



*Bowman County*

# 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.*

*Funding subject to availability. Terms, conditions, and applications can be found at [bowmannnd.com/economic-development/financial-incentives](http://bowmannnd.com/economic-development/financial-incentives)*

### 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.

### **Façade Improvement Program**

The Façade Improvement Program is geared towards improving the visual appearance of the exterior storefronts in the primary business corridors of the cities in our county. This emphasizes Bowman County Development Corporation's mission of developing and sustaining a great place to live, work and grow.

#### **2022 Program Guidelines:**

- Program is administered by Bowman County Development Corporation. Funding is provided in part by the City of Bowman, Bowman County, and Bowman County Development Corporation Growth Fund.
- Business eligibility is dependent upon their home community matching the program dollars.
- 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 the visible storefront building façade.
- Bowman: Building must be located in the Downtown District or on Highway 12 and Highway 85 corridors of Bowman. (see map in application for eligibility areas)

### **Commercial Signage Grant Program**

#### **Purpose:**

- The Commercial Signage Grant Program provides grants to businesses or property owners to enhance their store fronts with the addition or improvement of commercial signage.
- The primary objective of the Commercial Signage Grant Program is to promote and assist in the revitalization of Bowman County's business districts by providing grants for replacing and/or adding new signage to commercial storefronts that contribute to the vitality of the area.

#### **Eligibility:**

- Eligible projects must be within Bowman County and be directly related to a business or future business. Businesses outside of city limits are only eligible for half the grant award as we are unable to use City tax dollars to pay for improvements outside their taxing district.
- The Commercial Signage Grant can be used toward the design, purchase, permitting, and installation of a commercial sign. Project funds can be used for painting of the commercial facade in cases where signage is painted onto the side(s) or front of the building. Funds may also be used towards the purchase and installation of awnings when awnings include logo and/or business name.

- Farm, ranch, and home-based business projects do not qualify.
- Grants will be awarded as funding allows and on a first come, first serve basis. If the finished project does not resemble what was on the application or a BCDC representative feels that significant improvements were not made, the grant will be voided.
- Participating Businesses and Property Owners will receive a reimbursement grant for half (50%) of the total project cost, or up to \$500. Applicants may apply for up to \$500 in matching funds once every two years.

## Childcare Provider Matching Program

### Guidelines:

- New childcare startups and existing remodels that directly increase capacity are eligible for a 1:1 match not to exceed \$5,000 in matching funds.
- Eligible items: fixtures, furniture, equipment, construction related build out costs, permit compliance related costs.
- Approval is required prior to project start date.
- All receipts must be submitted prior to reimbursement.
- Project must be a licensed (or in process of licensing) childcare facility through the state of ND.
- Providers who receive match dollars must remain in operation for a minimum of 2-years from application date. Failure to do so will result in a pro-rated return of grant dollars to the BCDC Growth Fund.
- New and existing providers who receive startup assistance through the match grant program are ineligible for the annual assistance grant for two years of licensed operation.

## Small Business Revolving Loan Fund

The Revolving Loan Fund was created to help business start-ups and expansions within Bowman County. 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.

## 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 programs contact  
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