

**To: Workforce Committee**  
**From: North Dakota League of Cities**  
**Date: October 29, 2007**  
**Re: City Job Development Authorities**

**City Job Development Authorities**

NDCC Chapter 40-57.4

- May be created by resolution of the city governing body after a public hearing
- In lieu of establishing a job development authority, the city governing body may enter into a contract with an active industrial development organization.

**Funding for City Job Development Authorities:**

- Local levy up of to four mills (NDCC 57-15-10, subsection 28),
- Local sales tax revenues (NDCC 40-05.1),
- Equity positions in new or expanding business (NDCC 40-57.4-03, subsection 12),
- Loan and lease payments, other.

**Financing mechanisms:**

- Loans and grants,
- Conveyance of property,
- Equity positions,
- PACE interest buydown,
- Other state and federal programs.

Survey responses through the Economic Development Association of N.D. -  
Funding and Financing:

Pembina County JDA, Cavalier

2 mill county levy

Financing: typically interest buydown

Forward Devils Lake Development Corp.

Mill levy from Ramsey County and City of Devils Lake,

Devils Lake city sales tax

Equity investments

Financing: loans – 36%, grants – 32%,

equity investments – 16%, interest buydown – 16%

Stark Development Corp., Dickinson

Mill levy from Stark County

Funding from City of Dickinson

Equity investment in one business

Grand Forks JDA

Grand Forks city sales tax

Loan and lease payments

U.S. Economic Development Admin. revolving loan fund

Financing: loans, grants, interest buydowns,

equity investments in two businesses

Hazen JDA

4 mill levy from City of Hazen

50% of Hazen city sales tax

Financing: partial loan guarantees, rent guarantee

Jamestown/Stutsman Development Corp.

2006 funding: approx. \$550,000 from Stutsman County,

\$7.3 million from City of Jamestown

Financing: grants, loans, interest buydowns, conveyance of  
property, equity investment

Cavalier County JDA, Langdon

4 mill levy from Cavalier County

1/3 of Langdon city sales tax – approx. \$55,000 per year

No equity investments

Financing: loans, state economic development programs

Rolla JDA

City of Rolla sales tax - \$75,000 in 2006

No equity investments

Tioga Area Economic Development Corp.

Portion of Tioga city sales tax

Wahpeton JDA

City mill levy

Financing: PACE interest buydown, other

Economic Impact of Job Development Authorities:

- Business incentives annual report (NDCC 54-60.1-08, subsection 2)  
\$25,000 or more of assistance in a year – business incentive agreement
- Annual reports:

Stark Development, Dickinson

2006 projects – 47 jobs created

Grand Forks JDA

2005 projects – 458 jobs created

2006 projects – 481 jobs created

Jamestown/Stutsman Development

2005 projects – 153 jobs created

2006 projects – 95 jobs created

