Nobles Home Initiative

Nobles County Guidelines

Intent

The purpose of Nobles Home Initiative (NHI) is to provide incentives to encourage the construction of new owner occupied and rental residential housing units, and to encourage replacement of dilapidated housing structures within Nobles County between April 1, 2014 and December 31, 2017.

Tax Abatement Availability

Minnesota Statute 469.1813 Subdivision 8 places limitations on tax abatement. In any given year, the total amount of taxes abated by a municipality shall not exceed 10% of the net tax capacity (NTC) of the political subdivision for the taxes payable year to which the abatement applies, or (2) $200,000, whichever is greater.

Eligible Participants

Any person who constructs a new single family home, duplex, or multi-family complex and who files application material and seeks formal approval from appropriate local jurisdiction between April 1, 2014 and December 31, 2017 may be eligible to receive 100% tax abatement of the County's share of increased real estate taxes as a result of building newly constructed housing or a home, for a period of 5 years provided all of the following are met:

1. Property is located within Nobles County and zoned properly for the proposed development project.
2. The applicant shall not have received other local financial assistance (tax increment financing/TIF, Workforce Housing, SCDP).
3. Project is built to building codes adopted at the time building permit is obtained.
4. Property taxes are current and paid on time and in full.
5. Program approvals must be obtained prior to the start of construction of the new housing/home.

Multifamily projects of a minimum of 4 rental units may seek approval for longer tax abatement period not exceeding the maximum defined by State Statute. Each of these multi-unit requests will be considered on an individual basis.

The real estate taxes to be abated shall be for up to the full amount of the real estate taxes collected from added tax base of the newly constructed housing/home annually. Real estate taxes collected for the value of the land or any current additional structures value are not eligible for tax abatement, and will not be abated as part of this program.

This abatement will transfer with the sale of the property for the balance of the five years abatement period.

This abatement will not include voter approved school referendums.

This abatement does not apply to, or include, existing and/or new assessments to the property.

The County shall provide the awarded abatement payment following payment of due real estate taxes annually. One single payment shall be made to the owner of record at the time of the payment, by December 30th for that calendar year.

Application
Statute requires the County to approve each abatement application. Thus, all applications will be considered on a "first come - first served" basis. The acceptance of new applications will be contingent upon board approval and abatement capacity as defined above.

A complete application for Abatement shall consist of:

- A letter requesting abatement for eligible projects addressed to the Nobles County Administrator.
- Legal description of the subject property, including address and property identification number.
- A site plan and construction plans for the proposed project.
- Submit a copy of the building permit once received.

Applications are to be submitted to Worthington Regional Economic Development Corporation (WREDC), 1121 3rd Avenue, Worthington, Minnesota, 56187. Upon receipt of a completed application, WREDC will submit to the county and to the appropriate city and school district to schedule a date on which to consider the application. Notice of that date shall be sent to the applicant within 30 days of the application being filed. Upon consideration by the appropriate taxing authority, each taxing authority will approve a resolution outlining the details of the abatement program and authorization of staff to enter into a tax abatement agreement with the developer/builder/owner.

The abatement period will commence with receipt of the Certificate of Occupancy, or not more than one year following approval of the taxing authority's resolution, whichever is first, and shall continue for 5 years.

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