

Application Process

Renaissance Zone application must be approved before improvements begin.

A Renaissance Zone project must be approved by the Rugby Renaissance Zone Committee, Rugby City Council, and the ND Department of Commerce before an eligible purchase, rehabilitation, new construction project or lease from the property begins. A certificate of good standing for the ND Tax Department is also required. Please allow three weeks or more for the review and approval process.

Project Evaluation

In addition to minimum invest requirements, applications are evaluated based on public benefit and goals and objectives for the programs such as:

- Maintaining & expanding existing businesses.
- Including a street level commercial/retail use.
- Reinforcing emerging entertainment, medical, office, service and retail uses with compatible uses.
- Encouraging mixed use development and redevelopment of upper levels of existing buildings as residential apartments.
- Upholding Rugby's heritage with historic preservation & adaptive reuse of historic buildings.

Improvements made before approval are not eligible.

For More Information

For an application and more information, see the Financial Section of Rugby JDA website at www.rugbyjda.com or call Rugby Job Development Authority at 701-776-7655 or City of Rugby at 701-776-6181.

Rugby Renaissance Zone Program



Contact Information

Applications & additional information about The Rugby Renaissance Zone program is available at:

Rugby JDA
126 2nd Ave SW Suite 1
Rugby, ND 58368
www.rugbyjda.com

or
City of Rugby
223 South Main
Rugby, ND 58368
701-776-6181
www.cityofrugbynd.com

Centered For Growth

Property & State Income Tax Incentives for Revitalizing Downtown Rugby.

Centered For Growth

Purpose of Program: In 1999, the North Dakota Legislative Assembly approved the Renaissance Zone Act to provide tax incentives to encourage investment in downtown or other properties.

Rugby's Renaissance Zone was created in 2005 and is located within the downtown area. The intent of the zone is to revitalize the core of the community by providing specific tax incentives to encourage reinvestment in these properties.

Tax Incentives-Business & Commercial Properties

A 100% state income tax exemption on income derived from the business or investment location for five years.

Up to 100% property tax exemption for buildings, structures, fixtures, and improvements purchased or rehabilitated as a Zone project for any business or investment purpose for up to five years.

Residential Properties

A state individual income tax exemption up to \$10,000 each year for up to five years.

Up to 100% property tax exemption on improvements only to the building for up to five years.

Property tax exemptions are provided on the value of improvements only to the building. Taxes are still assessed on associated land. Additional incentives may be available for historic properties.

How to Qualify

There are several different ways to qualify for Renaissance Zone tax incentive.

- Construct a new building within the Zone.
- Rehabilitate a building you own 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 to 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.

Qualifying Investments Commercial Properties

Property owner must make capital improvements equal to the greatest of the following:

- 50% of the true and full value of the property prior to improvements.
- \$10,000 of capital investment.

Proposed capital improvements must substantially improve the life expectancy of the property. Capital investments include, but are not limited to, replacement or updating of roof, foundation, structure, siding, windows, and doors as well as electrical, plumbing, heating and cooling systems. Capital improvements do not include new floor covering, window treatments, wall coverings or furnishings.



Residential Properties

Property owner must make improvements equal to the greatest of the following:

- 20% of the true and full value of the property prior to improvements.
- \$10,000 of capital investment

Proposed capital improvements must substantially improve the life expectancy of the property. Capital improvements include, but are not limited to, replacement or updating of roof, foundation, structure, siding, windows, and doors as well as electrical, plumbing heating and cooling systems. Capital improvements do not include new floor covering, window treatments, wall coverings or furnishings.

