

FARGO TAX EXEMPT REVIEW COMMITTEE
Tuesday, November 23, 2021 – 1:00 p.m.
City Commission Chambers, Fargo City Hall

AGENDA

- 1. Approve Tax Exempt Review Committee Meeting Minutes of 10/26/21**
 - a. October 26, 2021 [Page 1-3]
- 2. Woodrow PILOT Transfer [Page 4-21]**

TAX EXEMPT REVIEW COMMITTEE
Fargo, North Dakota

Regular Meeting

Tuesday, October 26, 2021

The October meeting of the Tax Exempt Review Committee of the City of Fargo, North Dakota was held in the City Commission Room at City Hall at 1:00 p.m., Tuesday, October 26, 2021.

The committee members present or absent are:

Present: Dave Piepkorn, Mayor Tim Mahoney, Bruce Grubb, John Cosgriff, Jim Buus, Jessica Ebeling
Kent Costin, Mike Splonskowski, Erik Johnson, Jim Gilmour, Jackie Gapp, Joe Raso

Absent: Levi Bachmeier

Commissioner Piepkorn called the meeting to order at 1:00 p.m.

A motion was made by John Cosgriff to approve the minutes from October 5, 2021. Jim Buus seconded, motion carries.

Report on Tax Increment Financing Districts

- TIF values increase considerably
- Cleans up brownfield sites
- Mike Redlinger explained that Tischler will be doing a comparative analysis based on what Fargo does relative to other comparable size markets. Their initial analysis is that they think Fargo is in the ballpark.

J-Street Properties TIF Request

- Located at 1418 1 Ave N & 19 14 ½ St N
- A fire destroyed the current building about a year ago
- Mark Bjornstad stated they would like to build a 90 unit apartment building and would make the area a more block feel, that would be walkable/usable.
- Kevin Bartram stated that they are looking at enclosed parking on the first floor with apartments above.
- They will acquire the building in its current state, so the TIF would be for demolition and clean-up of the site.
- The enclosed parking will not be assigned parking.

Jim Buus moved to approve, John Cosgriff seconded. Motion carries.

Consideration of a Renewal Plan for the NP Avenue Parking Lot

- Site located at 636 Northern Pacific Ave N, City owns about 60%, 40% is owned by Global Development LLC

- Global Development would be redoing the Herbst building into a hotel or entertainment venue
- There would be housing of 150-200 units
- Parking would be between 500-600 parking stalls on that site
- Early in the process and don't have any costs at this time
- The recommendation would be to have staff work with private developers to draft a renewal plan for the redevelopment of surface parking in the 600 block of NP Avenue

John Cosgriff moved to recommend to the City Commission that staff begin work on the development plan for the area in question. Jim Buus seconded the motion. Motion carries.

The meeting was adjourned at 1:47 pm.

November 3, 2021

Jim Gilmour
Director of Strategic Planning & Research
City of Fargo
225 4th Street North
Fargo, North Dakota 58102

Dear Mr. Gilmour:

Graystoke Capital Woodrow LLC is planning to purchase the Woodrow Apartments located at 301/315 University Dr N and 1222 4th Ave N from DFI Woodrow Wilson LLC on January, 19, 2022. The Fargo City Commission approved DFI Woodrow Wilson for a PILOT incentive on August 17, 2015.

Graystoke Capital Woodrow is requesting to transfer and assume the remainder of the already approved PILOT tax payment schedule as is allowed under section 40-57.1.06 of the ND Century Code: "option to make payments in lieu of taxes for the remainder of the exemption or payments in lieu of taxes period."

Please find the attached applications, original tax schedule, and business incentive agreement requesting the remainder of the PILOT tax schedule transfer to Graystoke Capital Woodrow LLC the new operator of this project.

Please let me know if there is any additional information needed.

Sincerely,

A handwritten signature in black ink, appearing to read "Graye Parnell", with a stylized, flowing script.

Graye Parnell
Managing Principal

Application For Property Tax Incentives For New or Expanding Businesses

N.D.C.C. Chapter 40-57.1

Project Operator's Application To Fargo

City or County

File with the City Auditor for a project located within a city; County Auditor for locations outside of city limits.

A representative of each affected school district and township is included as a non-voting member in the negotiations and deliberation of this application.

This application is a public record

Identification Of Project Operator

1. Name of project operator of new or expanding business Graystoke Capital Woodrow LLC.
2. Address of project 1222 4th Ave N
City Fargo County Cass
3. Mailing address of project operator 2118 Nez Perce St
City Boise State ID Zip 83705
4. Type of ownership of project
☐ Partnership ☐ Subchapter S corporation ☐ Individual proprietorship
☐ Corporation ☐ Cooperative ☒ Limited liability company
5. Federal Identification No. or Social Security No. 87-3360877
6. North Dakota Sales and Use Tax Permit No. N/A
7. If a corporation, specify the state and date of incorporation Delaware - September 13, 2021
8. Name and title of individual to contact Graye Parnell
Mailing address 2118 Nez Perce St
City, State, Zip Boise ID 83705 Phone No. 3604720200

Project Operator's Application For Tax Incentives

9. Indicate the tax incentives applied for and terms. Be specific.

<input type="checkbox"/> Property Tax Exemption <u> </u> Number of years <u> </u> Percent of exemption	<input checked="" type="checkbox"/> Payments In Lieu of Taxes <u>2018</u> Beginning year <u>2038</u> Ending year <u> </u> Amount of annual payments (attach schedule if payments will vary)
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10. Which of the following would better describe the project for which this application is being made:
☒ New business project ☐ Expansion of a existing business project

11. Legal description of project real property

PIN 01-2382-04450-000

Block 45, Roberts 2nd Addition

12. Will the project property be owned or leased by the project operator? ☒ Owned ☐ Leased

If the answer to 12 is leased, will the benefit of any incentive granted accrue to the project operator?

☐ Yes ☐ No

If the property will be leased, attach a copy of the lease or other agreement establishing the project operator's benefits.

13. Will the project be located in a new structure or an existing facility? ☐ New construction ☒ Existing facility

If existing facility, when was it constructed? 2017

If new construction, complete the following:

a. Estimated date of commencement of construction of the project covered by this application July 2017

b. Description of project to be constructed including size, type and quality of construction

Recently constructed (2017) apartment building adjacent to the original Woodrow Wilson school.

c. Projected number of construction employees during the project construction n/a - already constructed

14. Approximate date of commencement of this project's operations July 2017

15. Estimated market value of the property used for this project:

a. Land \$ 737,360

b. Existing buildings and structures for which an exemption is claimed..... \$ 0

c. Newly constructed buildings and structures when completed \$ 9,125,298

d. Total \$ 9,862,658

e. Machinery and equipment..... \$ 378,000

16. Estimate taxable valuation of the property eligible for exemption by multiplying the market values by 5 percent:

a. Land (not eligible) 

b. Eligible existing buildings and structures \$ 0

c. Newly constructed buildings and structures when completed \$ 456,265

d. Total taxable valuation of property eligible for exemption (Add lines b and c) \$ 456,265

e. Enter the consolidated mill rate for the appropriate taxing district 280.60

f. Annual amount of the tax exemption (Line d multiplied by line e)..... \$ 130,661.58

Note: “project” means a newly established business or the expansion portion of an existing business. Do not include any established part of an existing business.

17. Type of business to be engaged in: ☐ Ag processing ☐ Manufacturing ☐ Retailing
☐ Wholesaling ☐ Warehousing ☒ Services

18. Describe in detail the activities to be engaged in by the project operator, including a description of any products to be manufactured, produced, assembled or stored (attach additional sheets if necessary).

Leasing of residential apartments and commercial space; completion of parking lot

19. Indicate the type of machinery and equipment that will be installed

n/a

20. For the project only, indicate the projected annual revenue, expense, and net income (before tax) from either the new business or the expansion itself for each year of the requested exemption.

Year (12 mo. periods)	New/Expansion Project only Year 1	New/Expansion Project only Year 2	New/Expansion Project only Year 3	New/Expansion Project only Year 4	New/Expansion Project only Year 5
Annual revenue	714,600	769,200	784,600	800,200	816,200
Annual expense	188,200	191,900	195,800	199,800	203,700
Net income	526,400	577,300	588,800	600,500	612,500

21. Projected number and salary of persons to be employed by the project for the first five years:

Current positions & positions added the initial year of project

# Current Positions		New Positions Under \$13.00	New Positions \$13.01-\$15.00	New Positions \$15.01-\$20.00	New Positions \$20.01-\$28.00	New Positions \$28.01-\$35.00	New Positions Over \$35.00

Year	(Before project)	Year 1	Year 2	Year 3	Year 4	Year 5
No. of Employees	(1) n/a					
	(2)					
Estimated payroll	(1) n/a					
	(2)					

(1) - full time

(2) - part time

22. Is the project operator succeeding someone else in this or a similar business? ☒ Yes ☐ No
23. Has the project operator conducted this business at this or any other location either in or outside of the state?
☐ Yes ☒ No
24. Has the project operator or any officers of the project received any prior property tax incentives? ☐ Yes ☒ No

If the answer to 22, 23, or 24 is yes, give details including locations, dates, and name of former business (attach additional sheets if necessary).

#22 - This is a transfer of an existing PILOT from DFI Woodrow Wilson LLC

Business Competition

25. Is any similar business being conducted by other operators in the municipality? ☒ Yes ☐ No

If YES, give name and location of competing business or businesses

Residential apartments and leased commercial space in the metro area

Percentage of Gross Revenue Received Where Underlying Business Has ANY Local Competition 100 %

Property Tax Liability Disclosure Statement

26. Does the project operator own real property in North Dakota which has delinquent property tax levied against it? ☐ Yes ☒ No
27. Does the project operator own a greater than 50% interest in a business that has delinquent property tax levied against any of its North Dakota real property? ☐ Yes ☒ No

If the answer to 26 or 27 is Yes, list and explain

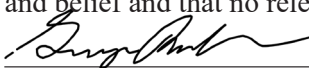
Use Only When Reapplying

28. The project operator is reapplying for property tax incentives for the following reason(s):
- ☐ To present additional facts or circumstances which were not presented at the time of the original application
 - ☒ To request continuation of the present property tax incentives because the project has:
 - ☐ moved to a new location
 - ☐ had a change in project operation or additional capital investment of more than twenty percent
 - ☒ had a change in project operators
 - ☐ To request an additional annual exemption for the year of _____ on structures owned by a governmental entity and leased to the project operator. (See N.D.C.C. § 40-57.1-04.1)

Notice to Competitors of Hearing

Prior to the hearing, the applicant must present to the governing body of the county or city a copy of the affidavit of publication giving notice to competitors unless the municipality has otherwise determined there are no competitors.

I, Graye Parnell, do hereby certify that the answers to the above questions and all of the information contained in this application, including attachments hereto, are true and correct to the best of my knowledge and belief and that no relevant fact pertaining to the ownership or operation of the project has been omitted.



Signature

Managing Principal

Title

11-2-2021

Date

PRIVACY ACT NOTIFICATION

In compliance with the Privacy Act of 1974, disclosure of a social security number or Federal Employer Identification Number (FEIN) on this form is required under N.D.C.C. §§ 40-57.1-03, 40-57.1-07, and 57-01-15, and will be used for tax reporting, identification, and administration of North Dakota tax laws. Disclosure is mandatory. Failure to provide the social security number or FEIN may delay or prevent the processing of this form.

Certification of Governing Body (To be completed by the Auditor of the City or County)

The municipality shall, after granting any property tax incentives, certify the findings to the State Tax Commissioner and Director of Tax Equalization by submitting a copy of the project operator's application with the attachments. The governing body, on the _____ day of _____, 20_, granted the following:

☐ **Property Tax Exemption**

_____ Number of years

_____ Percent of exemption

☐ **Payments in lieu of taxes**

_____ Beginning year _____ Ending year

_____ Amount of annual payments (Attach schedule if payments will vary)

Auditor

Notice To Competitors Of Hearing On Application For Property Tax Incentives

Notice is hereby given that the _____
(City or county governing body)

of City of Fargo _____, North Dakota, will meet at _____
(City or county) (Time)

on _____ at _____ to consider the application of
(Date) (Location)

(Project operator name and address)

for property tax relief on the project which the applicant will use in the operation of

Real Estate Development _____
(Type of business)

at 301/315 University Dr N and 1222 4th Ave N _____
(Address)

Block 45, Roberts 2nd Addition _____
(Legal description)

Any competitor of that applicant may appear and be heard by the _____
(City or county governing body)

at the time and place designated herein. A competitor may provide written comments to the governing
body before the scheduled hearing.

This notice is given by the above-named applicant pursuant to the provisions of North Dakota Century
Code § 40-57.1-03

<u>Value</u>	\$	3,115,000.00	\$	6,499,000.00	\$	9,614,000.00
<u>Taxes</u>	\$	43,610.000	\$	90,986.000	\$	134,596.00

<u>Year</u>		<u>Existing Building</u>		<u>New Buiding</u>		<u>TOTAL</u>
1	\$		\$		\$	
2	\$		\$		\$	
3	\$		\$		\$	
4	\$		\$		\$	
5	\$		\$		\$	
6	\$		\$		\$	
7	\$		\$		\$	
8	\$		\$		\$	
9	\$		\$		\$	
10	\$		\$		\$	
11	\$	4,361.00	\$	9,098.60	\$	13,459.60
12	\$	4,361.00	\$	9,098.60	\$	13,459.60
13	\$	4,361.00	\$	9,098.60	\$	13,459.60
14	\$	4,361.00	\$	9,098.60	\$	13,459.60
15	\$	4,361.00	\$	9,098.60	\$	13,459.60
16	\$	4,361.00	\$	9,098.60	\$	13,459.60
17	\$	6,541.50	\$	16,377.48	\$	22,918.98
18	\$	9,594.20	\$	24,566.22	\$	34,160.42
19	\$	13,083.00	\$	31,845.10	\$	44,928.10
20	\$	16,135.70	\$	38,214.12	\$	54,349.82
21	\$	43,610.00	\$	90,986.00	\$	134,596.00
22	\$	43,610.00	\$	90,986.00	\$	134,596.00
23	\$	43,610.00	\$	90,986.00	\$	134,596.00
24	\$	43,610.00	\$	90,986.00	\$	134,596.00
25	\$	43,610.00	\$	90,986.00	\$	134,596.00

Application For Property Tax Incentives For New or Expanding Businesses

N.D.C.C. Chapter 40-57.1

Project Operator's Application To _____
City or County

File with the City Auditor for a project located within a city; County Auditor for locations outside of city limits.

A representative of each affected school district and township is included as a non-voting member in the negotiations and deliberation of this application.

This application is a public record

Identification Of Project Operator

1.	Name of project operator of new or expanding business _____
2.	Address of project _____ City _____ County _____
3.	Mailing address of project operator _____ City _____ State _____ Zip _____
4.	Type of ownership of project <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation </div> <div> <input type="checkbox"/> Subchapter S corporation <input type="checkbox"/> Cooperative </div> <div> <input type="checkbox"/> Individual proprietorship <input type="checkbox"/> Limited liability company </div> </div>
5.	Federal Identification No. or Social Security No. _____
6.	North Dakota Sales and Use Tax Permit No. _____
7.	If a corporation, specify the state and date of incorporation _____
8.	Name and title of individual to contact _____ Mailing address _____ City, State, Zip _____ Phone No. _____

Project Operator's Application For Tax Incentives

9.	Indicate the tax incentives applied for and terms. Be specific. <div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> Property Tax Exemption _____ Number of years _____ Percent of exemption </div> <div style="width: 48%;"> <input type="checkbox"/> Payments In Lieu of Taxes _____ Beginning year _____ Ending year _____ Amount of annual payments (attach schedule if payments will vary) </div> </div>
10.	Which of the following would better describe the project for which this application is being made: <div style="display: flex; justify-content: space-between;"> <input type="checkbox"/> New business project <input type="checkbox"/> Expansion of a existing business project </div>

11. Legal description of project real property

12. Will the project property be owned or leased by the project operator? ☐ Owned ☐ Leased

If the answer to 12 is leased, will the benefit of any incentive granted accrue to the project operator?

☐ Yes ☐ No

If the property will be leased, attach a copy of the lease or other agreement establishing the project operator's benefits.

13. Will the project be located in a new structure or an existing facility? ☐ New construction ☐ Existing facility

If existing facility, when was it constructed? _____

If new construction, complete the following:

a. Estimated date of commencement of construction of the project covered by this application _____

b. Description of project to be constructed including size, type and quality of construction

c. Projected number of construction employees during the project construction _____

14. Approximate date of commencement of this project's operations _____

15. Estimated market value of the property used for this project:

a. Land.....\$ _____

b. Existing buildings and structures for which an exemption is claimed.....\$ _____

c. Newly constructed buildings and structures when completed\$ _____

d. Total.....\$ _____

e. Machinery and equipment\$ _____

16. Estimate taxable valuation of the property eligible for exemption by multiplying the market values by 5 percent:

a. Land (not eligible) 

b. Eligible existing buildings and structures.....\$ _____

c. Newly constructed buildings and structures when completed.....\$ _____

d. Total taxable valuation of property eligible for exemption (Add lines b and c).....\$ _____

e. Enter the consolidated mill rate for the appropriate taxing district _____

f. Annual amount of the tax exemption (Line d multiplied by line e)\$ _____

Note: “project” means a newly established business or the expansion portion of an existing business. Do not include any established part of an existing business.

17. Type of business to be engaged in: ☐ Ag processing ☐ Manufacturing ☐ Retailing
☐ Wholesaling ☐ Warehousing ☐ Services
18. Describe in detail the activities to be engaged in by the project operator, including a description of any products to be manufactured, produced, assembled or stored (attach additional sheets if necessary).

19. Indicate the type of machinery and equipment that will be installed

20. For the project only, indicate the projected annual revenue, expense, and net income (before tax) from either the new business or the expansion itself for each year of the requested exemption.

	New/Expansion Project only Year 1	New/Expansion Project only Year 2	New/Expansion Project only Year 3	New/Expansion Project only Year 4	New/Expansion Project only Year 5
Year (12 mo. periods)					

Annual revenue					
Annual expense					
Net income					

21. Projected number and salary of persons to be employed by the project for the first five years:

Current positions & positions added the initial year of project

# Current Positions		New Positions Under \$13.00	New Positions \$13.01-\$15.00	New Positions \$15.01-\$20.00	New Positions \$20.01-\$28.00	New Positions \$28.01-\$35.00	New Positions Over \$35.00

Year	(Before project)	Year 1	Year 2	Year 3	Year 4	Year 5
No. of Employees	(1) _____	_____	_____	_____	_____	_____
	(2) _____	_____	_____	_____	_____	_____
Estimated payroll	(1) _____	_____	_____	_____	_____	_____
	(2) _____	_____	_____	_____	_____	_____

(1) - full time
(2) - part time

22. Is the project operator succeeding someone else in this or a similar business? ☐ Yes ☐ No
23. Has the project operator conducted this business at this or any other location either in or outside of the state?
☐ Yes ☐ No
24. Has the project operator or any officers of the project received any prior property tax incentives? ☐ Yes ☐ No
- If the answer to 22, 23, or 24 is yes, give details including locations, dates, and name of former business (attach additional sheets if necessary).

Business Competition

25. Is any similar business being conducted by other operators in the municipality? ☐ Yes ☐ No
- If YES, give name and location of competing business or businesses

Percentage of Gross Revenue Received Where Underlying Business Has ANY Local Competition 100 %

Property Tax Liability Disclosure Statement

26. Does the project operator own real property in North Dakota which has delinquent property tax levied against it? ☐ Yes ☐ No
27. Does the project operator own a greater than 50% interest in a business that has delinquent property tax levied against any of its North Dakota real property? ☐ Yes ☐ No
- If the answer to 26 or 27 is Yes, list and explain

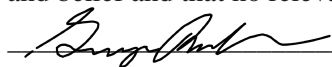
Use Only When Reapplying

28. The project operator is reapplying for property tax incentives for the following reason(s):
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 - ☐ moved to a new location
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 - ☐ had a change in project operators
 - ☐ To request an additional annual exemption for the year of _____ on structures owned by a governmental entity and leased to the project operator. (See N.D.C.C. § 40-57.1-04.1)

Notice to Competitors of Hearing

Prior to the hearing, the applicant must present to the governing body of the county or city a copy of the affidavit of publication giving notice to competitors unless the municipality has otherwise determined there are no competitors.

I, Graye Parnell, do hereby certify that the answers to the above questions and all of the information contained in this application, including attachments hereto, are true and correct to the best of my knowledge and belief and that no relevant fact pertaining to the ownership or operation of the project has been omitted.



Signature

Title

Date

PRIVACY ACT NOTIFICATION

In compliance with the Privacy Act of 1974, disclosure of a social security number or Federal Employer Identification Number (FEIN) on this form is required under N.D.C.C. §§ 40-57.1-03, 40-57.1-07, and 57-01-15, and will be used for tax reporting, identification, and administration of North Dakota tax laws. Disclosure is mandatory. Failure to provide the social security number or FEIN may delay or prevent the processing of this form.

Certification of Governing Body (To be completed by the Auditor of the City or County)

The municipality shall, after granting any property tax incentives, certify the findings to the State Tax Commissioner and Director of Tax Equalization by submitting a copy of the project operator's application with the attachments. The governing body, on the _____ day of _____, 20____, granted the following:

☐ **Property Tax Exemption**

_____ Number of years

_____ Percent of exemption

☐ **Payments in lieu of taxes**

_____ Beginning year _____ Ending year

_____ Amount of annual payments (Attach schedule if payments will vary)

Auditor

Notice To Competitors Of Hearing On Application For Property Tax Incentives

Notice is hereby given that the _____
(City or county governing body)

of _____, North Dakota, will meet at _____
(City or county) (Time)

on _____ at _____ to consider the application of
(Date) (Location)

(Project operator name and address)

for property tax relief on the project which the applicant will use in the operation of

(Type of business)

at _____
(Address)

(Legal description)

Any competitor of that applicant may appear and be heard by the _____
(City or county governing body)

at the time and place designated herein. A competitor may provide written comments to the governing
body before the scheduled hearing.

This notice is given by the above-named applicant pursuant to the provisions of North Dakota Century
Code § 40-57.1-03

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1	\$	-	\$	-	\$	-
2	\$	-	\$	-	\$	-
3	\$	-	\$	-	\$	-
4	\$	-	\$	-	\$	-
5	\$	-	\$	-	\$	-
6	\$	-	\$	-	\$	-
7	\$	-	\$	-	\$	-
8	\$	-	\$	-	\$	-
9	\$	-	\$	-	\$	-
10	\$	-	\$	-	\$	-
11	\$	4,361.00	\$	9,098.60	\$	13,459.60
12	\$	4,361.00	\$	9,098.60	\$	13,459.60
13	\$	4,361.00	\$	9,098.60	\$	13,459.60
14	\$	4,361.00	\$	9,098.60	\$	13,459.60
15	\$	4,361.00	\$	9,098.60	\$	13,459.60
16	\$	4,361.00	\$	9,098.60	\$	13,459.60
17	\$	6,541.50	\$	16,377.48	\$	22,918.98
18	\$	9,594.20	\$	24,566.22	\$	34,160.42
19	\$	13,083.00	\$	31,845.10	\$	44,928.10
20	\$	16,135.70	\$	38,214.12	\$	54,349.82
21	\$	43,610.00	\$	90,986.00	\$	134,596.00
22	\$	43,610.00	\$	90,986.00	\$	134,596.00
23	\$	43,610.00	\$	90,986.00	\$	134,596.00
24	\$	43,610.00	\$	90,986.00	\$	134,596.00
25	\$	43,610.00	\$	90,986.00	\$	134,596.00

BUSINESS INCENTIVE AGREEMENT

NORTH DAKOTA DEPARTMENT OF COMMERCE

SFN 59686 (11/2017)

(For office use only) Agreement Number

Grantor Reference Number

The RECIPIENT specified below has been approved to receive a business incentive from the state of North Dakota. Therefore, in fulfillment of the requirements of North Dakota Century Code § 54-60.1-03, the grantor of the business incentive (**GRANTOR**) and the entity to receive the business incentive (**RECIPIENT**) must enter into a **Business Incentive Agreement**. This Business Incentive Agreement provides project data and specifies the goals the RECIPIENT has agreed to meet in order to receive the state business incentive.

Should the value of this incentive be less than \$25,000, and should the RECIPIENT receive no additional incentives to bring the total to \$25,000 or more within twelve months, the reporting requirements outlined in North Dakota Century Code § 54-60.1-05 and in this agreement, will not go into effect.

Grantor

Name of GRANTOR/GRANT ADMINISTRATOR	On Behalf Of		
Address	City	State	ZIP Code

Recipient

Name of RECIPIENT Business	Also known as		
Mailing Address	City	State	ZIP Code
Street Address	City	State	ZIP Code
Location of Project (street address, city, county)			
Business Classification of RECIPIENT (3 digit NAICS Code)			
Parent Company of RECIPIENT (if any)			
Street Address	City	State	ZIP Code

Recipient Contact Information

Main Contact Person	Email Address
Title	Telephone Number

Location of Recipient PRIOR to receiving this business incentive (if relocating)

Street Address	City	State	ZIP Code
----------------	------	-------	----------

Business Owners or Shareholders

List the names and addresses of all individuals or shareholders owning twenty percent (20%) or more of this business.

Owner or Shareholder	Mailing Address	City	State	ZIP Code

Project Information

Benefit Date		Incentive Value
Project Description		
Incentive Description		
Is this incentive tax increment financing? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, describe the type of district	Business Investment Value

Incentive Type (check one only)

- | | |
|---|--|
| <input type="checkbox"/> Contribution of property or infrastructure | <input type="checkbox"/> Preferential use of government facility |
| <input type="checkbox"/> Direct cash transfer, loan, or equity investment | <input type="checkbox"/> Guarantee of payment under loan, lease, or other obligation |
| <input type="checkbox"/> Reduction or deferral of tax or fee | <input type="checkbox"/> Interest buy-down |

Public Purpose (check one only)

- | | |
|---|---|
| <input type="checkbox"/> Assisting community Development | <input type="checkbox"/> Indirectly creating employment opportunities through increased economic activity |
| <input type="checkbox"/> Increasing tax base | <input type="checkbox"/> Job retention (only in cases where job loss is specific and demonstrable) |
| <input type="checkbox"/> Directly creating employment opportunities | |

Current Employment, Wages, Benefits and Compensation

Is this a new business or a business with no full-time employees? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If yes, please enter 0 for the current number of jobs, average hourly wage, and average hourly benefits below. If no, please enter 0 for the current number of jobs, average hourly wage, and average hourly benefits below.			
Current number of Full Time Equivalent Employees (FTE's) ¹	Average Hourly Wage ²	Average Hourly Benefits ³	Average Hourly Compensation (Wage plus Benefits) ⁴
<input type="checkbox"/> Seasonal, explain:			

Goal Information

In exchange for the incentive provided by the GRANTOR, the RECIPIENT agrees to, within 2 years (check one only) <input type="checkbox"/> Create Jobs <input type="checkbox"/> Retain Jobs <input type="checkbox"/> Neither create nor retain jobs ⁵			
Current number of Full Time Equivalent Employees (FTE's) ¹	Average Hourly Wage ²	Average Hourly Benefits ³	Average Hourly Compensation (Wage plus Benefits) ⁴

¹ Full time equivalent employees (FTE's) work 32 hours per week or greater. The exception is when a single position is filled by two people. In this instance each person needs to work 20 hours per week or greater to be considered an FTE. Please round job numbers to the **nearest 0.5 FTE**.

²Wage includes wages, salary, bonuses and commissions.

³ Benefits include health, disability, life and retirement benefits or insurance premiums paid by the employer; an employee's share of payroll taxes paid by the employer; and other fringe benefits such as housing allowance and transportation expense.

⁴Wage plus benefits.

⁵If 'Neither create nor retain jobs' is checked, please enter '0' for number of jobs, wage and benefits goals. All RECIPIENTS must file recipient reports as described on page 3 of this document, including those with no job, wage or benefits goals.

In addition to meeting the goals outlined in this document, the RECIPIENT agrees to the following terms as specified by [N.D.C.C. §54-60.1](#):

1. The RECIPIENT shall continue operation in the jurisdiction in which the business incentive is used for five years or more after the benefit date.
2. RECIPIENT reports requesting current job, wage and benefit information will be mailed to the RECIPIENT by the GRANTOR. The RECIPIENT shall complete, sign and return this annual recipient report to the GRANTOR within 60 days of the annual anniversary of the benefit date for a period of two years or until the goals specified in the Business Incentive Agreement have been met, whichever is later.

If the recipient report is not received within those 60 days, the GRANTOR shall mail the RECIPIENT a warning letter. The RECIPIENT then has 14 days from the postmarked date of that warning letter to file a report. If the recipient report is still not received, the RECIPIENT may be charged one hundred dollars (\$100) from the GRANTOR for each subsequent day until the report is received. The maximum penalty under this section may not exceed one thousand dollars (\$1,000).

3. If, after 2 years, the job and compensation goals listed in the Business Incentive Agreement are not met, the RECIPIENT shall continue to provide recipient reports to the grantor until the incentive is repaid to the grantor. At a minimum, a recipient that fails to meet business incentive agreement goals shall pay back the value of the incentive to the GRANTOR prorated to reflect any partial fulfillment of the job and compensation goals. There is an exception to this financial obligation for any unmet goals that result from an act of God or terrorism.
4. The Business Incentive Agreement shall only be modified or extended by the GRANTOR pursuant to N.D.C.C. §54-60.1-04.
5. If the terms of the Business Incentive Agreement are not met, RECIPIENT, including all individuals or shareholders owning twenty percent (20%) or more of the business, will not be eligible to receive a business incentive from any GRANTOR for a period of five years from the date of failure or until RECIPIENT satisfies its repayment obligation.

By signing this document, RECIPIENT agrees to the terms noted herein, verifies that it has not failed to meet the terms of any business incentive agreement in the last five years and confirms that it has disclosed, in Attachment "A" of this agreement, all additional financial assistance received from state or political subdivision GRANTORS for this project.

GRANTOR

Title	Authorized Signature	Date

RECIPIENT

Title	Authorized Signature	Date

Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligation hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

ATTACHMENT "A"

RECIPIENT verifies it has received additional financial assistance from state or political subdivision GRANTORS from the following entities for this project since its inception. A listing of incentives from past projects (i.e. past expansions) is not required.

GRANTOR		On Behalf Of
Benefit/Pending Benefit Date	Value of Assistance	Type of Incentive
Description of Assistance		

GRANTOR		On Behalf Of
Benefit/Pending Benefit Date	Value of Assistance	Type of Incentive
Description of Assistance		

GRANTOR		On Behalf Of
Benefit/Pending Benefit Date	Value of Assistance	Type of Incentive
Description of Assistance		

GRANTOR		On Behalf Of
Benefit/Pending Benefit Date	Value of Assistance	Type of Incentive
Description of Assistance		

GRANTOR		On Behalf Of
Benefit/Pending Benefit Date	Value of Assistance	Type of Incentive
Description of Assistance		