

## **APPLICATION FOR PROPERTY TAX INCENTIVES FOR NEW OR EXPANDING BUSINESSES**

**City of Mandan Application and Procedural Instructions — Updated March 19, 2019**

### **Application Instructions**

North Dakota Century Code ch. 40-57.1 provides incentives in the form of property tax exemptions, payments in lieu of taxes, or a combination of both to a qualifying business. The incentives may be granted at the discretion of the city or county in which the property is located, to any new or expanded revenue-producing project. Buildings, structures or improvements used in the operation of the project may qualify. Land does not qualify for the exemption.

To apply for projects within the City of Mandan, a helpful first step is to contact City of Mandan Business Development and Communication Office to arrange a meeting or conference call to discuss your project and receive information regarding exemption requirements and guidelines, application forms, and the review and approval process. The City of Mandan Business Development and Communication Office is located at Mandan City Hall, 205 Second Avenue NW, Mandan, ND 58554, phone 701-667-3485.

Recommended next steps are as follows:

1. Review N.D. Tax Department Guidelines — Property Tax Incentives for New or Expanding Businesses
2. Review the City of Mandan's Commercial Property Tax Exemption Policy and Guidelines
3. Complete application forms and submit to the Business Development Department, Mandan City Hall, 205 Second Avenue NW, Mandan, ND 58554. If you would like assistance filling out the application or need additional information, call 701-667-3485.
  - a. N.D. Tax Department Form — "Application For Property Tax Incentives For New or Expanding Businesses"
    - i. Helpful Notes:
      - Question 16e — Contact the Business Development Office to inquire about the consolidated mill rate.
      - Question 20 — Include projected property taxes in your projected annual expenses.
    - b. City of Mandan Commercial Property Tax Exemption Supplemental Application

### **Application Review Procedures**

1. Applicants are advised to file their forms at least 45 days prior to their desired construction start date.
2. When an application is received, Business Development Department staff will assist with the scheduling of a public hearing during a meeting of the Mandan City Commission, which typically meets the first and third Tuesday of the month at 5:30 p.m. at City Hall. Staff will also assist with the placement of the legal advertisement in the *Mandan News* (published Fridays, deadline Monday) as required by state law:

*The project operator publishes two notices to competitors of hearing on the application. The notices are published in the official newspaper of the city or county at least one week apart. The last notice must be published at least 15 days, but not more than 30 days, before the city or county considers the*

*application. For example, notices published one week apart on May 1 and May 8 would be appropriate for a hearing scheduled any time between May 23 and June 7. An affidavit of publication is presented to the governing body prior to the hearing as proof of publication. Publication of notices is not required if the municipality determines that project competitors do not exist in the municipality.*

3. Business Development Department staff will schedule review and consideration of the application by the Mandan Growth Fund Committee, a nine-person committee generally comprised of businesses people from within the community.
4. The Business Development Department will also provide a copy of the application to the Assessing Department plus designated representatives of the Morton County Commission, Mandan School Board and Mandan Park Board.
5. The Mandan Growth Fund Committee will meet, typically at least 5 days prior to the public hearing date before the Mandan City Commission, to review the application and consider a recommendation to the Mandan City Commission. Applicants are encouraged to have a representative attend the meeting or alternatively participate via conference call. Committee members will likely ask questions of the applicant to obtain more information regarding the benefit of the project to the community and to clarify items on the application. The meeting is open to the public.
6. The Mandan City Commission will conduct a public hearing (as scheduled in accordance with state law) to receive comment on the application. The applicant is encouraged to have a representative in attendance. The applicant may address the Commission during the public hearing to summarize the project and may also be called upon to answer questions. The Mandan Growth Fund Committee's recommendation regarding the application will be presented to the Mandan City Commission for consideration after the closure of the public hearing.

#### **Follow-up Requirements**

Recipients of exemptions, once implemented, must file an annual employment verification report with the City of Mandan for a minimum of five years or as many years as the exemption lasts, whichever is greater. Applicants will be required to enter into a jobs verification agreement prior to implementation of the exemption.

Applicants may be held to other performance-based requirements and asked to enter into other clawback agreements, with reporting as necessary, as recommended by the Mandan Growth Fund Committee and approved by the Mandan City Commission.

After application approval, an applicant may begin project construction.

#### **Automatic Door Requirement**

Voters in the Nov. 4, 2008, election in the City of Mandan approved an initiated ordinance that stipulates, "Every building open to public use that has received the benefit of public funds from the City of Mandan shall provide for the installation of an automatic door for at least one main entrance to the building." Now a part of Mandan Municipal Code 111-2-9, any property receiving a property tax exemption for new and expanding businesses since Nov. 14, 2008, is subject to the requirement.

The ordinance applies to buildings or businesses that are used for the purposes described in the following sections of 21-03-07 of the Mandan Municipal Code: Retail Group A; Retail Group B; Service Group A; Office Bank Group; Commercial Recreation Group; Health Medical Group and Education Group.

In the event it is determined by the City that a business or building has received public funds and has not complied with the ordinance, the City may revoke or rescind the granting of or receipt of the public funds or take such further action as may be necessary to insure compliance with the ordinance.