda)

## North Dakota Association of Rural Electric Cooperatives – Rural Development

Works to bring new and expanded businesses and services to rural communities to enhance the quality of life for those living there. Includes a Rural Development Finance Corporation revolving loan program.

3201 Nygren Dr NW · Mandan ND 58554

Phone: 701-663-6501 · [ndarec.com](http://ndarec.com)

## North Dakota Career Builders

Businesses can utilize this scholarship and student loan repayment program as a tool to recruit and retain employees in high-need and emerging occupations. It provides matching funds of up to \$8,500 for each dollar contributed by the private sector for up to \$17,000 per recipient. Participating students or employees are required to work in North Dakota for three years.

North Dakota University System

Phone: 701-328-2906 · [ndus.edu/career-builders](http://ndus.edu/career-builders)

## North Dakota Commerce Department

Many state economic development incentives are for primary sector businesses, those adding value to a product, process or service to create new wealth through sales of products and services, mostly to customers outside the state or in-state if the product or service was lacking. Programs include tax credits and exemptions that require primary sector certification, the N.D. Development Fund, Innovation and Technology Loan Fund, Operation Intern and more.

1600 E Century Ave, Suite 6 · Bismarck, ND 58503

Phone: 701-328-5300 · [business.nd.gov](http://business.nd.gov)

## North Dakota Department of Transportation

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: [dot.nd.gov](http://dot.nd.gov) in its maps and GIS sections.

## North Dakota Job Service

Employer resources include posting and recruiting for jobs, multi-industry job fairs and hiring events, workforce training programs including incentives for primary sector businesses creating new full-time jobs, plus labor market information.

1601 E Century Ave · Bismarck ND 58503

Phone: 701-328-5000 · [jobsnd.com](http://jobsnd.com)

## North Dakota New Business Registration Website

Visit [nd.gov/businessreg](http://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

## North Dakota Procurement Technical Assistance Center

Government contracting assistance.

1200 Memorial Hwy · Bismarck, ND 58504

Phone: 701-328-5857 · [ndptac.org](http://ndptac.org)

## North Dakota Tax Department

Administers and collects tax for many different types of businesses.

600 E Boulevard, Dept. 127 · Bismarck ND 58505

Phone: 701-328-7088 · [tax.nd.gov/business](http://tax.nd.gov/business)

## North Dakota Trade Office

Provides export assistance and conducts trade missions for businesses interested in expanding globally.

4844 Rocking Horse Circle S, Suite 1 · Fargo ND 58104

Phone: 701-929-6702 · [ndto.com](http://ndto.com)



# ASSISTANCE FOR BUSINESSES

Start-Ups, Expansion and Succession Planning

Resources for All Stages  
of the Business Lifecycle

## DO YOU RECEIVE THE MANDAN BUSINESS E-NEWSLETTER?

The Mandan Business Brief is an email newsletter for business owners, managers and others. Sign up or find archives at [cityofmandan.com/bizupdates](http://cityofmandan.com/bizupdates).



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

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## 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: 701-667-3213

- Special assessment
- Local licensing and bonding

### Fire Department

Phone: 701-667-3288

- Fire code

### Waste Water Treatment

Phone: 701-667-3278

- Discharge permit

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