



**Testimony of Dana Hager
Economic Development Association of North Dakota
In Support of HB 1266
January 16, 2023**

Chair Headland and members of the House Finance and Taxation Committee:

I am Dana Hager from the Economic Development Association of North Dakota (EDND), and I would like to express our support for HB 1266 relating to projects and reapplication for Renaissance Zone designation.

EDND represents more than 80 state economic development organizations on the front line of economic development efforts throughout North Dakota. The organization's primary purpose is to promote the creation of new wealth throughout North Dakota to develop more vibrant and efficient communities and improve quality of life.

Strengthening and increasing community development programs is a priority for EDND. Healthy and vibrant communities are essential in attracting talent and future workforce to live and work in North Dakota. EDND supports effective tools and programs, such as Renaissance Zones, to attract development and improve the quality of life in North Dakota communities.

The Renaissance Zone program is a unique economic development tool in that it encourages investment in downtowns and other blighted properties. It attracts development and a variety of businesses as well as housing to these underutilized areas of our communities. Redevelopment projects in downtowns are often more expensive than new development projects of equal square footage, thus making these older areas of our communities less attractive to developers. The Renaissance Zone tax incentive serves as an important tool for communities.

Currently, if a city does not apply for an extension, the zone will expire and there is no mechanism to renew an expired zone status. A new or reestablished renaissance zone may not be approved in that city. HB 1266 will allow a city to reapply for a subsequent Renaissance Zone after expiration. We feel this is a smart solution and a great opportunity to keep this program utilized throughout the state.

Thank you for taking the time to examine renaissance zones and help them remain a valuable incentive in our communities. I urge the committee's support HB 1266. Thank you.