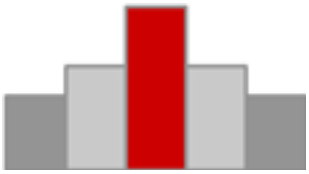
INTRODUCTION

KEY PRINCIPLES TO IMPLEMENTING THE ECONOMIC DEVELOPMENT PLAN INCLUDE:

Revitalized Downtown

- **Keep the "heart" of Minot strong**
- **Focus on redevelopment efforts, especially housing, based on market demand**



Compact Development

- **Continue efficient, economical development pattern**
- **Provide services near all neighborhoods**
- **Extend infrastructure in a cost-effective, staged plan**

Economic development is the process of creating jobs, tax base and general wealth by coordinating physical community development with private or public business ventures to produce marketable goods and services.

Minot is an important service center for the region, meeting the health care, service and shopping needs of a trade area extending into eastern Montana and Canada. It is home to the Minot Air Force Base with over 7,000 personal now stationed at the base. The base is an economic engine for the City and Ward County resulting in demand for goods, services, housing and tertiary business that support the base.

Minot is experiencing a boom to the economy due to the oilfield development resulting in low unemployment both locally and state wide. Oil companies and the businesses serving them have flocked to the area, resulting in the increased demand for housing, goods and services. The result of this demand has led to a general increase in wages with a simultaneous rise in the cost of living, particularly for housing. As noted in the Souris Basin Regional Recovery Plan the flooding in summer 2011 has exacerbated this problem leading the city into a housing crisis which is harder on lower-wage workers who cannot afford the high cost of new housing. If these workers are forced to relocate, the current workforce shortfall will worsen.

Due to this explosive growth it is important to think about overall economic health of the community in a more sustainable approach in the following ways:

- Economy- a sustainable economy means that residents can find employment and afford to live in the community; that a broad spectrum of businesses are able and encouraged to start, remain and expand in the community; and that quality city services and infrastructure are available.
- Environment- the overall economic health of a community helps to support enhancement of natural resources through the ability to generate revenue that support city programs. Furthermore, emerging business in targeted industry's related to energy can provide job opportunities and other economic benefits.
- Human-the overall economic health of the community directly relates to the affordability and ability of residents to be self-sufficient.

VISION

Minot recognizes the challenges in the current economy and also identifies that economic vitality is the foundation of community's progress and livability. To achieve these ends, the City will:

- Work to maintain Minot's significance in the region as a desirable place to live, work and recreate;

- Strive to effectively plan and manage growth to respond to housing and employment demands;
- Actively target companies that can support existing business while also expanding the diversity in the workforce.

This chapter discusses the role employment plays in achieving an economically healthy city and livable community. It discusses the relationship between jobs, housing, and transit with an emphasis on the need to link residents to jobs within the City, to increase job opportunities, and to create household-supporting jobs.

This chapter will provide focus on:

- The City's goals and policies with respect to economic development
- Provide an overview of the employment and economic conditions in Minot;
- Describe the districts where economic activity is concentrated;
- Describe the array of economic development tools and techniques available to the City;
- Provide a plan for implementation of the goals and policies.

Economic health is an important component of a healthy and thriving community. A strong commercial and industrial base provides jobs to community residents, contributes to a city's tax base, and can be a source of psychological strength to a community. Minot has a strong economy. The city's existing commercial and industrial base is thriving while new commercial and industrial establishments continue to move into the city.

GOALS AND POLICIES

Goals and policies were discussed early in the process and adopted for the various elements of the Plan. The following are goals adopted that relate to Economic Development.

GOAL 1:

Promote Minot's location within the region as a hub in which to do business.

Rationale:

Minot is the regional center for retail and services within a wide-ranging trade area. This gives Minot a unique advantage to expand its business opportunities.

Policies:

1. Work to actively market Minot as a great place to live and work.
2. Work cooperatively with all local business organizations to promote US and Canadian tourism.
3. Proactively encourage and recruit new targeted businesses to Minot.
4. Collaborate with all local business organizations to serve the needs of current and future businesses.
5. Consider the use of available financial incentives (i.e. TIF/tax abatements/grants, etc.) to assist existing businesses and attract businesses to relocate or start up in Minot.

GOAL 2:

Support, enhance, and expand existing businesses and promote new businesses in Minot.

Rationale:

The local business community is already filled with businesses that understand the issues and advantages to a Minot location and most job creation occurs from existing businesses. By working closely with the local business community, the City will be able to understand and respond to changes in the market place quickly and effectively.

Policies:

1. Promote Minot State University as a benefit to attract new businesses.
2. Support healthcare and its expansion needs.
3. Support and extend the local sales tax.
4. Work with local business organizations to recruit workers for local businesses.
5. Develop a plan to provide housing for workers in new businesses.

Economic Diversification

In addition to providing the economic activity necessary to support the oilfield development, it is also important that the City consider not only the rate of growth but the type of economic growth that is occurring. Successful cities utilize periods of explosive growth to expand the breadth of economic activity in order to make a more diversified economy that is able to respond to periodic shocks to the local economy. This is particularly important in the long run for Minot since as oil production takes on an increasing level of importance in the local economy, the local economy will become much more dependent on the swings of the world oil market and any future national or international efforts to reduce the use of petroleum products through increases in energy efficiency, carbon limits or other means.

Minot is fortunate that it had a diversified economy before the beginning of the oil boom. However, this diversification can diminish over time in boom economies as local industries that do not have to be in the community experience difficulties finding a competitively priced workforce due to the wage competition with the oilfields. Over time, if steps are not taken to mitigate the problem, non-oil dependent industries may relocate to other parts of the State or nation where labor pressures are reduced and they can find high quality workers at more reasonable wages. If not monitored on a regular basis, this loss of economic diversification can be missed until it is too late due to the fact that the economy continues to expand from oilfield related activity.

By monitoring the economic diversification of the community, Minot will be in a position to intervene at an earlier stage, to assist companies in strategic industries to remain and grow in the City rather than relocating. In addition to the use of financial incentives, the City may have a role in assisting in workforce development by providing an adequate supply of housing in order to reduce the cost of living for workers and by working with industries and educational resources to ensure adequate skills training is being provided to support strategic industries.

Finally, the City should develop an economic plan to identify industries that may currently be missing or underrepresented in the local economy so that action plans can be developed to target these desirable industries and create an environment which fosters their growth.

Employment

Table 6.1 shows the major employers in Minot and the products or services they provide. The Minot Air Force Base is the largest employer in the Minot area with 7,500 employees followed by Trinity Health. Of the top 14 employers, three are government related, three provide social service assistance, two provide medical/health care services, and two are in hospitality. None of the largest employers in the Minot area are involved in manufacturing.

Among the forces that will shape Minot's future are oil, agriculture, railroads, the Minot Air Force Base, health care and education

Table 6.1 - Major Employers, Minot Area, 2010

Major Employer	Product or Service	Employees
Minot Air Force Base	Armed Services	7,500
Trinity Health	Health Care Facilities and Clinics	2,790
Minot Public Schools	Education	1,600
ING Minot Service Center	Financial Services	934
Minot Vocational Adjustment Workshop	Social Services	602
Minot State University	Education	700
Dakota Boys & Girls Ranch	Social Services	188
Miracle Mart	Grocery Stores	500
Wal-Mart Super Center	Discount Retail	455
MLT, Inc.	Hospitality	321
City of Minot	Local Government	311
Menards	Building Products	250
Ward County	Local Government	230
SRT Communications	Telecommunications	227
Grand International	Lodging	175
Manor Care	Health Care Facilities and Clinics	150
Pure Energy	Energy	150
US Post Office	Parcel Service	130
Burdick Job Corps Center	Social Services	125
Westlie Motors	Automotive Sales	122

Sources: MCDA, Minot Chamber of Commerce; City of Minot

Minot State University

Table 6.2 and Figure 6.1 shows the number of jobs located in Ward County and the state by industry for 2000 and 2009. Ward County added just over 2,800 jobs between 2000 and 2009, which was a job growth rate of nearly 11 percent. This rate of job growth slightly lagged the state's growth rate during this time, which was 13 percent.

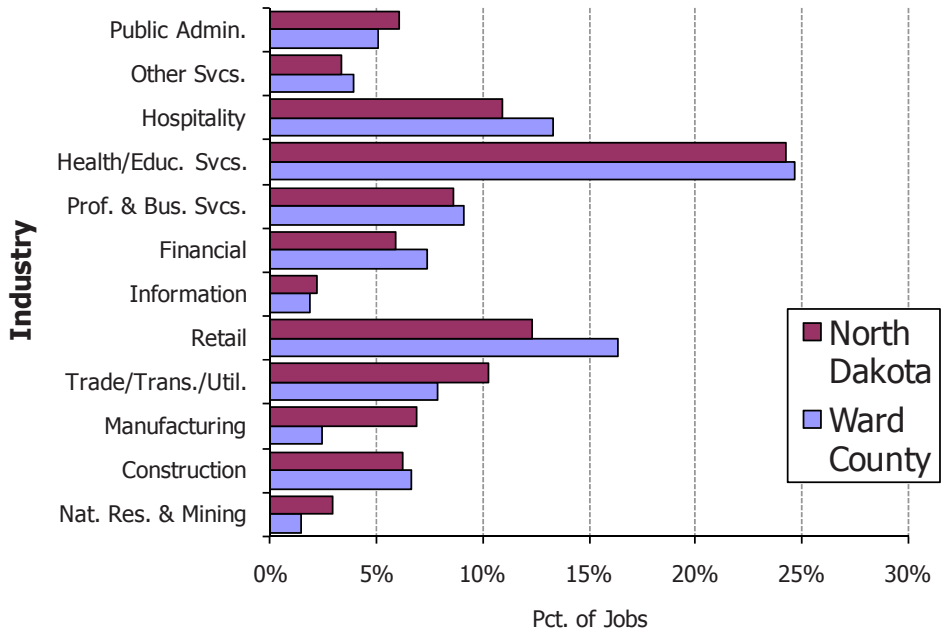
Ward County's distribution of jobs mirrors that of the state. Industries accounting for the most jobs are Health and Educational Services (25%), Retail Trade (16%), and Leisure and Hospitality (13%). Rapidly growing industries, however, include Mining (72%), Construction (42%), Leisure and Hospitality (27%), and Financial Activities (22%). In terms of overall job creation, though, biggest job producers were Leisure and Hospitality (828 jobs), Health and Education Services (619 jobs), and Construction (569 jobs).

Table 6.2 - Employment by Industry

INDUSTRY	Ward County		Change 00-09		Distribution		North Dakota		Change 00-09		Distribution	
	2000	2009	No.	Pct.	2000	2009	2000	2009	No.	Pct.	2000	2009
Goods Producing Domains												
Natural Resources & Mining	244	419	175	71.7%	0.9%	1.4%	5,850	10,389	4,539	77.6%	1.9%	3.0%
Construction	1,351	1,920	569	42.1%	5.2%	6.6%	16,908	21,714	4,806	28.4%	5.5%	6.2%
Manufacturing	658	707	49	7.4%	2.5%	2.4%	24,360	23,972	(388)	-1.6%	7.9%	6.9%
Service Producing Domains												
Wholesale Trade, Transp., & Util.	2,196	2,276	80	3.6%	8.4%	7.8%	32,159	35,994	3,835	11.9%	10.4%	10.3%
Retail Trade	*4,605*	*4,740*	*135*	*2.9%*	*17.6%*	*16.3%*	*41,352*	*43,068*	*1,716*	*4.1%*	*13.4%*	*12.3%*
Information	608	551	(57)	-9.4%	2.3%	1.9%	8,600	7,687	(913)	-10.6%	2.8%	2.2%
Financial Activities	1,747	2,136	389	22.3%	6.7%	7.4%	16,917	20,512	3,595	21.3%	5.5%	5.9%
Professional & Business Services	2,720	2,636	(84)	-3.1%	10.4%	9.1%	25,898	30,069	4,171	16.1%	8.4%	8.6%
Health & Education Services	6,527	7,146	619	9.5%	24.9%	24.6%	74,072	84,903	10,831	14.6%	24.0%	24.3%
Leisure & Hospitality	3,033	3,861	828	27.3%	11.6%	13.3%	33,167	38,302	5,135	15.5%	10.7%	11.0%
Other Services	1,136	1,132	(4)	-0.4%	4.3%	3.9%	11,616	11,635	19	0.2%	3.8%	3.3%
Public Administration	1,362	1,471	109	8.0%	5.2%	5.1%	18,325	21,317	2,992	16.3%	5.9%	6.1%
Total, All Industries	26,187	28,995	2,808	10.7%	100%	100%	309,224	349,562	40,338	13.0%	100%	100%

Source: Job Service North Dakota

Figure 6.1 - Employment by Industry - Unemployment



Source: Job Service North Dakota

Unemployment

Table 6.3 displays the size of the Ward County labor force and the number of employed persons from 1990 to 2011. Over the last 20 years, Ward County and North Dakota have maintained an unemployment rate that has been well below that of the nation. More recently, though, it is striking that the region has continued to maintain an unemployment rate at or below 3.1 percent, whereas the nation has been gripped by the worst recession in 60 years and is currently experiencing an unemployment rate near 10 percent. This low unemployment rate in light of the national recession is resulting in many new arrivals into the Minot area looking for employment. As noted previously, job growth has been occurring in several industries.

Commercial/Industrial Market

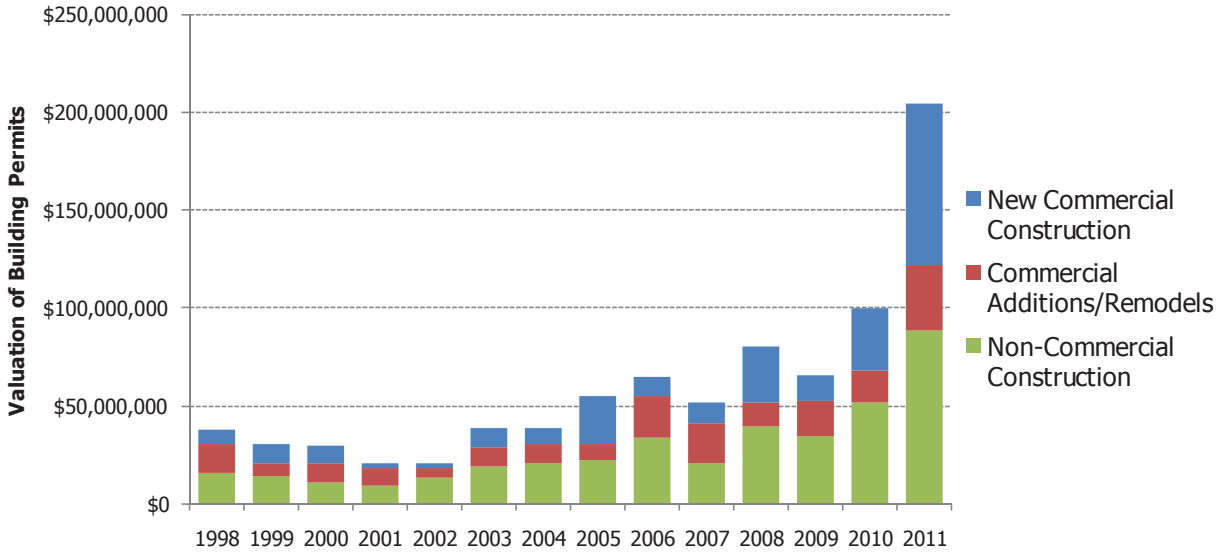
Figure 6.2 shows the amount of investment in non-commercial, commercial/industrial construction and commercial/industrial remodels since 1998. During the late 1990s and early 2000s, construction in these areas averaged less than $50 million per year. Starting in about 2005, however, the annual average jumped to above $50 million plus per year consistently until 2010. More impressively, though, construction through 2010 and 2011 is demonstrating Minot's explosive growth with 2011 being the largest value over $200 million.

Table 6.3 - Labor Force/Employment Trends
Ward County, 1990 - 2010

Year	Labor Force	Employed	Unemployed No.	Unemployed Pct.	Unem. Rate ND	Unem. Rate US
1990	26,484	25,319	1,165	4.4%	4.0%	5.6%
1991	26,161	25,013	1,148	4.4%	4.3%	6.8%
1992	26,851	25,543	1,308	4.9%	4.7%	7.5%
1993	27,147	25,821	1,326	4.9%	4.4%	6.9%
1994	28,890	27,837	1,053	3.6%	3.7%	6.1%
1995	29,171	28,233	938	3.2%	3.3%	5.6%
1996	29,508	28,611	897	3.0%	3.2%	5.4%
1997	29,631	28,853	778	2.6%	2.9%	4.9%
1998	29,473	28,579	894	3.0%	3.0%	4.5%
1999	29,331	28,391	940	3.2%	3.2%	4.2%
2000	28,238	27,347	891	3.2%	2.9%	4.0%
2001	28,244	27,382	862	3.1%	2.8%	4.7%
2002	28,004	26,971	1,033	3.7%	3.5%	5.8%
2003	27,998	26,920	1,078	3.9%	3.6%	6.0%
2004	28,038	27,031	1,007	3.6%	3.5%	5.5%
2005	28,152	27,158	994	3.5%	3.4%	5.1%
2006	28,274	27,373	901	3.2%	3.2%	4.6%
2007	29,247	28,374	873	3.0%	3.1%	4.6%
2008	29,185	28,323	862	3.0%	3.2%	5.8%
2009	29,511	28,364	1,147	3.9%	4.3%	9.3%
2010	31,199	30,367	832	2.7%	3.5%	9.5%
2011	28,935	28,036	899	3.1%	3.2%	8.3%

As of December 2011
Source: Job Service North Dakota

Figure 6.2 - Valuation of Commercial/Industrial Development
City of MInot, 1998 - 2011



Source: City of Minot

Table 6.4 breaks down the valuation of new commercial/industrial development from 1998 to 2011 by the type of use. In terms of construction value, stores and warehouses have accounted for one-quarter of all new commercial/industrial construction since 1998. The next highest types of uses are industrial and manufacturing at 20.4 percent, hotels at 19.5 percent and offices and banks at 9.9 percent. This suggests that Minot's growth has been heavily tied to its position as a regional center for commercial activity, such as retailing, with a more recent shift a substantial increase in industrial activities as a result of the oil boom and supporting companies finding available land in Minot.

Table 6.5 shows the vacancy rates and rental rates for retail, office, and industrial properties in the City of Minot over the last five years by quarter.

Table 6.4 - Valuation of New Commercial/Industrial Development by Use, City of Minot, 1998 - 2011

Commercial/Industrial Use	Total Valuation	Percent
Hotels and Motels	$48,934,000	19.5%
Amusement, Social, Recreational	$11,987,000	4.8%
Churches and Other Related	$4,319,000	1.7%
Industrial and Manufacturing	$51,213,000	20.4%
Parking Garages	$13,000	0.0%
Service Stations and Repair Garages	$408,000	0.2%
Hospitals and Institutions	$10,531,000	4.2%
Offices, Banks, and Professional	$24,865,000	9.9%
Public Works and Utilities	$10,780,000	4.3%
Schools and Educational	$3,612,000	1.4%
Stores, Customer Services, and Warehouses	$62,900,000	25.1%
Misc. Non-Residential Buildings	$12,080,500	4.8%
Structures other than Buildings	$8,904,000	3.5%
Misc. Moved or Relocated Buildings	$494,000	0.2%
Total	$251,040,500	100%

Table 6.5 - Commercial/Industrial Vacancy and Average Rent City of Minot, 2007 Q4 thru 2011 Q4

	Retail				Office				Industrial			
Time Period	Total Space	Available Space	Vacancy Rate	Average Rent/SF	Total Space	Available Space	Vacancy Rate	Average Rent/SF	Total Space	Available Space	Vacancy Rate	Average Rent/SF
2011 4Q	2,547,736	173,192	6.8%	$6.42	436,119	2,640	0.6%	$11.47	652,547	31,279	4.8%	$12.46
2011 3Q	2,547,736	196,192	7.7%	$6.42	436,119	14,480	3.3%	$11.63	652,547	50,426	7.7%	$12.46
2011 2Q	2,547,736	214,738	8.4%	$7.00	436,119	35,711	8.2%	$11.70	652,547	48,961	7.5%	$12.46
2011 1Q	2,547,736	122,508	4.8%	$7.24	436,119	38,324	8.8%	$10.73	652,547	77,280	11.8%	$10.35
2010 4Q	2,547,736	156,075	6.1%	$7.21	436,119	38,665	8.9%	$10.96	652,547	73,061	11.2%	$10.69
2010 3Q	2,547,736	152,471	6.0%	$7.21	436,119	41,630	9.5%	$10.59	652,547	47,633	7.3%	$10.69
2010 2Q	2,547,736	153,471	6.0%	$6.81	436,119	42,098	9.7%	$10.59	652,547	62,882	9.6%	$10.69
2010 1Q	2,547,736	166,979	6.6%	$9.16	436,119	34,450	7.9%	$10.52	644,547	59,908	9.3%	$10.69
2009 4Q	2,547,736	167,359	6.6%	$9.14	436,119	9,750	2.2%	$11.29	644,547	73,651	11.4%	$10.69
2009 3Q	2,547,736	155,301	6.1%	$9.14	436,119	7,050	1.6%	$9.22	644,547	61,901	9.6%	$10.67
2009 2Q	2,547,736	184,530	7.2%	$13.36	436,119	11,500	2.6%	$9.22	644,547	34,991	5.4%	na
2009 1Q	2,547,736	152,137	6.0%	$13.28	436,119	23,500	5.4%	$9.22	634,547	29,991	4.7%	na
2008 4Q	2,506,860	111,437	4.4%	$13.42	436,119	30,556	7.0%	$7.20	634,547	23,816	3.8%	na
2008 3Q	2,506,860	116,797	4.7%	$10.67	436,119	30,556	7.0%	$7.20	634,547	25,016	3.9%	na
2008 2Q	2,499,468	76,511	3.1%	$8.50	436,119	16,956	3.9%	$7.20	634,547	25,016	3.9%	na
2008 1Q	2,499,468	74,719	3.0%	$9.91	436,119	16,956	3.9%	$7.20	634,547	25,016	3.9%	na
2007 4Q	2,499,468	29,211	1.2%	$8.31	436,119	16,956	3.9%	$7.20	634,547	27,096	4.3%	na

source: CoStar

Retail

Minot is a regional center for retail with a trade area includes most of northwestern North Dakota, northeastern Montana, and portions of southeastern Saskatchewan and southwestern Manitoba. It is common for families to travel from as far away as Glasgow, Montana, which is 270 miles to the west, for semi-annual trips to shop at the Dakota Square Mall and other area retailers. Therefore, for a community of its size, Minot has a very significant amount of retail space.

Minot has approximately 2.5 million square feet of leasable retail space, of which 6.8 percent or 173,000 square feet is currently available for lease (2011 Q4). The average rent for retail space is $6.42 per square foot. Because Minot has such a well-developed retail economy, there is a lot of choice in the marketplace retailers who want to locate in Minot. As a result, average rents appear somewhat low. However, at prominent shopping centers and newer developments, retail rents can be as high as $20 per square foot. This is evident from Table X where the average rents in 2008 and 2009 were much higher, over $13 per square foot. This is because a new center was completed at that time skewing average rents higher.

It should also be noted that the vacancy rate for retail has been as low as 1.3% (2007), which is phenomenally low for commercial space. Recent construction has helped add supply, and thus pushed up vacancy rates slightly, but it clearly indicates that there currently is strong demand for new retail space.

Office

The office market in Minot is not as diverse as the retail market but demand has increased the past year resulting in a very low vacancy at .6% at the 4th quarter of 2011. This is a sharp decline from 8% earlier in the year. Unlike retail, there is not a significant supply of office space. As a result, small changes in the amount of vacant space can be reflected as a large change in the vacancy rate. More importantly, a vacancy rate under 10 percent for office space indicates a strong level of pent-up demand because office buildings experience a higher rate of turnover than other retail or industrial properties. Secondly, the average rent for office space is over $11 per square foot, which is very strong. Both of these factors suggest that there is very strong demand for office space in Minot.

Industrial

Industrial buildings come in a lot wider variety of types than office or retail buildings. Because of this variation, industrial properties generally command much lower rents than office or retail properties. In Minot, however, industrial rents match or even exceed office and retail rents. The only explanation for this is that there is very little supply of available industrial space in Minot. Therefore, in order to avoid businesses from moving out of town because they have no room to grow, it will be important to make sure there is enough desirable industrial space in Minot.

Economic Development Advantages

Minot has several advantages that it can capitalize on in its economic development efforts. The first is market size. Given its historic leadership position in the economic development of this portion of the region, Minot serves as the central hub for north central and northwest North Dakota, as well as parts of Montana and the Canadian provinces of Manitoba and Saskatchewan. The city's transportation system includes three major highways, three railroads, bus service, major trucking firms, and a modern international airport.

Minot has worked hard over the past decade to maintain its infrastructure, find business growth and expansion opportunities and improve the appearance of the downtown area to make it a more attractive destination for visitors. Minot's existing and expanding industrial, value added agricultural, rail, energy, health care and education sectors are positive contributors to the city's economy. Value added agriculture is an increasingly important economic development opportunity for Minot, and the City in conjunction with the Minot Area Development Corporation, is committed to growing the value-added agricultural processing business through Minot's Agricultural Park.

Minot benefits from higher education provided by Minot State University (MSU) with its various undergraduate and graduate programs. The University's central role is to provide workforce training and to train students to be good citizens and contributors to the community, but MSU also strives to meet the educational needs of all students through distance learning, professional development and research aimed at providing the necessary job skills for future employees and employers alike in Minot and the larger western North Dakota Region. MSU programs, facilities, and faculty provide direct and indirect economic benefits to Minot and the region, and contribute to the quality of life in Minot.

In order to support and maintain this growing economy, the city has planned for managed growth and available land resources to ensure an appropriate mix of development and an adequate land supply to secure new business growth in a variety of sectors.

The Future Land Use (as displayed and discussed in the Land Use Chapter) identifies areas for Commercial, Industrial and Office Business Park land uses. Of these categories, the Industrial land use category is the largest with over 5,000 net acres planned. This land use will accommodate growth in rail, value added agriculture, manufacturing, warehousing in addition to providing available industrial land adjacent to the northeast bypass.

Commercial land uses (just over 870 net acres) are divided between neighborhood and general commercial land uses. General Commercial, including professional and personal services and office space is an essential to keep pace with residential growth. This land use category is planned around existing commercial corridors with expansion to serve future transportation corridors by way of new commercial nodes at future intersections and interchanges. This land use is also applied to north and south Broadway, downtown and areas of revitalization such as portions of Burdick Expressway. Infill and redevelopment of existing commercial areas is an important element of economic development. Redevelopment can bring about resurgence to a neighborhood with increased tax base and new jobs and services without relying on new development and extension of infrastructure. Neighborhood Commercial is a smaller land use intended to provide retail and services at the neighborhood level with design that is compatible to the neighborhood.

A new Office Business Park land use designation (just over 800 net acres) will serve a more specialized niche of office, technology and specialty manufacturing uses. This category can support industrial areas but without the intensity of some more heavy industrial users. This category is planned along major transportation corridors.

DEVELOPMENT TOOLS

Various development tools are available to retain and improve existing businesses and attract new businesses in Minot. The City of Minot contracts with Minot Area Development Corporation (MADC) to market the region for business and economic growth. This includes the Renaissance Zone program that can provide MADC with additional incentives to offer businesses expanding or relocating in the Zone.

Finance Tools

Economic development actions require a framework for financial-decision making. The investment of public dollars to achieve economic development objectives should be guided by several key principles:

- Financial resources are limited. The city and local economic development organizations has limited funding to apply to economic development initiatives, so the use of resources must be targeted to achieve the greatest effect on the community.
- Financial decisions require long-term perspective. The current use of financial resources may reduce monies available in the future. In evaluating short-term opportunities, it is important to question the long-term impact on community development.
- Public funds should lead to private investment. While this section focuses on public finance actions, economic development cannot become reality without private investments. The use of public funds should be targeted to actions that encourage private investment in Minot.

Renaissance Zone

The Renaissance Zone is a development program designed to help rebuild Minot's downtown area in an effort to maintain historic attractiveness. A Renaissance Zone may be a defined geographical area of up to 20 contiguous blocks within a continual boundary, typically in the central city that consists of residential, commercial and industrial zoned properties. These properties may be in need of revitalization and redevelopment to attract businesses and residents. The Act provides for certain types of tax exemptions and credits to encourage investment in these properties. The City of Minot was granted acceptance into the program in November 2001 with a maximum of 15 years on the first zone. Two additional zones have been added.

The city's vision for the Zone is that of a transformed district where utilization of commercial, residential and industrial resources are maximized while maintaining the historic attractiveness of the area and quality of life attributes of the entire City. Objects of this program are to offer financial incentives, various tax exemptions and credits that will enhance desirable economic, residential and recreational opportunities through capital investment within the Zone. Specific goals and objectives of the renaissance zone included:

- Make provisions for adequate parking for current and future businesses, employees and shoppers in the CBD.
- Encourage new businesses to locate in the Central Business District (CBD).
- Encourage all building owners to maintain their buildings in a suitable manner and where lacking, bring buildings into code compliance.
- Encourage a continued mix of commercial, retail, services, government and residential uses in the CBD.
- Encourage the preservation and if necessary, the restoration of any historical buildings in the CBD.
- Support all activities to ensure an active, vital and prosperous CBD now and in the future.
- Increase the attractiveness of the CBD.

Available tax exemptions and credits include the following:

State Income Tax Exemptions

- Individual income tax exemption for rehabilitation of single-family residential property.
- Business/investment income tax exemption for rehabilitation of residential or commercial property for any business or investment purpose.

Property tax exemptions for single family and business/investment properties.

Historic Preservation and Renovation Tax Credit

- State income tax credits and federal income tax credits are allowed depending on qualifications.

The City has a thorough application, review criteria and review process and a Renaissance Zone Review Board representing business groups, the City and residents at large. Figure – displays the project approval areas of the Renaissance Zone.

Minot Area Development Corporation

The Minot Area Development Corporation (MADC) provides assistance to facilitate the retention of existing businesses, support expansion, and start up or relocation of businesses to the Minot area. The MADC operates together with the support of investors including the City of Minot, Ward County, and the state of North Dakota to finance economic development programs that enable Minot to stay competitive on a national basis. The MCDA also leads work force development programs in Minot in coordination with local employers. Its goals ensure that Minot employers have access to a skilled talent pool to meet their workforce needs.

Local incentives include the MAGIC (Minot Area Growth through Investment and Cooperation) Fund which is a local economic development financial incentive funded by 1% sales tax, managed through the City of Minot. To-date the fund has assisted over 185 projects with over 25 million in funding. Another program is the Minot Area Development Corporation Jobs Development Fund (JDF). This is a private funding source managed by the MADC to assist area businesses in the creation of jobs and capital investments.

The State of North Dakota offers a variety of incentives for business retention and expansion including the following:

COMMUNITY DEVELOPMENT BLOCK GRANT

The North Dakota Community Development Block Grant (CDBG) program provides financial assistance, in the form of matching grants, for community development activities. These funds are block granted to states from the Department of Housing and Urban Development (HUD), and in turn, the State has designated the eight Regional Councils to recommend projects for potential funding. Eligibility is limited to only local units of government (i.e. incorporated cities and counties).

BANK OF NORTH DAKOTA AND VENTURE CAPITAL

The Bank of North Dakota (BND) is the only state owned and operated bank in the nation. It offers economic and industrial development financing instruments that are not found elsewhere. Although the bank does not make direct loans to businesses, the loan programs can be accessed through participation with a lead financial institution.

Department of Commerce - Economic Development & Finance Division provides assistance through a number of programs available to local businesses.

NORTH DAKOTA DEVELOPMENT FUND (NDDF)

NDDF is a non-profit development corporation with the purpose of providing flexible "gap financing" for start-up, second-and-third-stage growth companies.

- Borrower must be a North Dakota primary sector business
- Investments include equity positions, loans, real estate, partnerships and other innovative financing mechanisms
- Businesses may receive up to $300,000, but not more than half of the project's total capitalization needs
- Agricultural Products Utilization Commission (APUC)

APUC provides funding for the research, development, and marketing of value-added agricultural products. Eligible projects/studies include:

- Development and marketing of new and/or expanded uses or technologies for processing North Dakota agricultural products
- Industrial and other non-food products and processes utilizing agricultural output
- Food, feed, and fiber products and uses, which are innovative and add to the value of agricultural products

Mini grants up to $5,000 are available for on-farm, value-added enterprises.

Minot Convention and Visitors Bureau

The Minot Convention and Visitors Bureau serves as the one-stop information center for promoting Minot and all its places to visit for residents and visitors alike including convention and meeting services.

Implementation

The following Economic Development Plan identifies efforts Minot will pursue to create opportunities to maintain the strength of the economy. These strategies are based on goals for the overall economy and more specifically business retention and growth through input received during community meetings, Steering Committee, Planning Commission and City Council. In addition, after the flood, FEMA's Long-Term Community Recovery Team established a multi-month public engagement effort in Minot and the surrounding region in an effort to understand the full extent of the flood and the direct needs and desires of the residents of Minot and region in its recovery. From this effort, the Long-Term Community Recovery Team prepared the Souris Basin Regional Recovery Strategy that includes specific projects to aid in the recovery. Relevant economic development related projects are included within this Action Plan but are also described in more detail in the FEMA report.

The City's broader vision for economic health includes the following strategies articulated in various action steps:

- A balanced and targeted approach to business retention, expansion and attraction.
- A proactive role by the City in the economic health of the community.
- Cooperative partnerships with local and regional organizations and the private sector to future enhance economic health.
- Diversifying the economy by focusing on new job creation, new industry attraction, and leveraging the unique location, and resources Minot has available to expand the economy.

To expand and diversify the City's tax base by encouraging an adequate supply of sites and buildings to meet the demand for commercial and industrial development the City will:

- Ensure the adequate available land to support commercial and industrial growth is available within each growth phase to meet demand.
- Encourage and facilitate infill commercial, industrial and retail development on remaining vacant parcels to ensure maximum efficiency of land use.
- Monitor status of vacant building and or sites to encourage and facilitate redevelopment of underutilized or distressed property into viable commercial and industrial developments.
- Ensure that adequate public infrastructure will be available to serve future commercial and industrial development.
- Prepare a comprehensive downtown revitalization plan that addresses redevelopment including residential and commercial with emphasis on building design, streetscape and open space amenities that will attract residents and businesses to downtown.
- Identify other redevelopment corridors that could benefit from a redevelopment plan aimed at reinvestment. This effort should include the Burdick Expressway corridor from Broadway to the State Fairgrounds.

To attract and encourage new light industrial, high tech, business and professional service enterprises and maintain and expand existing businesses in Minot the City will:

- Identify target markets or industries and prepare an implement a marketing plan to attract businesses that fit this market.
- Continue to support local business retention and expansion initiatives.
- Work with local businesses, industries and economic development organizations to ensure needs for expansion and development are adequately met.

- Promote available financial incentives to attract businesses to relocate or start business in Minot.

To create a diverse and sustainable economy the City will: (information in this section is included in more detail in the *Souris Basic Regional Recovery Strategy*).

- Prepare and economic development action plan that identifies current and desired strategic industries.
- Maintain contact with key local businesses on an annual or semi-annual basis so that any business strain can be identified and address before decisions are made to relocate.
- Work with local education resources and industries to ensure that the workforce is being educated with the skills necessary for benefitting the local economy
- Identify and promote new businesses, quality of life enhancements and amenity upgrades that will appeal to the higher levels of affluence that accompany the influx of wealth from the oilfield development. This will help to capture and recycle as many of these oilfield related dollars as possible in the local economy and support a greater diversification of economic activity.
- Partner with the Chamber, MADC or other local economic development organizations in a study of the entrepreneur and small business needs within Minot.
- Partner with the Chamber, MADC and Souris Basin Planning Council to prepare and conduct a workforce survey.

To make certain an adequate supply of housing, including affordable housing, is available for the workforce the City will:

- Preserve existing housing stock and make available land for future residential construction near major employers, within mixed use settings and in areas accessible to transit.
- Perform housing needs studies with large employers. Work cooperatively with employers on appropriate temporary workforce housing options.