

INCENTIVES & PROGRAMS

TRAIL COUNTY, NORTH DAKOTA



**A summary of local business
incentives, programs
and financing options**

TRAIL COUNTY
ECONOMIC DEVELOPMENT
WE KNOW BUSINESS 



LOCAL INCENTIVES

Programs that are exclusive to Traill County and the surrounding area

Traill County EDC

TCEDC can provide financial assistance to new and expanding businesses in Traill County. The TCEDC staff can provide business consulting, site selection assistance, grant writing and other services. TCEDC also provides financial assistance, primarily using Flex PACE interest buydowns through the Bank of North Dakota. See TCEDC's [Business Resources](https://traillcountyedc.com/doing-business/business-resources) page (traillcountyedc.com/doing-business/business-resources) for more information.

Local EDCs

Hatton, Hillsboro and Mayville-Portland have local economic development groups who assist in helping business locate or expand in their respective communities. The EDCs often participate in interest buydowns and offer loans. See TCEDC's [Business Resources](https://traillcountyedc.com/doing-business/business-resources) page (traillcountyedc.com/doing-business/business-resources) for more information.

Cities in Traill County

Communities often offer local property tax incentives or reduced utility rates to help encourage business growth. Hillsboro and Mayville also use the Renaissance Zone program, offering tax incentives in exchange for revitalization or rebuilding in designated areas. For specific information about the programs or incentives offered by each city, contact the respective city's staff.

- Buxton: 701-330-4171 | buxtonauditor@gmail.com
- Clifford: 701-488-2202
- Galesburg: 701-430-7719 | government@cityofgalesburgnd.com
- Hatton: 701-543-3243
- Hillsboro: 701-636-4620 | ashley.frederick@hillsboro-nd.us
- Mayville: 701-788-2166 | gailolstad@cityofmayville.us
- Portland: 701-788-2463 | portlandcity@midconetwork.com
- Reynolds: 701-330-2495 | jaskold@gra.midco.net

Lake Agassiz Development Group

LADG is composed of several organizations with one staff to fulfill their clients' needs: Lake Agassiz Regional Council (LARC), Lake Agassiz Regional Development Corporation (LARDC) and Lake Agassiz Certified Development Company (LACDC). These groups help area businesses by using a variety of programs from groups such as Small Business Association (SBA), U.S. Department of Agriculture (USDA) and Community Development Loan Fund (CDLF). See the [LADG](https://lakeagassiz.com) site (lakeagassiz.com) for more information.

Property tax exemptions

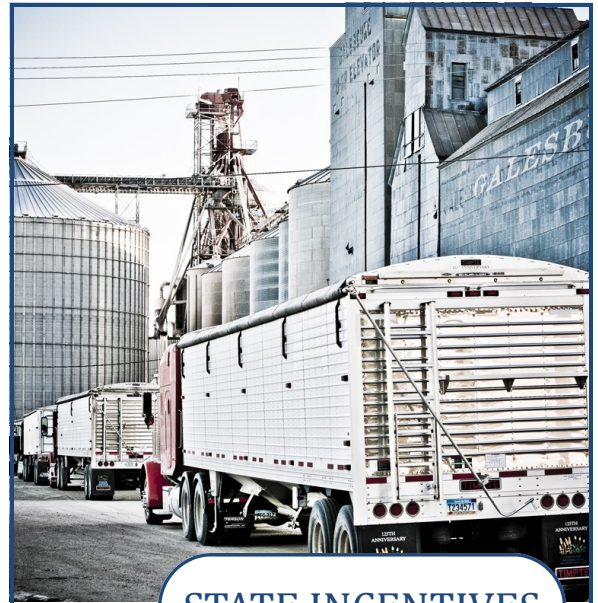
New or expanding businesses can qualify for property tax exemptions of up to five years, with additional incentives offered in the form payments in lieu of taxes, depending on local approval.

Businesses must apply for property tax exemptions with their local city council or commission; if a business is located outside of city limits, the business must apply for the exemption through the Traill County Commission.

Other local entities, such as school districts or township boards, may need to approve their share of the tax exemptions. A public hearing also will be held before the city or county is able to approve an exemption.

Although applications for property tax exemptions must be made before construction begins, payments in lieu of taxes can be approved after construction or occupancy.

See the [NDTax](https://tax.nd.gov/forms) site (tax.nd.gov/forms) and choose Property Tax Forms for more information.



STATE INCENTIVES

Statewide programs that can be used in conjunction with local incentives

Other tax incentives for businesses

In addition to property tax exemptions, North Dakota offers several other types of business tax incentives:

- Personal property tax exemptions
- Sales tax exemptions, such as those for manufacturing and agricultural equipment
- Income tax apportionment
- Income tax exemptions for new and expanding businesses
- Various types of income tax credits

Several other exemptions are offered, and the full list is available in the [2021/2022 Tax Incentives for Businesses](https://commerce.nd.gov/sites/www/files/documents/ED%26F/Tax%20Incentives/tax-incentives-for-businesses-2021-22.pdf) booklet (commerce.nd.gov/sites/www/files/documents/ED%26F/Tax%20Incentives/tax-incentives-for-businesses-2021-22.pdf) published by the North Dakota Tax Commissioner's office.

WHAT IS PRIMARY SECTOR?

A primary sector business adds value to a product, process or service that results in the creation of new wealth.

Businesses must apply for primary sector designation with the North Dakota Department of Commerce.



WORKFORCE

Programs and incentives that are designed to help you find and train your employees

Jobs Training Assistance

This program assists new or expanding primary sector businesses with training new employees. The cost of the training under the program is paid for in whole or in part with the income tax withheld from the new employees.

See the [Job Service](http://jobsnd.com/employer-resources/north-dakota-new-jobs-training-program) site (jobsnd.com/employer-resources/north-dakota-new-jobs-training-program) for more information.

ND Apprenticeship Program

The North Dakota Apprenticeship Program helps connect businesses with potential employees who are interested in apprenticing to learn a specific trade. This helps businesses increase their potential talent pool and build relationships with possible full-time hires. See the [Apprenticeship Program](http://commerce.nd.gov/workforce/workforce-programs/apprenticeship) page (commerce.nd.gov/workforce/workforce-programs/apprenticeship) for more information.

Technical Skills Training Grant

The Technical Skills Training grant supports eligible training providers and employers in their efforts to design rapid, non-degree re-skilling and upskilling programs, expand capacity in new or existing programs and/or move training to virtual platforms to train workers. See the [Technical Skills Training Grant](http://commerce.nd.gov/workforce/workforce-programs/technical-skills-training-grant) page (commerce.nd.gov/workforce/workforce-programs/technical-skills-training-grant) for more information.

Operation Intern

This program allows businesses to receive \$20,000 per funding round or \$40,000 per biennium for the expense of hiring up to five interns per funding round.

Targeted industries, which are listed on the [in-demand occupations list](http://jobsnd.com/sites/www/files/documents/jsnd-documents/indemandoccupationslist.pdf) (jobsnd.com/sites/www/files/documents/jsnd-documents/indemandoccupationslist.pdf), are eligible for 60 percent of the funding, with high wage/high demand occupations receiving 40 percent. See the [Operation Intern](http://commerce.nd.gov/workforce/workforce-programs/operation-intern) page (commerce.nd.gov/workforce/workforce-programs/operation-intern) for more information.

Information for hiring veterans

The State of North Dakota offers several resources for businesses looking to hire former military personnel and veterans. See the [Employer Information for Military Service](http://commerce.nd.gov/workforce/workforce-programs/employer-information-military-service) page (commerce.nd.gov/workforce/workforce-programs/employer-information-military-service) for more information.

Non-Resident Nursing Employment Recruitment Program

This grant program is designed to attract and retain highly qualified nurses to North Dakota. Priority is given to rural facilities, facilities who have not yet participated in the program and the hiring of diverse nursing specialties, such as behavioral health nurses, geriatric health nurses and intensive care specialized nurses. Health care facilities can access up to \$4,000 of matching funds for each nurse relocating to North Dakota.

To qualify, the facility must hire a nurse who is licensed to practice in North Dakota, has a primary residence in North Dakota, Montana, South Dakota or Minnesota, signs a written agreement to work at least four years in a North Dakota health care facility and is employed by the health care facility, not a contractor. See the [Non-Resident Nursing Employment Recruitment Program](https://commerce.nd.gov/workforce/workforce-programs/non-resident-nursing-employment-recruitment-program) page (commerce.nd.gov/workforce/workforce-programs/non-resident-nursing-employment-recruitment-program) for more information.

ND Career Builders

ND Career Builders is a scholarship and loan repayment program aimed at attracting workers into high-need and emerging occupations in North Dakota. The program is a private/public partnership where, for each dollar of private support received, the state will contribute a dollar of public funding.

Scholarship program

This program combines public funding with a matching contribution from a local business to help a future employee receive training in a high-need and emerging occupation. In exchange, the student agrees to live and work in that occupation in the state for three years following completion of the program.

To qualify for a scholarship, students must be admitted into a qualifying program in the state and are eligible to receive up to \$17,000 toward the cost of tuition, fees, books and supplies. The program requires a 1:1 match from a private business. If the recipient does not live and work in a high-need or emerging occupation in North Dakota for at least three years following completion of the program, the funds will need to be repaid. Students also must be enrolled full time, maintain a 2.5 cumulative grade point average and complete the program.

Loan repayment program

This program is a student loan repayment program that combines public funding with a matching contribution from a local business to help reduce student loan debts for recently hired employees.

To qualify for loan repayment, applicants must have been newly hired into their current high-need or emerging occupation position as of 2019 or later. They must provide proof of state residency, employment verification, proof of degree completion and a current student loan billing statement from the lender. Payments to recipients cannot exceed \$5,667 per year, or one-third of the recipient's outstanding student loan principal balance at the time of application – whichever is less. The maximum repayment amount is \$17,000. The program requires a 1:1 match from a private business.

Eligible loans include FEDERAL Subsidized, Unsubsidized, Consolidated and Perkins loans, the Bank of ND DEAL Loan and other private alternative student loans. Other debts, such as home equity, credit card debt or consolidated debt that is no longer considered a student loan, are not eligible for repayment.

See the [ND Career Builders](https://ndus.edu/career-builders/) site (ndus.edu/career-builders/) for more information about the programs and a list of high-need and emerging occupations identified for each.

Ag loans

BND offers a variety of agriculture-related loans, including the following. See the [Ag Loans](http://bnd.nd.gov/ag/) page (bnd.nd.gov/ag/) for the full list and details.

Ag Commodity Export Enhancement Program Provides a guarantee under the Ex-Im Bank's Ag Commodity Export Enhancement Program for ag commodity exporters.

Ag PACE Provides interest buydowns on loans to farmers who invest in nontraditional ag activities that supplement farm income, such as purchasing equipment and facilities, equity shares of an ag-processing business, irrigation equipment or subsurface field tiling.

Agriculture Diversification and Development Fund Supports new or expanding value-added ag businesses that demonstrate financial feasibility, enhance profitability, create jobs and grow North Dakota's economy. Opportunities include grants, interest rate buydowns and loans livestock

Beginning Farmer Real Estate Loan Helps farmers or ranchers purchase farm real estate.

Invest Can be used to purchase shares in startup or expansion of ag processing businesses intended to process North Dakota-grown products.

Established Farmer Real Estate Loan Helps farmers or ranchers with financing for ag purposes.

Family Farm Loan Program Helps farmers purchase or refinance land, equipment or livestock, or restructure operating debt.

Farm and Ranch Participation Loan Program Assists a financial institution with a borrower who wants to fund an ag-related activity including real estate, equipment, livestock and operating expenses.

Farm Operating Loan Program Funds operating expenses.

Farm Real Estate Loan Guarantee Program Helps borrowers purchase farm real estate or restructure farm real estate loans.

WHAT IS AN INTEREST BUYDOWN?

A buydown is a fee that is paid to lower the interest rate on a loan. With some Flex PACE programs, BND works with local lenders and other groups—such as TCEDC—to provide these buydowns as combinations of grants and low-interest loans, saving the borrower potentially tens of thousands of dollars (or more) throughout the course of the loan.

First Time Farmer Finance A tax-exempt bond program that assists first-time farmers and ranchers acquire ag property at low interest rates.

FSA Guaranteed Loan Purchase Program BND purchases an FSA guarantee, lowering the interest rate for the borrower.

Livestock Waste Management System Loan Program Funds construction, renovation or relocation of an approved livestock waste management system.

Business loans

BND also offers many types of business loans, including the following. See the [Business Loans](https://bnd.nd.gov/business/) page (bnd.nd.gov/business/) for the full list and details.

Accelerated Growth Loan Program Assists companies anticipating a period of dynamic growth.

Bank Participation Loan Program Provides loan participation financing to assist financial institutions and their customers.

Bank Stock Loans Provide financing options for acquisitions or refinancing of a North Dakota financial institution's stock.

Beginning Entrepreneur Loan Guarantee Provides a loan guaranty to an originating lender providing business startup financing or early-stage business expansion.

Business Development Loan Program Helps new and existing businesses obtain loans when they have a higher degree of risk.

Export Enhancement Program Provides a guarantee under the Export-Import Bank's Equipment Export Enhancement Program for equipment manufacturers.

Flex PACE for Affordable Housing Provides financing with interest buydowns for new, affordable, multi-family housing units and non-residential child care projects, new or expanding, that are licensed in North Dakota. Projects must be located in North Dakota.

This can be used in conjunction with other state or federal programs, but the community must provide a matching component to the interest buydown.

Flex PACE Program Provides financing with interest buydowns for businesses deemed eligible by their local economic development entity. The community in which the business is located will determine if the objectives of the business meet the needs of the community and to what extent they will provide the matching portion of the buydown funds required to access the program.

This program is among the most popular utilized by local businesses and EDCs.

Match Program Provides competitive interest rates to eligible, financially strong companies looking to move to or expand in North Dakota.

PACE Program Provides financing with interest buydowns for eligible primary sector businesses. The buydown amount for which the borrower is eligible is based on the total investment or the number of jobs created.

The first three years of job creation will be considered in the allocation, and a community matching portion is required.

SBA Guaranteed Loan Purchase Program Through the SBA Guaranteed Loan Purchase Program, BND purchases the SBA guarantee, lowering the interest rate for borrowers.

USDA Government Guaranteed Loan Purchase Program BND purchases a USDA guarantee, lowering the interest rate for the borrower.

Value-added Guarantee Loan Assists companies that want to invest in value-added agriculture and energy products that add value to North Dakota commodities.

Venture Capital Fund Provides gap financing between loans and equity for business startup financing.



OTHER PROGRAMS

Other programs that are available on either the state or federal level

Innovate ND

Innovate ND provides entrepreneurs with resources to help turn an innovative idea into a profitable business. This is a four-phase program, and entry into each phase depends on meeting the requirements of the previous phase. Entrepreneurs are eligible for up to \$40,000 in reimbursements and grants. See the [Innovate ND](https://commerce.nd.gov/economic-development-finance/finance-and-incentives/financial-packages/innovate-nd) page (commerce.nd.gov/economic-development-finance/finance-and-incentives/financial-packages/innovate-nd) for more information.

LIFT Fund

The Innovation Technology Loan Fund (LIFT) supports technology advancement by providing low-interest loans for businesses to use for applied research, experimentation or testing, commercialization of new products, capacity to attract outside capital and growth financing. LIFT focuses on advanced computing and data management, agriculture

technology, autonomous and unmanned vehicles and related technologies, energy, health care, value-added agriculture, value-added energy and potentially other sectors that contribute to the diversification of the state's economy. These low-interest loans typically range from \$100,000 to \$1,000,000.

See the [Innovation Technology Loan Fund](https://commerce.nd.gov/economic-development-finance/finance-and-incentives/financial-packages/innovation-technology-loan) page (commerce.nd.gov/economic-development-finance/finance-and-incentives/financial-packages/innovation-technology-loan) for more information.

APUC

The Agricultural Products Utilization Commission (APUC) provides competitive grants that businesses or ag producers can use to create new wealth and employment opportunities through the development of new and expanded uses of North Dakota's ag products.

Applications are accepted and reviewed quarterly, and APUC focuses on requests that lead to new or expanded uses for ag products in North Dakota; increase efficiencies in productivity and value adds; are ag-based products preferred by consumers; diversify ag crop and animal industries and collateral uses for ag resources; and focus on industry and job creation in rural areas of the state.

Grant funds can be used for basic and applied research; to market or seek new markets for ag-related products or byproducts; to help diversify family farms by growing new types of crops, raising new types of livestock or adding on-farm value-added processing of ag products or byproducts; to increase ecotourism by attracting visitors to working farms or any agricultural, horticultural or agribusiness operation to enjoy, be educated or be involved in activities; and to support the development and technology of prototypes to help advance ag efforts in the state.

Matching funds are required for APUC grants. See the [APUC](https://nd.gov/ndda/apuc) page (nd.gov/ndda/apuc) for more information.

North Dakota SBA

North Dakota's district office of the Small Business Administration, with locations in both Fargo and Grand Forks, helps provide small businesses with financing options, training and other resources to help entrepreneurs get their start and keep growing. SBA has resource partners like Service Corps of Retired Executives (SCORE), Small Business Development Centers (SBDC), Veterans Business Outreach Centers (VBOC) and Women's Business Centers that provide additional business mentoring and training.

TCEDC recommends that anyone looking to get their start in business first visit a local SBDC office for assistance creating a business plan, making financial projections, conducting market research and accessing capital.

Fargo

NDSU Research & Technology Park
1854 NDSU Research Circle N, Suite #7
Fargo, ND 58102
701-499-5273
[//ndsbdc.org/contact.html#Fargo](https://ndsbdc.org/contact.html#Fargo)

Grand Forks

UND Center for Innovation
4200 James Ray Dr. Room 205
Grand Forks, ND 58202
701-738-4851
[//ndsbdc.org/contact.html#GrandForks](https://ndsbdc.org/contact.html#GrandForks)



MORE RESOURCES

**Other offices and programs
that can provide mentoring
and financing assistance**

North Dakota Development Fund

The North Dakota Development Fund coordinates efforts between sources of financing, the business and the community. Any project considered for this financing must be feasible and have a reasonable chance of succeeding.

The Development Fund offers several flexible financing options for new or expanding primary sector businesses in North Dakota, with the exception of production agriculture.

The Development Fund also administers the Regional Rural Revolving Loan Fund, which provides funding for primary sector projects located in a communities of fewer than 8,000 people, or located more than 5 miles outside city limits.

If a business cannot handle added debt, the Development Fund can take an equity financing position.

Several of the programs have job creation requirements included.

See the [Development Fund](https://commerce.nd.gov/economic-development-finance/development-fund) page (commerce.nd.gov/economic-development-finance/development-fund) for more information.

IMPORTANT NOTE

The information that has been compiled in this document describes many of the programs and incentives available in the Traill County area, but does not list all state and federal programs that are available. This information was current as of November 2022.



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