



Economic Assistance Programs

Supporting Businesses in Bowman County

Bowman County Development Corporation (BCDC) supports several financial incentive programs for different sectors of the County's economy. Some of these programs are local and supported by BCDC, City of Bowman, and Bowman County, while some are run at the state or regional level. Applications must generally be approved prior to construction, building occupancy, or the start of business operations, depending on the program.

Bank of North Dakota PACE and Flex PACE Interest Buydown Program

The Bank of North Dakota (BND) offers a PACE program and Flex PACE program that provides an interest buydown that can reduce the borrower's rate of interest by as much as 5%. The program requires:

1. Participation by BND with a local lender in a community-based loan;
2. Participation by the PACE/Flex PACE Fund with the local community in reducing the borrower's overall interest rate.

Flex PACE

Flex PACE provides interest rate buydowns up to these maximums: \$200,000 per project for businesses, \$300,000 per project for child care, and \$500,000 per project for affordable housing. The maximum buydown is \$500,000 per biennium per borrower.

PACE

PACE borrowers must be a "primary sector" business and buydown is based on either the business investment OR the number of jobs created.

Bowman County Development Requirements:

1. Applications for PACE or Flex PACE buy downs must be made within the first 12 months of starting business operations or business expansion.



2. All approved applicants will be required to payback 100% of the community portion of the interest buydown. No payback will be required for the BND portion of the interest buydown. Payments will begin at the end of the buy-down term. Terms for payback are negotiable up to 5 years and may be made on a monthly or quarterly basis.
3. Maximum Flex PACE buy down for a term of five years on business and equipment; 10 years on real estate, if funds are available. Terms for PACE projects will be evaluated on an individual basis.

BANK OF NORTH DAKOTA - COVID Related Programs

COVID-19 PACE Recovery II (CPR II) Program

The COVID-19 PACE Recovery II (CPR II) Program assists North Dakota businesses impacted by the COVID-19 pandemic. The program will provide a buydown on interest expense accrued on eligible existing debt from April 1, 2020 through September 30, 2020.

COVID-19 PACE Recovery (CPR) Program

The COVID-19 PACE Recovery (CPR) Program assists local financial institutions in providing low interest loans to support North Dakota businesses in their economic recovery due to negative impacts from the COVID-19 pandemic.

Small Employer Loan Fund (SELF)

The Small Employer Loan Fund (SELF) assists local financial institutions and certified development corporations (CDC's) in providing loans to assist very small North Dakota businesses in their recovery from the negative impacts caused by the COVID-19 pandemic.

Small Business Revolving Loan Fund

The Bowman-Slope Revolving Loan Fund was created to help business start-ups and expansions within Bowman and Slope Counties. Funds are generally used to buy down interest on loans or equipment, some renovation and other projects. The goal is to provide "gap" funding in support of business activities in the counties in an efficient and simple manner and to keep the funds revolving back into the area for the benefit of the local economy and business sector.

- Loans up to \$5,000
- Required 1:1 match
- 6-month payment/interest deferral
- Repayment over a 2-year term
- Required auto payment by bank of choice
- Interest rate no lower than 4%

The Bowman County Development Corporation's Board of Directors will review applications from the standpoint of economic feasibility, ability to pay back the loan and employment impact. Review by the BCDC's Board of Directors will be completed within 15 days of receipt of application, providing it is presented by the deadline. The funds of BCDC can only be committed to the extent available.

Store Front Improvement Grant

The Store Front Improvement Grant was created to help enhance the appearance of commercial structures within Bowman County and its cities. The grant must have a fifty percent private match up to \$1000. The Bowman County Development Corporation (BCDC) will match the other fifty percent up to a maximum of \$1000. For example, on a \$2,000 project, \$1,000 is paid by the owner, \$1,000 paid by the BCDC.

Funds are only to be used to enhance the property's exterior and do not include general maintenance. Grant excludes residential property used for home-based business. Following grant application and approval, projects may be started. No prior projects will be considered. Grant applications may be picked up and turned in at the BCDC office.

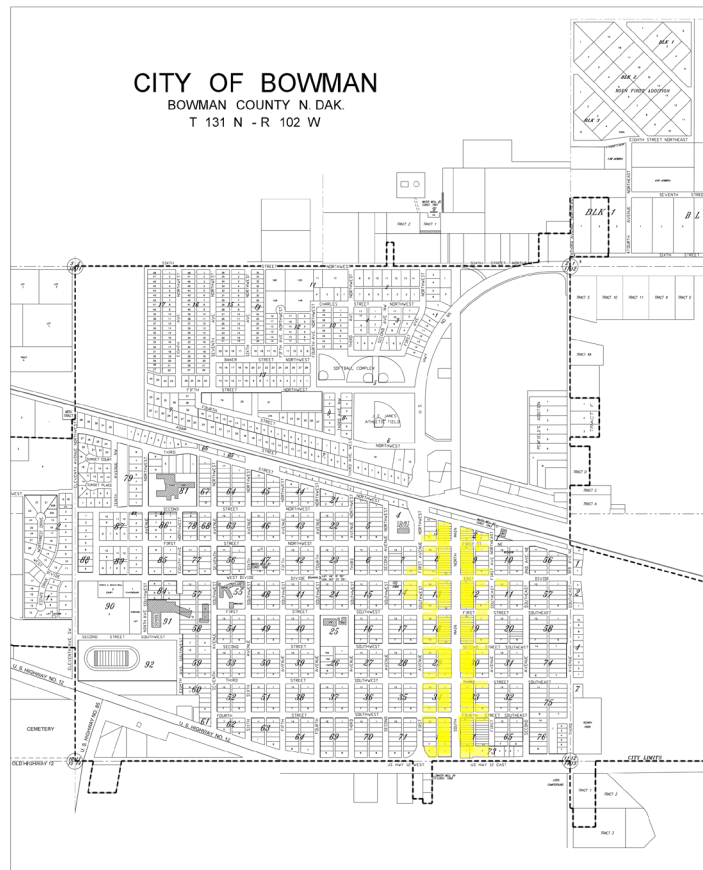
Façade Improvement Program

The Downtown Revitalization Façade program is geared towards improving the creation and expansion of commercial and retail sectors in the downtown districts of Bowman County, further emphasizing the Bowman County Development Corporation's mission of developing and sustaining a great place to live, work and grow.

The program is administered by the Bowman County Development Corporation. Funding is provided in part by the City of Bowman and Bowman County Development Corporation funding programs.

Interested commercial property owners may apply for a forgivable loan, not to exceed \$10,000 for up to 50% of their investment in rehabilitating and/or updating a building façade. The building must be located in the Downtown district of Bowman. (see Map No. 1 for eligible areas).

Applications will be taken on a first-come, first-serve basis and awarded as long as program funding is still available.



SW REAP

The Southwest Rural Economic Area Partnership is a non-profit corporation operating under the REAP Investment Fund, a 501(c) 3 incorporated within the state of North Dakota.

SW REAP has developed a Partnership Fund, and a Micro Loan Fund to be used for the purpose of furthering partnerships, businesses and projects that will positively impact its geographic region - the counties of Adams, Billings, Bowman, Dunn, Golden Valley, Hettinger, Slope, and Stark. All fund requests must originate in and benefit these SW REAP counties.

All proposed projects should meet one of the SW REAP goals as follows:

1. Utilize the REAP designation to alleviate out-migration
2. Increase job and business opportunities
3. Encourage and participate in partnerships for economic development

Renaissance Zone

In 1999, the North Dakota Legislative Assembly approved the Renaissance Zone Act to provide tax incentives to encourage investment in downtown or other blighted properties. Existing and new owners of commercial and residential properties within an established 23 block area in the City of Bowman (see map below) 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.

Tax Incentives:

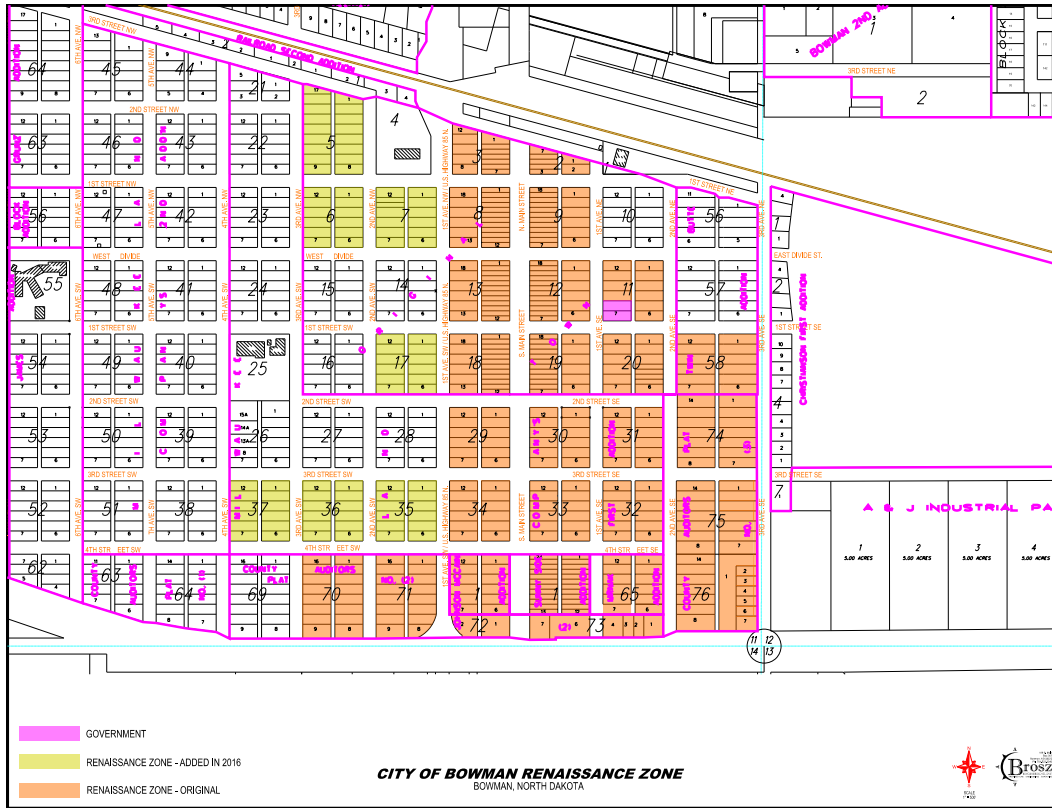
Business/Commercial Properties

- Up to 100% exemption from property taxes for 5 years
- 100% exemption from state tax on income derived from business or investment for 5 years up to \$500,000 of taxable income
- Transferable exemptions with sale or lease

Primary Residences

- Up to 100% exemption from property taxes for 5 years
- 100% exemption from state individual income tax up to \$10,000 annually for 5 years
- Transferable exemptions with sale

Applications **must be approved before** improvements begin. A renaissance Zone project must be approved by the Bowman City Commission and the ND Department of Commerce before an eligible purchase, rehabilitation, new construction project or lease of the property begins. A certificate of good standing from the ND Tax Department is also required along with a business incentive agreement. Please allow three to four weeks for the review process.



To learn more about any of these Bowman County Economic Assistance Programs or if you are interested in applying for one of them - please see the contact information below.

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