

# Renaissance Zone

The Fifty-sixth Legislative Assembly created the Renaissance Zone Act under NDCC Chapter 40-63, to make it possible for North Dakota cities to apply to the North Dakota Division of Community Services (DCS) to create a Renaissance Zone within their jurisdiction. The Fifty-seventh Legislative Assembly, through Senate Bill 2033 and House Bill 1460, made revisions to refine and provide more clarification for the program. A Renaissance Zone is a defined geographical area of up to 34 blocks within a city. Typically consisting of residential and commercial properties that need to be revitalized and redeveloped to attract businesses and residents. The Renaissance Zone Act provides for certain types of tax exemptions and credits to encourage investment in these properties. The Renaissance Zone has a duration for up to 15 years.

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## What is the Renaissance Zone & How Can It Help Me?

The Renaissance Zone Program is a state-based project, sponsored by the North Dakota Department of Commerce that utilizes tax incentives to promote business growth and urban renewal.

### How Do I Apply?

To apply, simply fill out an application available at the Economic Development Office. If you need assistance in filling out the applications, contact the Community Development Coordinator. \* The application **MUST** be submitted and approved by the City and State before any improvements can be made.

### Application Link:

<file:///C:/Users/CEDD/Desktop/Documents/Renaissance/Application%20Carrington.pdf>

### Map of Carrington's RZ:

<file:///C:/Users/CEDD/Desktop/Documents/Renaissance/Map.pdf>

### Who Qualifies?

Purchasers and current owners of single family residences located within the Renaissance Zone with improvements exceeding 20% of the true and full value may qualify. Purchasers and current owners of commercial property located within the Renaissance Zone with improvements exceeding 50% of the true and full value may qualify.

### Objectives & Goals

- The Renaissance Zone will make Carrington a more business-friendly community that will attract new businesses and services.
- The Renaissance Zone encourages home improvement to maintain a supply of a good and diverse housing inventory that meets the needs of all age groups and income levels.

- The Renaissance Zone will encourage home ownership and local investment in housing and business development.
  - The Renaissance Zone will improve the visual appearance of the downtown business district by making it a vibrant and inviting place for all types of activities.
  - The Renaissance Zone promotes Carrington as a city that offers a full range of services for its citizens, visitors and prospective customers, residents, and business owners.
  - The Renaissance Zone will improve the overall tax base and ultimately aide in creating new jobs.
  - The Renaissance Zone will be a catalyst to continued downtown revitalization, building upon infrastructure improvements and recent economic development.
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## **Possible Benefits**

### *Property Tax Exemption*

Property undergoing renovations or improvements in the Renaissance Zone Plan shall be eligible for a 50% exemption for two years on the improvements to property that is rehabilitated. Single family property tax exemption-owner. The city will grant a 100% exemption two years on the ownership up to \$100,000 of the full value of a single-family, condominium, and townhouse type structure to the first time owner or occupant. Business investment property tax exemption-construction. The city will grant an exemption for 5 years on any property expanding or newly constructed for any business purpose at the following rate: year one 100%, year two 80%, year three 60%, year four 40%, year five 20%.

### *State Tax Credit and Exemption*

Single-family residence individual income tax credit up to \$10,000 per year for five years to purchase or rehabilitation projects Business state income tax exemption up to 100% for five years for purchase, lease rehabilitation, leasehold improvement or public utility infrastructure projects Investment income exemption up to 100% for five years for purchase, lease rehabilitation, or leasehold improvements for residential or commercial properties Business purchase or expansion individual income tax credit up to \$2,000 per year for five years for purchase of a new business, expand an existing business owned by the taxpayer, or leasehold for residential or commercial projects.