

Local Businesses Find Competitive Advantage in the Grand Forks Region Through One-of-a-Kind Investment Programs

PACE & FlexPACE programs supported by City of Grand Forks Growth Fund investment leverage Bank of North Dakota Grants to reduce interest on commercial loans.

GRAND FORKS, NORTH DAKOTA, UNITED STATES OF AMERICA, July 27, 2023 /EINPresswire.com/ -- The PACE and Flex PACE programs are unique to the state of North Dakota and combine efforts of the only state-owned bank in the country and local financial support to reduce the interest rate on a commercial loan for a business. The programs, administered by the Bank of North Dakota and the PACE Fund, aim to help businesses make investments and generate employment opportunities within the state. Businesses are offered financial support in the form of loans. Loans can go to the purchase of real property, equipment, and specified working capital requirements.

Thompson-based [Northern Tier Seed](#) is one of the most recent examples of a company identifying a competitive advantage through the PACE program. On June 19, the Grand Forks Growth Fund approved their PACE Loan application. The Jobs Development Authority provided final approval at their meeting on July 5. Northern Tier Seed has continued to see an increased demand for its services, prompting a large amount of growth and expansion over the last several years. Northern Tier Seed representatives have reported that this growth and expansion of the company would not have been possible without



The Grand Forks Region Economic Development Corporation Logo

Northern Tier Seed Location in Thompson, ND

the PACE program and the support offered through the City of Grand Forks Growth Fund and the Bank of North Dakota.

The success of the programs can be correlated to the approval of 33 projects in the Grand Forks region since 2018. Locally, the 33 projects had approved loan contributions of \$3.5 million, which would leverage almost \$167 million. For every dollar of approved investment by the growth fund, the companies had the ability to receive \$48 additional dollars from private investors. This tremendous leverage of local resources is why North Dakota is considered by many as the best state for business. The programs and the state-owned bank do not exist anywhere else in the United States, giving Grand Forks companies and those operating in the state a competitive advantage.

“The buydown component of the PACE and Flex PACE programs is a unique feature that combines resources from the local community and the PACE Fund to reduce the interest rate on the loan,” said Keith Lund, President and CEO of the Grand Forks Region Economic Development Corporation. “Borrowers may benefit from an interest rate that is as much as 5% below the rate on the promissory note, with a floor of 1%, and not less than 5% below the Prime rate. With rising interest rates and inflation, the programs are more important now than ever.”

The City of Grand Forks Growth Fund offers financing programs throughout Grand Forks County to support the regional economy. Each program has a unique set of requirements. PACE is available for Primary Sector Certified companies: summarized as a business whose major markets are outside the region. Flex PACE offers more flexibility, allowing a community more customization based on their unique needs. This includes quality-of-life venues and attractions, and childcare expansions.

The Pace & Flex PACE Programs are a significant development in North Dakota's economic landscape, ensuring that businesses across the state have access to the necessary resources to thrive and grow. By leveraging the strengths of local communities and the Bank of North Dakota, this program creates opportunities for sustainable economic development and empowers businesses to achieve their full potential.

The Grand Forks region EDC works to support primary sector companies in the Grand Forks Region and introduce them to support programs like PACE and Flex PACE. For more information about the programs, [contact Grand Forks Region EDC](#) Business Development Officer, Kevin Hatcher, at kevinh@grandforks.org.

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About Grand Forks Region Economic Development Corporation

The Grand Forks Region EDC works collaboratively to foster an environment that attracts innovative people and business investment to Grand Forks County and the surrounding region, enhancing economic vitality for long-term prosperity and growth. GrandForks.org

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