

DEMOGRAPHICS

Population

North Dakota (2013 census estimate)..... 723,393

MSAs

Fargo - Moorhead 223,490

Bismarck - Mandan 123,751

Grand Forks - East Grand Forks 100,748

Employment Profile (2013 Annual Avg.)

Health Care and Social Assistance 60,073

Retail Trade 51,012

Educational Services 35,907

Accommodation and Food Services 35,884

Construction 35,191

Mining, Quarrying, and Oil and Gas Extraction 27,298

Wholesale Trade 26,711

Manufacturing 26,021

Transportation and Warehousing 22,974

Public Administration..... 21,071

Finance and Insurance 17,737

Professional and Technical Services 16,581

Administrative and Waste Services 14,028

Other Services, Ex. Public Admin 12,744

Arts, Entertainment, and Recreation 8,217

Information 7,039

Real Estate and Rental and Leasing 5,780

Agriculture, Forestry, Fishing and Hunting 5,207

Management of Companies and Enterprises 5,196

Utilities 3,897

Total Nonfarm Private Employment 438,568

SUCCESS STORIES

Bobcat

Built a new Acceleration Center, a \$20 million renovation and expansion project in Bismarck.

Caterpillar

450+ employees and 225,000 sq. ft. expansion in West Fargo.

Evolution1, Inc.

Constructing a new 40,000 sq. ft. expansion in Fargo, estimated to cost \$7-\$8 million. The project, when completed, will employ 150+ employees.

John Deere Electronic Solutions

900+ employees and a new \$22 million, 90,000 sq. ft. building, bringing the total of Phoenix Manufacturing facilities in Fargo to six.

MDU Resources/Calumet Specialty Products

Building a diesel refinery in southwestern North Dakota that will process 20,000 barrels per day of Bakken crude oil

North Dakota Mill & Elevator Association

Increasing capacity with a nearly \$20 million mill expansion in Grand Forks. The expansion will be completed by fall 2015 and is expected to create additional demand for 7.5 million bushels of hard red spring wheat annually.

Philadelphia Macaroni Company

Constructing an 80,000 sq. ft. warehouse addition to their existing pasta plant. The company hopes to create 20-30 new jobs.

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STRATEGIC INCENTIVE ADVANTAGES

Property Tax Exemptions

- Up to five-year property tax exemption
- Additional five years available for agricultural processors or a project located in property leased from a governmental entity
- In lieu of a property tax exemption, in full or part, a company may negotiate a fixed or graduated rate for a period not to exceed 20 years
- No personal property taxed, including equipment, materials in process and accounts receivable

Corporate Tax Exemptions

- Five-year corporate income tax exemption for new or expanding primary sector business
- Salary and R&D tax credits available

Sales Tax Exemptions

- Sales and use tax exemptions on manufacturing computer/telecommunication equipment, water, electricity and interstate communications for technology-based business

Financial Incentives

- North Dakota Development Fund – gap financing loan and equity program
- PACE Program – interest buy down program at Bank of North Dakota
- MATCH Program – loans at U.S. Treasury yield rate + 0.25%-0.50% for “A” or “BBB” rated companies

Job Training Programs

- One-stop job training assistance – both state and federal programs available for businesses
- Workforce 2020 – state-funded program for training new technologies and processes
- New Jobs Training Program – “no cost” program utilizing employee withholding tax

Workers Compensation

- Lowest workers compensation premium rates in the nation (2012)

COMPETITIVE BUSINESS COST ADVANTAGES

Power

- Power offered at industrial rates below national average – avg. 7.51 cents/kh (YTD June 2014)
- State exports nearly 59% of electricity produced
- Supporting “green” business trend by developing renewable energy sources

Public Policy

- North Dakota’s general fund continues to grow at an unexpected pace
- Person-to-person access to public officials
- Only state-owned bank in the nation offers business expansion funds

Taxes

- In 2013, State Legislature lowered top corporate income tax rate from 5.15% to 4.53%

INFRASTRUCTURE ADVANTAGES

Voice/Data

- 100% fiber optic broadband communication network links all regions of the state
- Minimal investment needed to reach major fiber trunk
- Two OC-48 SONET Rings provide strong redundancy
- Connectivity ranging from T-1 to OC-12, ISDN, ATM, xDSL, frame relay, DWDM, SONET, satellite, cable and wireless service
- Ideal physical environment with minimal risk of natural disasters

Transportation

- Two major Interstates: I-94 East/West, I-29 North/South
- Foreign trade zone
- Two Canada-Mexico Trade Corridors
 - › Fifth largest port of entry for Canadian goods by truck and rail
 - › 24-hour ports of entry along the North Dakota-Canadian border

- › Extensive cargo rail by Burlington Northern Santa Fe and Canadian Pacific
 - BNSF – main line route including Seattle to Chicago
 - CP – main line route including Vancouver to Chicago
- › Five international airports – Bismarck, Fargo, Grand Forks, Minot and Williston
- › Three additional commercial airports – Devils Lake, Dickinson and Jamestown

EDUCATION, WORKFORCE & QUALITY OF LIFE ADVANTAGES

Primary/Secondary Education

- 11.5 to 1 student to teacher ratio (2014)
- #4 in high school graduation rates – North Dakota’s high school graduation rate is 91% compared to the national average of 81% (2012)

Post Secondary Education

- North Dakota college participation rates amongst high school graduates is 67.4% compared to the national average of 62.8% (2010)
- Nineteen college and university campuses, including two major research universities

Workforce Proficiency

- North Dakota is a right-to-work state – Union membership is less than 7% of the workforce
- 7.2% annual average turnover rate for private manufacturers in North Dakota

Quality of Life

- North Dakota was ranked the happiest state in the nation by Gallup. The index included emotional health, life evaluation, work environment, physical health, healthy behaviors and basic access to necessities
- For the sixth time in the last seven years, North Dakota has the strongest personal income growth in the nation
- North Dakotans enjoy a 17 minute average travel time to work compared to the national average of 26 minutes

