

Pipestone County Home Initiative

Intent

The purpose of Pipestone Home Initiative (PHI) is to provide incentives to encourage the construction of new single family housing units, and to encourage replacement of dilapidated housing structures within Pipestone County between January 1, 2020 and December 31, 2022.

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 or duplex, and who files application material and seeks formal approval from appropriate local jurisdiction between January 1, 2020 and December 31, 2022 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 three (3) years provided all of the following are met:

1. Property is located within Pipestone 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.

The real estate taxes to be abated shall be for up to the full amount of the county 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 three (3) year abatement period.

The tax refund is the county portion only; property taxes levied by other units of government are not eligible. This abatement will not include voter approved 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 the total real estate taxes due 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

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 3 years.

Application Review and Approval Process shall be followed as specified in Tax Abatement Policy as specified herein:

Property Information:

Location: _____ Access Road: _____
Section: ____ Township: _____ Range: ____ Property Identification Number: _____
Legal Description: _____
(attach if needed)
Parcel Width: _____ (feet) Length: _____ (feet) Acres: _____

Applicant Information:

Applicant Name: _____ Phone: _____ (h) _____ (w)
Mailing Address: _____
Applicant Signature: _____

Owner Information:

Owner Name: _____ Phone: _____ (h) _____ (w)
Mailing Address: _____
Owner Signature: _____

Contractors or Contract for Deed Holders – owner must sign the application.

Company Information:

Owner Name: _____ Phone: _____ Fax: _____
Location: _____
Type of Company: _____ Service Provided: _____

Please attach the following documentation:

- Map or site plan, prepared by an architect or engineer, showing the boundaries of the proposed development, the size and location of the building(s) and parking areas.
- Written narrative describing the project, the size and type of building(s), business type and use, traffic information (parking capacity, vehicle counts, traffic flow, pedestrian facilities), project timing, and estimated market value.
- A statement identifying the public benefits of the proposal, including estimated increase in property valuation, and other community benefits.
- Statement showing the private investment and any public investment dollars for the project
- Financial information including past performance and pro forma future projections for the project.
- Application Fee (please see County Fee Schedule for current fee amount).
- Building Permit (City or County depending on location)
- Other information as requested

Return Completed Applications to:
Pipestone County Auditor/Treasurer
County Courthouse
416 S Hiawatha Ave
Pipestone, MN 56164
Ph. 507-825-1140