

**CHAPTER 40-57.4**  
**CITY JOB DEVELOPMENT AUTHORITIES**

**40-57.4-01. City job development authority - Board of directors member qualifications.**

The governing body of a city, by resolution, may create a job development authority for the city, or may discontinue a job development authority which has been created for the city. Before a resolution is adopted to create a city job development authority, the governing body of the city shall hold a public hearing to provide interested persons an opportunity to be heard. Notice of the time, place, and purpose of the hearing must be published not less than thirty days prior to the hearing in the official newspaper of the city. If the authority is created, the question of discontinuing the authority may be placed on the ballot at the next regular election by petition signed by electors of the city equal in number to ten percent of the votes cast in the city for the office of governor in the last general election. The petition must be presented to the governing body of the city not later than thirty days after the adoption of the resolution creating the city job development authority. The question of discontinuing the authority requires a majority of the electors voting on the question for passage. If the authority is created, the governing body of the city shall appoint a board of directors. The members must be appointed without regard to political affiliation and upon their fitness to serve as members by reason of character, experience, and training.

**40-57.4-02. Members of the city job development authority board of directors - Term of office - Oath - Expenses.**

The members of the city job development authority board of directors shall serve for a term of three years or until their successors are duly qualified. Terms of office shall begin on January first and must be arranged so that the terms of office of approximately one-third of the members expire on December thirty-first each year. Each member of the board shall qualify by taking the oath provided for civil officers. The oath must be filed with the city auditor.

The board of directors shall annually elect members to serve as chairman, vice chairman, secretary, and treasurer. They shall also select an executive committee with such powers and duties as may be delegated by the board of directors. Members may be reimbursed from funds available to the authority for mileage and expenses at the rates provided for state employees in sections 44-08-04 and 54-06-09 but members may receive no compensation for service.

**40-57.4-03. Powers and duties of city job development authorities.**

The city job development authority shall use its financial and other resources to encourage and assist in the development of employment within the city. In fulfilling this objective, the job development authority may exercise the following powers:

1. To sue and be sued.
2. To make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority.
3. To hire professional personnel skilled in seeking and promoting new or expanded opportunities within the city.
4. To make, amend, and repeal resolutions consistent with the provisions of this chapter as necessary to carry into effect the powers and purposes of the authority.
5. To acquire by gift, trade, or purchase, and to hold, improve, and dispose of real or personal property.
6. To request a tax levy as provided in section 40-57.4-04 and to expend moneys raised by the tax for the purposes provided in this chapter.
7. To insure or provide for insurance of any real or personal property in which the authority has an insurable interest.
8. To invest any funds held by the authority.
9. To cooperate with political subdivisions in exercising any of the powers granted by this section.

10. To loan, grant, or convey any funds or other real or personal property held by the authority for any purpose necessary or convenient to carry into effect the objective of the authority established by this chapter.
11. To use existing, uncommitted funds held by the authority to guarantee loans or make other financial commitments to enhance economic development.
12. To take an equity position in, provide a loan to, or use any other innovative financing mechanism to provide capital for a new or expanding business in this state or for a business relocating to this state.
13. To exercise any other powers necessary to carry out the purposes and provisions of this chapter.

**40-57.4-04. Tax levy for city job development authorities or industrial development organizations - Financial report.**

The governing body of a city which has a city job development authority shall establish a city job development authority fund and may levy a tax not exceeding the limitation in subsection 12 of section 57-15-10. In the year for which the levy is sought, a job development authority or industrial development organization seeking approval of a property tax levy under this chapter must file with the city auditor, at a time and in a format prescribed by the city auditor, a financial report for the preceding calendar year showing the ending balances of each fund held by the job development authority or industrial development organization during that year. The city auditor shall keep the job development authority fund separate from other money of the city and transmit all funds received under this section within thirty days to the board of directors of the city job development authority. The funds when paid to the city job development authority must be deposited in a special account in which other revenues of the city job development authority are deposited and may be expended by the city job development authority as provided in sections 40-57.4-02 and 40-57.4-03.

In lieu of establishing a job development authority, the governing body of a city where an active industrial development organization exists may levy a tax not exceeding the limitation in subsection 12 of section 57-15-10. The funds from the alternative levy may be used to enter into a contract with the industrial development organization for performance of the functions of a city job development authority.

**40-57.4-05. Dedication of tax revenues.**

The governing body of a city may dedicate any portion of revenues from the tax authorized under this chapter to payment of any loan entered or grant awarded for any purpose necessary or convenient to carry into effect the objective of the authority established by this chapter.

**40-57.4-06. Joint job development authority.**

The governing bodies of a city and one or more other political subdivisions, by resolution, may create a joint job development authority. If the authority is created, the governing bodies of the political subdivisions shall appoint a board of directors in the size and manner established in the resolution. The resolution must include provision for discontinuing the authority by the governing bodies. If the authority is created, the question of discontinuing the authority may be placed on the ballot at the next regular election by a petition signed by qualified electors of a political subdivision within the authority equal in number to ten percent of the votes cast in that political subdivision for the office of governor at the last general election. The question to discontinue the authority requires a majority of the electors voting on the question in that political subdivision for passage. If a majority of the electors voting on the question vote to discontinue the authority in a political subdivision creating the authority, the authority is discontinued. A joint job development authority in which a city is participating may exercise any of the functions and powers of a city job development authority under this chapter.