

**APPLICATION  
CITY OF WAHPETON SALES TAX REQUEST FOR FUNDING**

**Section I: Applicant Information**

NAME OF FIRM: \_\_\_\_\_ TELE: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_ SS# OR TIN: \_\_\_\_\_

APPLICANT IS:  Corporation     Partnership     Proprietorship     Non-profit

ADDRESS: \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

**Office Use Only:** Legal Description: \_\_\_\_\_ Zoned: \_\_\_\_\_  
 Use: Conforming/Nonconforming \_\_\_\_\_ Cite Ordinance: \_\_\_\_\_  
 Exception: \_\_\_\_\_ Note: \_\_\_\_\_

**Section II: Project Information** *(Enter NA where Not Applicable)*

PROJECT TITLE: \_\_\_\_\_

PRODUCT/SERVICE: \_\_\_\_\_

ESTIMATED PROJECT START DATE: \_\_\_\_\_ COMPLETION DATE: \_\_\_\_\_

PHASE OF DEVELOPMENT: Expansion     Retention     Start-up     Other

DESCRIPTION OF PROPOSED PROJECT [INCLUDE LOCATION AND SITE MAPS WHERE APPLICABLE]:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

OR attach a business and/or marketing plan of the business, trade area served, kinds of jobs to be created (Part-time and Full-time), community impact, justification for the project, and any other development information that may help describe this project, product or service.

**Section III: Proposed Project Budget**

*NOTE: Sources, Uses and Types of Financing Determined by Director*

		Explanation [if needed]
<b>TOTAL EST. PROJECT COST</b>	<b>\$</b>	_____
Assistance Requested	\$	_____
Applicant's Contribution	\$	_____
Other Sources of Assistance:	\$	_____
_____	\$	_____

**Section IV: Supporting Financial Documents**

[ ] EXISTING BUSINESS:

1. Three Years Financial Statements (including most recent year), including balance sheet, and income statement.
2. Past Three years' federal income tax returns.

[ ] NEW BUSINESS:

1. Pro Forma Balance Sheet.
2. Two years financial statements.
3. Personal financial statements on principals.
4. Brief background statements regarding the principal's experience and qualifications to operate the business.

**Section V: Application Fees - Nonrefundable**

Attach a check for \$150.00 made out to the City of Wahpeton Sales Tax Fund. Fees are waived for non-profit applicants.

Date Check Received: \_\_\_\_\_ Check Number: \_\_\_\_\_

**Section VI: Authorized Signature(s)**

I hereby certify that the above information is true and correct to the best of my knowledge.

BY: \_\_\_\_\_

Title \_\_\_\_\_ Date: \_\_\_\_\_

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**FOR OFFICE USE ONLY:**

Application Received by: \_\_\_\_\_ Date: \_\_\_\_\_

SOURCE	AMOUNT	RATE & TERMS	USE OF FUNDS
[ ] Sales Tax Fund Economic Development or Recreation	\$ _____ / _____ / _____	_____ / _____ / _____	_____
[ ] Bank:	\$ _____ / _____ / _____	_____ / _____ / _____	_____
[ ] Equity*:	\$ _____ / _____ / _____	_____ / _____ / _____	_____
[ ] Other:	\$ _____ / _____ / _____	_____ / _____ / _____	_____
<b>Total Project Cost</b>	<b>\$ _____</b>		

Project requires Business Incentive Agreement: Yes \_\_\_\_\_ No \_\_\_\_\_

Applicant is a Taxpayer in Good-standing with the State and Local authorities and is current on all government obligations: Yes \_\_\_\_\_ No \_\_\_\_\_ Comment: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_

Project meets/does not meet initial approval of the Econ. Dev. Director: \_\_\_\_\_ [initials]  
[circle one] Date: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_

Project needs further review by SBDC: \_\_\_\_\_  
 Presented to Economic Development Commission: \_\_\_\_\_  
 Recommendation to Council: \_\_\_\_\_

**BASIC GUIDELINES:**

[see full listing in Policy and Procedure Manual April 2013 Chapter 6, pgs: 8-10 ]:

- A. No assistance will be provided that results in an unfair competitive advantage over existing local business.
- B. The applicant will be strongly encouraged to procure goods, services, and labor from the local economy, to the maximum extent economically possible.
- C. Loans shall be secured with mortgages, liens, personal guarantees or other instruments whenever possible and practical.
- D. Applicants must be taxpayers in good standing with the City and the State at the time of application and throughout the term of the financial assistance. Failure to maintain a good standing status could result in reversion of the agreed to incentive.
  - a. **BUSINESS INCENTIVES:** For funding requests in excess of \$25,000.00 and involve industrial or commercial projects, the applicant must obtain some level of bank/financial institution participation unless waived by the Commission and approved by the City Council. A for-profit business will need to complete a Business Incentive Agreement if public funding in the project exceeds the aggregate amount of \$25,000.
  - b. **P.A.C.E./FLEX P.A.C.E.:** In general terms, P.A.C.E. or Partnership Assisting Community Expansion provides an interest buy down that can reduce the borrower’s rate of interest by as much as 5%. The EDC has adopted the following policy:[6-2002; reaffirmed 9-2008; amended 12-2012 effective 1-2013] for P.A.C.E. and FLEX P.A.C.E. interest buy down requests: **P.A.C.E.** [1] When a project deals with just a building expansion, which essentially increases the tax base, the buy down shall be in the form of a grant. [2] When a project, however, is to purchase equipment, there is virtually no gain in sales tax or property tax base and the buy down is then “loaned” to the company and payable after the PACE is used up or 5 years from the loan settlement date whichever comes first. Repayment is at a rate of not less than 1% and amortized no more than 10 years using the chart below. [3] If the project is a combination of building and equipment, the community’s share of the interest buy down will be forgiven up to 50%, with the balance paid back under terms decided by the company and the Economic Development Department. **FLEX P.A.C.E.** [1] this feature provides interest buy downs to borrowers that do not fit into the traditional definition of PACE qualifying business. Under this program, the community determines eligibility and accountability standards. [2] Because of this flexibility, each FLEX PACE project will be reviewed on a case by case basis and payback terms and conditions will be negotiated up front.

*Updated 4/3/2014*

COMMUNITY SHARE OF INTEREST BUY DOWN AMTS. 70-30					
PROGRAM	AMORT TABLE RANGES				
	\$4,500-\$60,000	\$60,001-\$96,000	\$96,001-\$128,571		
PACE	1%, 5 year max	1%, 8 year max	1%, 10 year max	BND - \$300,000 MAX	CITY - \$128,571.43 MAX
FLEX PACE	negotiable	negotiable	negotiable	BND - \$100,000 MAX	CITY - ANY AMOUNT