
CHISAGO COUNTY TAX ABATEMENT – TAX INCREMENT FINANCING INVESTMENT POLICY

1. PURPOSE AND AUTHORITY

- 1.01 The purpose of this policy is to establish the application process and the criteria for tax abatement and tax increment financing investment applications in Chisago County. This process and these requirements apply to both the Chisago County Housing & Redevelopment Authority-Economic Development Authority (HRA-EDA) and the Chisago County Board of Commissioners for reviewing and considering said applications.
- 1.02 Chisago County is authorized to make tax increment financing investments or to provide tax abatement pursuant to Minnesota Statutes §469.1812 through §469.1815.

2. APPLICATION REQUIREMENTS AND PROCESS

- 2.01 Each request for tax abatement and tax increment financing investment shall be submitted in writing to Chisago County HRA-EDA on a form provided by the HRA-EDA.
- 2.02 Chisago County HRA-EDA shall review each application and make recommendations to the Chisago County Board.
- 2.03 Chisago County Board of Commissioners shall hold a public hearing on the tax abatement or tax increment financing investment application following which the investment may be approved. The investment will be implemented only upon passage of a resolution and Tax Abatement Agreement or Tax Increment Financing (TIF) Development Agreement specifying the terms of the investment.

3. PUBLIC POLICY REQUIREMENTS

Each application requesting tax abatement or tax increment financing investment from the County must:

- 3.01 Demonstrate in the application that the benefits to the County will be at least equal to the costs of the tax abatement or tax increment financing investment.
- 3.02 Demonstrate support from the local unit of government.

- 3.03 Demonstrate that the project will benefit the County in at least two of the following ways:
- a) Increase or preserve tax base;
 - b) Create or retain jobs (retention only considered when job loss is imminent and demonstrable);
 - c) Provide or help acquire, finance or construct public facilities;
 - d) Help develop or renew blighted areas;
 - e) Help provide access to services for residents of the County;
 - f) Retain the business if it is at risk of relocating outside of the County.

4. APPLICATION CONSIDERATION

The following criteria will be considered by Chisago County when reviewing applications for tax abatement or tax increment financing investment in accordance with Minnesota Statutes. However, it should not be presumed that a project meeting these criteria will automatically be approved. Meeting these criteria creates no contractual rights on the part of any applicant, business, community, proposed project or developer.

- 4.01 The County may consider retail or service businesses for tax abatement or tax increment financing investment if it is determined the proposed project accomplishes at least two of the following goals:
- a) Creates quality employment;
 - b) Creates tax base;
 - c) Provides or helps acquire, finance or construct public facilities;
 - d) Helps develop or renew blighted areas;
 - e) Helps provide access to services for residents of the county; or
 - f) Retains a business if it is at risk of relocating outside of the county.
- 4.02 The County may consider the impact of the project on the surrounding area including but not limited to: Pollution; traffic; sewer and water; parks; and, need for additional government services such as law enforcement.
- 4.03 The preferred term of tax abatement or tax increment financing investment will be 5 years or less. The County Board can approve longer or shorter terms at its discretion.
- 4.04 The County may limit the amount of the tax abatement or tax increment financing investment:
- a) To a specific dollar amount per year or in total;
 - b) To the increase in property taxes resulting from improvement of the property;
 - c) To the increases in property taxes resulting from increases in the market value or tax capacity of the property;
 - d) In any other manner the County determines is appropriate;

- e) The County may not abate tax attributable to the value of the land or the area wide tax under Minnesota Statutes, §276A or §473F.
- 4.05 Equal consideration may be given to businesses currently located in the County which are expanding and adding on to their existing building and new businesses seeking to locate in the County. Preference may be given to businesses that demonstrate a legitimate risk of relocating in another state.
- 4.06 Tax abatements and tax increment financing investments will only be provided within debt limit guidelines and other appropriate financial requirements and policies.

5. APPLICATIONS WILL RECEIVE PRIORITY FOR:

- 5.01 Priority will be given to projects that create quality employment. “Quality employment” for the purpose of this policy is defined as a job which pays \$12.00 per hour or more, plus benefits.
- 5.02 Preference will be given to projects which include manufacturing, distribution, or technology-based firms or business which employ a majority of professional or skilled labor.
- 5.03 Preference will be given to projects constructed of block, engineered concrete, brick or engineered steel buildings (not pole) which contain decorative accessory materials (brick).
- 5.04 The applicant, proposed project or potential development must comply with the applicable Comprehensive Plan and Zoning Ordinances, or required changes to the Plan and Ordinances must be under active consideration at the time of approval.
- 5.05 To be considered as a redevelopment project at least 90 percent of the tax abatement or tax increment financing investment by the County must be expended by the applicant to eliminate blight conditions which justify creation of a redevelopment district.

**Revised/Approved by County Board: July 23, 2008
Co. Bd. Policy Number #2008-4**

**Revised/Approved by HRA-EDA Board: June 24, 2008
Revised: July 19, 2000
Adopted: October 25, 1999**



CHISAGO COUNTY HRA - EDA
Business Assistance Financing Application – Tax Abatement

APPLICANT INFORMATION:

Business Name: _____ Date: _____

Business Address: _____

City: _____ State: _____ Zip Code: _____

Business Type: _____ Corporation _____ Sole Proprietorship _____ Partnership

Please select: _____ New Business _____ Existing Business # of Years in Business _____

Contact Person / Authorized Representative: _____ Title: _____

Daytime Phone: _____ Alternate Phone: _____ Fax: _____

PROJECT INFORMATION:

Please attach description of business.

Please attach description of the proposed project (including building size, building type, site plan and sketches).

Please attach a description of why the assistance is needed, be specific.

Please attach a legal description of the property.

Location of Proposed Project: _____

Parcel #'s: _____

Present ownership of site: _____

Anticipated project start date: _____ Completion Date: _____

Amount of Business Assistance Requested: _____

Job Goals – as stated below TOTAL EMPLOYMENT NUMBERS will be included in development agreement:

	Current Jobs			+	New Job Creation			=	TOTAL EMPLOYMENT NUMBERS
	# of Employees	Average Hourly Wage	Benefits? yes/no		# of Employees	Average Hourly Wage	Benefits? yes/no		
Full Time									FT
Part Time									PT

LENDER INFORMATION: Contact Name: _____

Name of Bank: _____ Phone Number: _____

LEGAL COUNSEL: Contact Name: _____

Name of Firm : _____ Phone Number: _____

FINANCIAL INFORMATION: *Additional financial information may be requested.*

Estimated Project Related Costs:

1. Land Acquisition	\$ _____
2. Site Development	\$ _____
3. Building Cost	\$ _____
4. Equipment	\$ _____
5. Architectural/Engineering Fees	\$ _____
6. Legal Fees	\$ _____
7. Off-Site Development Costs	\$ _____
8. Other (please explain)	\$ _____
9. TOTAL PROJECT COST	\$ _____

Sources of Financing

1. Private Financing Institution	\$ _____
2. Business Assistance Requested (Total Request)	\$ _____
3. Other Public Funds	\$ _____
4. Developer Equity	\$ _____
5. TOTAL SOURCES	\$ _____

PUBLIC PURPOSE: What benefits will the County and its residents gain if assistance is provided?

_____ Job Creation _____ Job Retention _____ Job Training _____ Land Clean Up

_____ Tax Base _____ Removal of Blight _____ Redevelopment _____ Other(please list)

USE OF TAX ABATEMENT FUNDS: Please check all that apply.

_____ Building Improvements _____ Building Expansion _____ New Construction

_____ Equipment purchases _____ Infrastructure/utilities _____ Assessments

_____ Site improvements _____ Land acquisition _____ Demolition/clean-up

TAX IMPACT AND PROPOSED TAX ABATEMENT BREAKDOWN: *COMPLETED BY HRA-EDA STAFF*

Current Market Value \$ _____
(Land MV: \$ _____ # of acres: ____; Bldg MV: \$ _____)
Current Property Taxes: City \$ _____ County \$ _____ Total \$ _____
Estimated Market Value Following Completion \$ _____
(Land MV: \$ _____ # of acres: ____; Bldg MV: \$ _____)
Estimated Property Taxes: City \$ _____ County \$ _____ Total \$ _____

PROPOSED TAX ABATEMENT REQUEST: \$ _____
City Total: \$ _____ (Annual Amt: \$ _____ for ____ years)
City Approval: Pending (Date: _____) Approval Date: _____
County Total: \$ _____ (Annual Amt: \$ _____ for ____ years)

AUTHORIZED SIGNATURE OF APPLICANT

I/We certify that all statements on this application are true and correct to the best of my/our knowledge and that any intentional misstatements will be grounds for disqualification.

I/we authorize and agree to provide reasonable access to information, and reasonable access to construction project site to allow monitoring the project implementation for compliance with program objectives and assistance guidelines.

By signing – applicant(s) agrees to job creation requirements, provide additional information if requested, and may be required to provide to Chisago County HRA-EDA a deposit to cover administration and consulting expenses associated with your project. Unused funds will be returned upon completion of this process.

If abatement request is approved – an abatement agreement is required.

_____	_____	_____
Applicant	Title	Date
_____	_____	_____
Applicant	Title	Date

WHEN COMPLETE – PLEASE RETURN TO:

Chisago County HRA-EDA, 38871 – 7TH Avenue, PO Box 815, North Branch, MN 55056, 651-674-5664

Submit along with application:

- 1) Preliminary financial commitment from bank/funding source (commitment letter)
- 2) Pro Forma Analysis
- 3) Businesses Articles of Incorporation or Partnership Agreement
- 4) Legal Description
- 5) All other materials as outlined in application

TENNESSEN WARNING: DATA PRIVACY STATEMENT

In accordance with the Minnesota Government Data Practices Act, the Chisago County HRA-EDA is required to inform you of your rights as they pertain to private information collected from you. Private data is that information which is available to you from the Chisago County HRA-EDA but is not available to the public. The personal information the Chisago County HRA-EDA collects about you is generally considered private.

The information collected from you, as part of the attached application will be used to determine your eligibility for public financial assistance. You are not required to provide this information, but if you do not, the Chisago County HRA-EDA will not be able to determine your eligibility for assistance.

The private data we collect will be disseminated and used only when it is required for administration and management of the program. Persons or agencies with whom this information may be shared include:

1. Members of the Chisago County HRA-EDA and Chisago County staff who review applications.
2. Staff persons involved in administration of the assistance program.
3. Auditors who perform required audits of Chisago County HRA-EDA and Chisago County programs.
4. Authorized personnel from the Minnesota Department of Employment and Economic Development and the U.S. Department of Housing and Urban Development or other state and federal agencies providing funding assistance to you.
5. Personnel from the Chisago County HRA-EDA and/or City financial advisor to assist in the review of the application.
6. Those persons whom you authorize to see the data.
7. Law enforcement personnel in the case of suspected fraud.
8. Personnel from the City and/or Jurisdiction who will be reviewing and considering tax abatement.

Unless otherwise authorized by state statute or federal law, other government agencies using the private data must also treat it as private.

You may wish to exercise your rights as contained in Minnesota Government Data Practices Act. Those rights include:

1. The right to see and obtain copies of the data maintained on you,
2. The right to be told the contents and meaning of the data, and
3. The right to contest the accuracy and completeness of the data.

To exercise these rights, contact Nancy Hoffman, Executive Director, Chisago County HRA-EDA, 38871 7th Avenue, PO Box 815, North Branch, MN 55056, 651-674-5664.

I/we have read and understand the above information regarding my/our rights as a subject of government data.

Applicant Title Date

Applicant Title Date



CHISAGO COUNTY ASSESSOR

CHISAGO COUNTY GOVERNMENT CENTER
313 NORTH MAIN STREET SUITE 250
CENTER CITY, MN 55012-9663
DIRECT #: (651) 213-8563
EMAIL: chase.peloquin@chisagocounty.us

Request for Value or Tax Estimate

Please complete this form in its entirety and submit the required construction plans and specifications. Submitting incomplete or incorrect forms will result in delays. Generally we are able to provide estimates within two weeks of receiving this information.

Parcel Number(s): _____

Purchase Price of Land: _____ Date Purchased: _____

Estimate of Site Development Costs: _____

Estimate of Total Building Only Costs: _____

Estimate of Total Project Costs: _____

Use of Building: _____

Civil Plans Provided:	Yes	No
Building Plans Provided:	Yes	No
Specifications Provided:	Yes	No

Square Feet of Ground Floor: _____ Square Feet of Mezzanine: _____

Square Feet of 2nd Floor: _____ Square Feet of 3rd Floor: _____

Frame Type: Wood Wood Pole Steel Masonry Other: _____

Heat Type: Forced Air Space Fan Radiant In-Floor Other: _____

Square Feet of Air Conditioned Area: _____ Sidewall Height: _____

Roofing Material: _____ Siding Material: _____ Flooring Material: _____

If Apartment Number of Units and Unit Mix: _____

Personal Property Excluded From This Estimate: _____

Comments: _____

Form Completed By: _____ Phone: _____ Date: _____