

Sixty-second
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2048

Introduced by

Legislative Management

(Taxation Committee)

1 A BILL ~~for an Act to create and enact a new subsection to section 40-58-20 of the North Dakota~~
2 ~~Century Code, relating to benefits received by renaissance zone property from tax increment~~
3 ~~financing districts; and to amend and reenact subsection 1 of section 40-63-03 of the North~~
4 ~~Dakota Century Code, relating to benefits received by tax increment financing district property~~
5 ~~from renaissance zones.~~ for an Act to create and enact a new subsection to section 40-63-03 of
6 the North Dakota Century Code, relating to informational reporting by cities and the department
7 of commerce on the status of property included in both a tax increment financing district and a
8 renaissance zone.

9 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

10 ~~— **SECTION 1.** A new subsection to section 40-58-20 of the North Dakota Century Code is~~
11 ~~created and enacted as follows:~~

12 ~~— A lot or parcel of property may not receive benefits through a development or renewal~~
13 ~~plan approved after July 31, 2011, for tax increment financing purposes if that lot or~~
14 ~~parcel of property is receiving benefits through a renaissance zone under chapter~~
15 ~~40-63.~~

16 ~~— **SECTION 2. AMENDMENT.** Subsection 1 of section 40-63-03 of the North Dakota Century~~
17 ~~Code is amended and reenacted as follows:~~

18 ~~— 1. A city may apply to the department of commerce division of community services to~~
19 ~~designate a portion of that city as a renaissance zone if the following criteria are met:~~

20 ~~— a. The geographic area proposed for the renaissance zone is located wholly within~~
21 ~~the boundaries of the city submitting the application.~~

22 ~~— b. The application includes a development plan.~~

23 ~~— c. The proposed renaissance zone is not more than twenty-three square blocks,~~
24 ~~except in a city with a population of greater than five thousand the renaissance~~

1 zone may exceed twenty-three square blocks at the rate of one additional block
2 for each additional five thousand population to a maximum size of thirty-eight
3 blocks. Population is based upon the most recent federal decennial census.
4 ——— If a city finds that renaissance zone projects have satisfactorily completed
5 one or more blocks within the renaissance zone, the city may apply for and the
6 department of commerce division of community services may approve withdrawal
7 of those blocks from the renaissance zone and replacement of those blocks with
8 other blocks that otherwise meet the requirements of this chapter.
9 ——— d. ——— Except as provided under subdivision g, the proposed renaissance zone has a
10 continuous boundary and all blocks are contiguous.
11 ——— e. ——— The proposed land usage includes both commercial and residential property.
12 ——— f. ——— The application includes the proposed duration of renaissance zone status, not to
13 exceed fifteen years. Upon application by the city, the department of commerce
14 division of community services may extend the duration of renaissance zone
15 status in increments of up to five years.
16 ——— g. ——— The proposed renaissance zone may have a single exception to the continuous
17 boundary and contiguous block requirements under subdivision d if the area of
18 the excepted noncontiguous blocks does not exceed three square blocks.
19 ——— h. ——— The department of commerce division of community services may not designate
20 a renaissance zone after July 31, 2011, if that renaissance zone includes a lot or
21 parcel of property that is receiving benefits through a development or renewal
22 plan for tax increment financing purposes under section 40-58-20.

23 **SECTION 1.** A new subsection to section 40-63-03 of the North Dakota Century Code is
24 created and enacted as follows:

25 If within a renaissance zone there is property that is included in a tax increment
26 financing district, the city in which the property is located shall provide the department
27 of commerce an annual report regarding any such property at the time requested by
28 the department of commerce. The report required under this subsection must identify
29 the property, provide the expected duration of inclusion of the property in the tax
30 increment financing district and the renaissance zone, and identify any property and
31 income tax benefits of the property and the expected duration of those benefits. The

1 department of commerce shall deliver an annual report compiling the information
2 required under this subsection to the legislative management interim committee on
3 taxation issues or upon request of any other interim committee of the legislative
4 management.