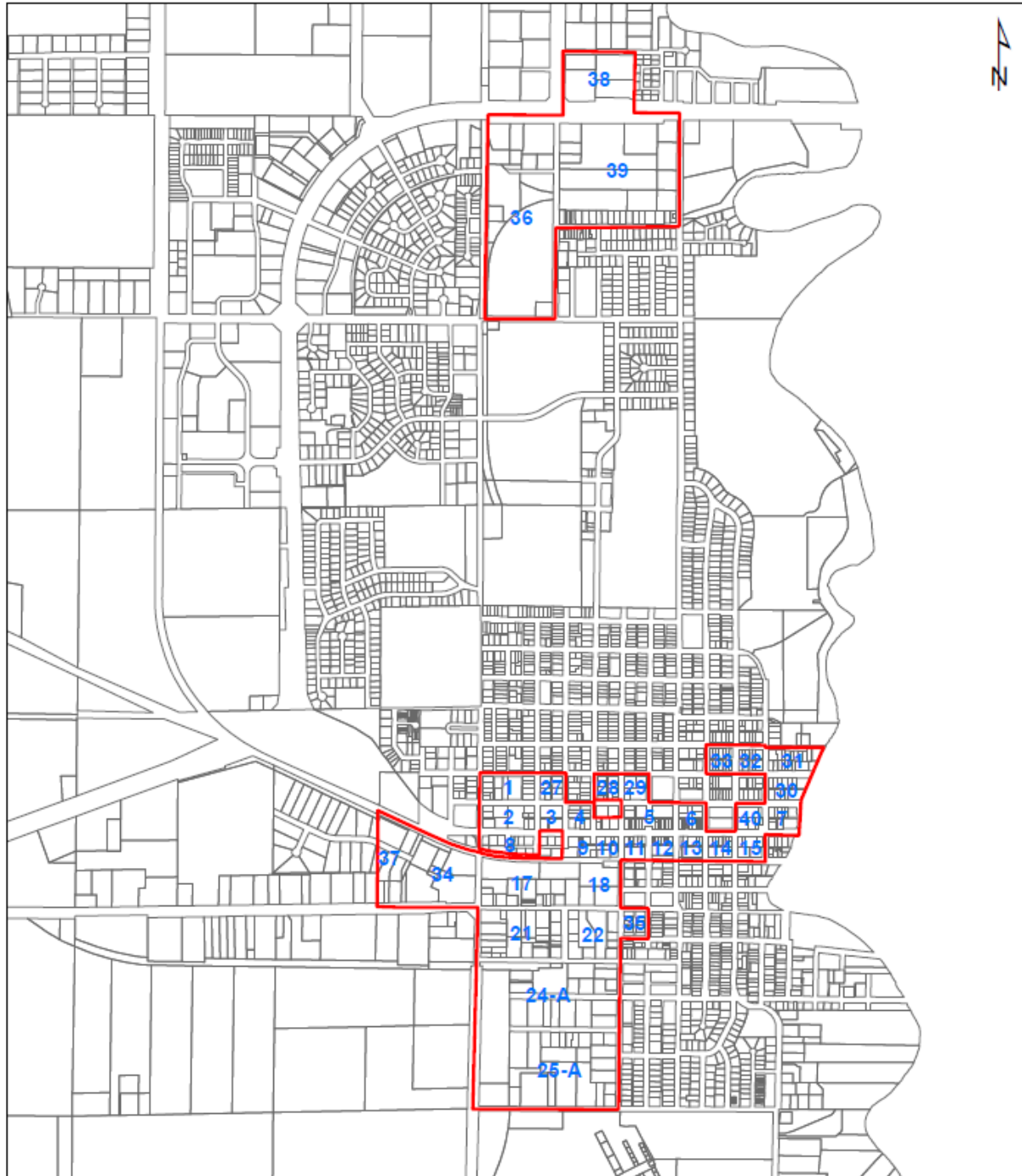


Renaissance Zone Boundaries - Nov. 2023



Boundary timeline: Expiration Dec. 2033

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Electronic copies of the 2023 Zone Map, New Guidelines for Project Type, and Amended Development Plan can be found on the City of Wahpeton website: <http://www.wahpeton.com/>

Click on Government/Community Development/Renaissance Zone tabs

For a copy of the State **Renaissance Zone Fact Sheet**, visit this web site: <https://www.medialibrary.nd.gov/assetbank-nd/assetfile/94926.pdf>

For additional information from the State of North Dakota Department of Commerce Division of Community Services visit: <https://www.commerce.nd.gov/community-services/community-development/renaissance-zone-program>

CITY OF WAHPETON RENAISSANCE ZONE PROGRAM

Community Development
1900 4th Street North
Wahpeton, ND 58075

"A great tool for community redevelopment and economic investment"

Inside this brochure:

What is a Renaissance Zone?

Where are Wahpeton's Renaissance Zone Boundaries?

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What is a Renaissance Zone?

The Fifty-sixth Legislative Assembly in 1999 created the Renaissance Zone Act under N.D.C.C. ch. 40-63 to make it possible for North Dakota cities to apply to the state and create a Renaissance Zone within their jurisdiction. The size of the defined geographical area is based on population and public buildings within the zone's boundaries. Such an area is typically in the central city consisting of residential and commercial properties that need to be revitalized and redeveloped to attract businesses and residents. The Act provides for certain types of tax exemptions and credits to encourage investment in these properties.

Where are Wahpeton's Renaissance Zone Boundaries?

Wahpeton is approved for 34 blocks with an additional 1/2 block for each federally exempted public building. The initial 15 years have expired, a 5-year extension was granted to the City in November 2018. New boundary in 2018 includes 32 1/2 blocks, adding blocks 35 & 36 and removing 19, 20, 23 and 26-A. In April 2019, Block 37 was added to the zone. In November of 2023, the City was granted an extension for an additional 10 years for this program. Also in November 2023 the zone changed by adding blocks 38, 39 and 40 and removing block 16.

Who qualifies for Renaissance Zone Tax Exemption incentives?

There are several different ways to qualify for Renaissance Zone designation. Any taxpaying entity **in good standing** with the State and the City *may* be eligible for tax incentives when they:

Renaissance Zone Information

FREQUENTLY ASKED QUESTIONS

- Construct a new building within the Zone
- Rehabilitate a building in the Zone
- Buy a building or primary residence in the Zone and make significant improvements
- Lease space in the Zone for a new or expanding business
- Continue a lease in a building being rehabilitated as a Zone project

The required level of investment to qualify as a Renaissance Zone Project varies based on the type of project. It is also possible to have more than one project in a single building, such as rehabilitation of a building and multiple leases.

Designation as a Renaissance Zone Project **is required** to be eligible for any incentives. Potential projects must be approved by the Renaissance Zone Authority, the City Council, and the North Dakota Department of Commerce/Division of Community Services prior to any work being completed or any lease being signed. ***If a project has not received the required approvals before starting, the project is NOT eligible for designation as a Renaissance Zone project or for RZ tax incentives.***



How do I apply for Renaissance Zone Designation?

Applications and necessary forms needed to apply as a zone project are available at the Wahpeton City Hall, Community Development Office or can be downloaded on our website at www.wahpeton.com (under Government/Community Development/Renaissance Zone).

What are the program incentives?

Incentives are in the form of 5-year or 8-year property tax exemptions, 5-year state income tax exemptions, and historic tax credits.

Current Residential Property: If the owner makes all the necessary improvements to eliminate poor conditions and meets the greater of: 20% of true & full value prior to improvements OR \$20,000 of capital investment, then the city *may* offer a 5-year property tax exemption on improvements only.

New Residential Property: A 5-year declining partial property tax exemption *may* be offered. If the owner opts for the standard 2-year property tax exemption on the first \$150,000 value of the home, then there is no zone project.*

New Commercial Construction or Additions: A 5-year declining partial property tax exemption *may* be offered if there is a minimum investment of \$20/sf in capital improvements.

Current Commercial Property:

Property owner must make capital improvements equal to the greatest of: 50% of true & full value prior to improvements or \$10,000 of capital investment. The city *may* offer a 100% property tax exemption for 5 years on the improvements only. If the threshold of 75% of true & full value is invested, The city may offer a 100% property tax exemption for 8 years on the improvements only.

Commercial Leases: Continued leases in buildings being rehabilitated as a zone project will be considered as 'new/leases'.

A vacant property that is converted to parking for public or private use is not an eligible zone project. Zone projects must be income producing properties.

When is the best time to apply?

You will disqualify yourself completely if you do one or more of the following activities BEFORE receiving formal approval as an RZ project:

- construct a new building
- begin rehabilitating a structure, or
- lease to a new tenant

We suggest you **apply early on in the process** and find out if your plans to make improvements within the zone qualify you for tax incentives.

The Renaissance Zone Board typically reviews applications on the 1st Monday and 3rd Thursday of every month.

*Visit the City Assessor for further explanation of new home construction property tax incentives—701-642-8448