



125 Years 1886-2011

## City of Oakes North Dakota

City Hall, 124 South 5<sup>th</sup> Street, Oakes ND 58474

Phone: 701-742-2137 Fax: 701-742-9336 Email: [auditor@oakesnd.com](mailto:auditor@oakesnd.com)



### SUBJECT: Renaissance Zone

#### To Qualify

**Projects of single family residences located within the Renaissance Zone must have improvements exceeding 20% of the true and full value.**

**Projects of commercial property located within the Renaissance Zone must have improvements exceeding 50% of the true and full.**

Once a project is approved as a Renaissance Zone Project (according to the process listed on the following pages) it may qualify for the following tax benefits:

#### Property Tax Exemption

Following exemptions apply to purchase of new construction, purchase with major improvements (commercial only), rehabilitation, lease, historical properties, plus those specifically listed.

- Property that is undergoing renovations or improvements in the Renaissance Zone Plan shall be eligible for a 50% exemption from taxation for two years on the improvements to property that is rehabilitated as an approved Renaissance Zone project.
- Single family property tax exemption-construction. The city will grant a 100% exemption from taxation for two years on the construction up to \$100,000 of the full value of a single-family, condominium, and townhouse type structure to the builder (this exemption is not allowable for Renaissance Zone Projects).
- Single family property tax exemption-owner. The city will grant a 100% exemption from taxation for 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 from taxation for 5 years on any property expanding or newly constructed as an approved Renaissance Zone project 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



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- Historical property income tax credit of 25% of amount invested up to \$250,000 for five years for real property that ND Historic Society certifies for preservation or renovation projects
- Non-participating property owner tax credit

The following steps must be followed to obtain a Renaissance Zone project status:

1. The applications and the supporting documents must be submitted to the City Auditor (Renaissance Zone Administrator) and will then be forwarded to the Renaissance Zone Authority for its review and evaluation.  
Listed below is the supporting documentation that must accompany the Oakes Renaissance Zone Project Application and the ND Division of Community Services Project Application:

- Proof of ownership of property or statement of intent to buy (proof of purchase) or build
  - Proof of lease or agreement for a lease of business property
  - Letter of Approval from the State Historical Society
  - Letter from Dickey County Auditor indicating no history of tax delinquency in past 3-5 years
  - Certificate of Good Standing from the Office of State Tax Commissioner
  - Letter of Credit Worthiness from a Bank or Lending Company
  - Proof residential property will be applicant's primary residence
  - Building Permit
  - Drawings/Plans and Cost Estimates
  - Property Tax Exemption Applications
2. If the Renaissance Zone Authority agrees with the eligibility and terms of the project, it is forwarded to the City Council for a public hearing.
  3. If the Renaissance Zone Authority does not agree with the eligibility and terms of the project, it may reject and request modification(s) of the project. If the project modification meets the criteria, it will then be forwarded to the City Council for a public hearing. The applicant may appeal the decision of the Renaissance Zone Authority to the City Council.
  4. If the City Council determines the project to be eligible, the Renaissance Zone Administrator will forward the documents to the ND Division of Community Services.
  5. If the ND Division of Community Services approves the project the applicant may proceed with the project.



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6. If the project is disapproved by the ND Division of Community Services, the Renaissance Zone Administrator will find out if modifications can make the project eligible.
  - If there are specific changes or conditions required by the ND Division of Community Service, the Renaissance Zone Administrator will notify the property owner about the terms and conditions required before the project can be approved. If the property owner agrees to and complies with the recommended changes and the plan is approved by the Renaissance Zone Authority and ND Division of Community Services, the project may proceed.
7. All leased buildings, new buildings constructed, and buildings under rehabilitation in the Renaissance Zone are eligible for property tax exemptions and the appropriate requests and approval must be obtained from the City Council.
8. The Renaissance Zone Administrator, with the assistance of the City Building Inspector, will oversee the project process particularly involving requirements of the ND Building Code, Energy Code and ADAAG.
9. All Renaissance Zone Projects will be publicized with City Council Meeting Minutes to inform the public of potential and approved projects.

If you would like more information or have any questions, please feel free to contact City Hall at 701-742-2137 or [auditor@oakesnd.com](mailto:auditor@oakesnd.com)