

III. SUBSIDY AGREEMENT & REPORTING REQUIREMENTS

1. If the incentives requested meet the definition of "business subsidy" in the Business Subsidy Act, the developer must comply with all provisions of the Business Subsidy Act.
2. All developers/businesses receiving incentive assistance shall enter into a *subsidy agreement* with the City of North Mankato that identifies: the reason for the subsidy, the public purpose served by the subsidy, and the goals for the subsidy, as well as other criteria set forth in the City and Port Authority's Business Subsidy Policy.
3. The developer/business shall file a report annually until all goals set forth in the business subsidy agreement have been met. Projects that do not satisfy the requirements of the business subsidy agreement will be required to repay the assistance provided based on a pro rata formula. Reports shall be completed using the format drafted by the State of Minnesota and shall be filed with the City of North Mankato no later than March 1 of each year for the previous calendar year. Businesses fulfilling job creation requirements must file a report to that effect with the city within 30 days of meeting the requirements.
4. If granted a tax abatement, the developer/business owner shall maintain and operate its facility at the site where tax abatement assistance is used for the entire term of the tax abatement.
5. Developers/Businesses failing to comply with the above provisions will be subject to fines, repayment requirements, and may be deemed ineligible by the State of Minnesota to receive any loans or grants from public entities for a period of five years.

IV. APPLICATION PROCESS

1. Applicant submits the completed application.
2. City/Port Authority staff reviews the application.
3. The process for creating an Incentive project area, including all necessary notices, resolutions and certificates prepared by City/Port Authority staff and/or consultants is begun.
 - a. Development Agreement and Business Subsidy Agreement is drafted and negotiated.
 - b. Public hearing notices are published.
 - c. Public hearing(s) on the proposed project are held.
 - d. The City Council and/or Port Authority Commission grants final approval or denial of the proposal.
4. If approval is granted, costs associated with processing the application will be reimbursed by the developer or owner of the project either as part of the approved incentive or upfront.