



Economic Development Incentive Committee

Fargo City Hall
225 4th Street North
Fargo, ND 58102

May 20, 2026

Board of City Commissioners
City Hall
Fargo, ND 58102

RE: Najaxa Software, LLC.

Dear Commissioners:

Attached is the application made by Najaxa Software, LLC. for a payment in lieu of tax (PILOT) according to N.D.C.C. Chapter 40-57.1. The application is for a five-year exemption the improvement value of an expansion of a primary sector service project located at 201 5th St N.

Notices to competitors have been published. The Economic Development Incentive Committee (EDIC) has met to consider this application. No competitors appeared at the EDIC meeting. This project meets our current policy. The project will continue to pay the full land taxes annually.

The recommendation of the EDIC is to approve the proposed PILOT for this project.

SUGGESTED MOTION:

Approval of a five-year property tax exemption PILOT for Najaxa Software, LLC. for an expanded space for the primary sector service project located at 201 5th St N.

Sincerely,

Michael Splonskowski

Mike Splonskowski
City Assessor

Application For Property Tax Incentives For New or Expanding Businesses

N.D.C.C. Chapter 40-57.1

Project Operator's Application To Fargo

City or County

File with the City Auditor for a project located within a city; County Auditor for locations outside of city limits.

A representative of each affected school district and township is included as a non-voting member in the negotiations and deliberation of this application.

This application is a public record

Identification Of Project Operator

1.	Name of project operator of new or expanding business	<u>Najaxa Software LLC</u>
2.	Address of project	<u>201 5th Street North, 14th Floor</u>
	City	<u>Fargo</u> County <u>CASS</u>
3.	Mailing address of project operator	<u>102 Broadway N Suite 201</u>
	City	<u>Fargo</u> State <u>ND</u> Zip <u>58102</u>
4.	Type of ownership of project	
	☐ Partnership	☐ Subchapter S corporation
	☐ Corporation	☐ Cooperative
		☐ Individual proprietorship
		☒ Limited liability company
5.	Federal Identification No. or Social Security No.	<u>[REDACTED]</u>
6.	North Dakota Sales and Use Tax Permit No.	<u>[REDACTED]</u>
7.	If a corporation, specify the state and date of incorporation	<u>Nevada, 7/18/2018</u>
8.	Name and title of individual to contact	<u>Nathan Evenson, President</u>
	Mailing address	<u>102 Broadway N STE 201</u>
	City, State, Zip	<u>Fargo, ND 58102</u> Phone No. <u>701-238-5490</u>

Project Operator's Application For Tax Incentives

9.	Indicate the tax incentives applied for and terms. Be specific.	
	☒ Property Tax Exemption	☐ Payments In Lieu of Taxes
	<u>5</u> Number of years	<u> </u> Beginning year <u> </u> Ending year
	<u>100%</u> Percent of exemption	<u> </u> Amount of annual payments (attach schedule if payments will vary)
10.	Which of the following would better describe the project for which this application is being made:	
	☐ New business project	☒ Expansion of a existing business project

Description of Project Property

11. Legal description of project real property

All that part of the following described property lying between elevation 1,039.6 feet and 1,050.9 feet U.S.G.S. Datum: All that part of Lots One, Fifteen, Sixteen, Seventeen and Eighteen, in Block Ten, of Keeney and Devitt's Addition to the City of Fargo, Cass County, North Dakota, described as follows: Commencing at a point on the West line of Lot Fifteen, 13.46 feet North of the Southwest corner thereof, thence North 89°56'43" East 61.58

12. Will the project property be owned or leased by the project operator? ☒ Owned ☐ Leased

If the answer to 12 is leased, will the benefit of any incentive granted accrue to the project operator?

☐ Yes ☐ No

If the property will be leased, attach a copy of the lease or other agreement establishing the project operator's benefits.

13. Will the project be located in a new structure or an existing facility? ☐ New construction ☒ Existing facility

If existing facility, when was it constructed? 1984

If new construction, complete the following:

a. Estimated date of commencement of construction of the project covered by this application _____

b. Description of project to be constructed including size, type and quality of construction

c. Projected number of construction employees during the project construction _____

14. Approximate date of commencement of this project's operations July 1st, 2026

15. Estimated market value of the property used for this project:

a. Land \$ 141,000

b. Existing buildings and structures for which an exemption is claimed..... \$ 776,200

c. Newly constructed buildings and structures when completed \$ 0

d. Total \$ 917,200

e. Machinery and equipment \$ 0

16. Estimate taxable valuation of the property eligible for exemption by multiplying the market values by 5 percent:

a. Land (not eligible) 

b. Eligible existing buildings and structures..... \$ 38,810

c. Newly constructed buildings and structures when completed..... \$ 0

d. Total taxable valuation of property eligible for exemption (Add lines b and c)..... \$ 38,810

e. Enter the consolidated mill rate for the appropriate taxing district 298.43

f. Annual amount of the tax exemption (Line d multiplied by line e) \$ 11,582.06

Description of Project Business

Note: "project" means a newly established business or the expansion portion of an existing business. Do not include any established part of an existing business.

17. Type of business to be engaged in: ☐ Ag processing ☐ Manufacturing ☐ Retailing
☐ Wholesaling ☐ Warehousing ☒ Services
18. Describe in detail the activities to be engaged in by the project operator, including a description of any products to be manufactured, produced, assembled or stored (attach additional sheets if necessary).

Najaxa Software LLC is a technology services and software development company. We are a growing company focused in the staffing industry. We are bringing our team to Fargo, to make Fargo our HQ. We have created a software product called "Najaxa Middle Office". Najaxa works with customer world wide, we are not focused on the local Fargo/North Dakota market. We bringing in almost 100% of our revenue from out of state.

19. Indicate the type of machinery and equipment that will be installed
No machinery or equipment.

20. For the project only, indicate the projected annual revenue, expense, and net income (before tax) from either the new business or the expansion itself for each year of the requested exemption.

Year (12 mo. periods)	New/Expansion Project only Year 1	New/Expansion Project only Year 2	New/Expansion Project only Year 3	New/Expansion Project only Year 4	New/Expansion Project only Year 5
Annual revenue	<u>1750000</u>	<u>2200000</u>	<u>2750000</u>	<u>3400000</u>	<u>4275000</u>
Annual expense	<u>1275000</u>	<u>1606000</u>	<u>2007500</u>	<u>2482000</u>	<u>3120750</u>
Net income	<u>475000</u>	<u>594000</u>	<u>742500</u>	<u>918000</u>	<u>1154250</u>

21. Projected number and salary of persons to be employed by the project for the first five years:

Current positions & positions added the initial year of project

# Current Positions	New Positions Under \$13.00	New Positions \$13.01-\$15.00	New Positions \$15.01-\$20.00	New Positions \$20.01-\$28.00	New Positions \$28.01-\$35.00	New Positions Over \$35.00
<u>7</u>					<u>1</u>	<u>1</u>

Year	(Before project)	Year 1	Year 2	Year 3	Year 4	Year 5
No. of Employees	(1) <u>7</u>	<u>9</u>	<u>11</u>	<u>13</u>	<u>15</u>	<u>17</u>
	(2) <u>4</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Estimated payroll	(1) <u>585000</u>	<u>745000</u>	<u>902000</u>	<u>1060000</u>	<u>1218000</u>	<u>1376000</u>
	(2) <u>75000</u>	<u>30000</u>	<u>30000</u>	<u>30000</u>	<u>30000</u>	<u>30000</u>

(1) - full time
(2) - part time

Previous Business Activity

22. Is the project operator succeeding someone else in this or a similar business? ☐ Yes ☒ No
23. Has the project operator conducted this business at this or any other location either in or outside of the state?
☒ Yes ☐ No
24. Has the project operator or any officers of the project received any prior property tax incentives? ☐ Yes ☒ No
- If the answer to 22, 23, or 24 is yes, give details including locations, dates, and name of former business (attach additional sheets if necessary).
102 Broadway N STE 201, Fargo, ND 58102

Business Competition

25. Is any similar business being conducted by other operators in the municipality? ☐ Yes ☒ No
- If YES, give name and location of competing business or businesses

- Percentage of Gross Revenue Received Where Underlying Business Has ANY Local Competition %

Property Tax Liability Disclosure Statement

26. Does the project operator own real property in North Dakota which has delinquent property tax levied against it? ☐ Yes ☒ No
27. Does the project operator own a greater than 50% interest in a business that has delinquent property tax levied against any of its North Dakota real property? ☐ Yes ☒ No
- If the answer to 26 or 27 is Yes, list and explain

Use Only When Reapplying

28. The project operator is reapplying for property tax incentives for the following reason(s):
- ☐ To present additional facts or circumstances which were not presented at the time of the original application
 - ☐ To request continuation of the present property tax incentives because the project has:
 - ☐ moved to a new location
 - ☐ had a change in project operation or additional capital investment of more than twenty percent
 - ☐ had a change in project operators
 - ☐ To request an additional annual exemption for the year of _____ on structures owned by a governmental entity and leased to the project operator. (See N.D.C.C. § 40-57.1-04.1)

Notice to Competitors of Hearing

Prior to the hearing, the applicant must present to the governing body of the county or city a copy of the affidavit of publication giving notice to competitors unless the municipality has otherwise determined there are no competitors.

I, Nathan Evenson, do hereby certify that the answers to the above questions and all of the information contained in this application, including attachments hereto, are true and correct to the best of my knowledge and belief and that no relevant fact pertaining to the ownership or operation of the project has been omitted.

Signature

President
Title

Title

4/17/2026
Date

Date

PRIVACY ACT NOTIFICATION

In compliance with the Privacy Act of 1974, disclosure of a social security number or Federal Employer Identification Number (FEIN) on this form is required under N.D.C.C. §§ 40-57.1-03, 40-57.1-07, and 57-01-15, and will be used for tax reporting, identification, and administration of North Dakota tax laws. Disclosure is mandatory. Failure to provide the social security number or FEIN may delay or prevent the processing of this form.

Certification of Governing Body (To be completed by the Auditor of the City or County)

The municipality shall, after granting any property tax incentives, certify the findings to the State Tax Commissioner and Director of Tax Equalization by submitting a copy of the project operator's application with the attachments. The governing body, on the ____ day of _____, 20____, granted the following:

☐ **Property Tax Exemption**

____ Number of years

____ Percent of exemption

☐ **Payments in lieu of taxes**

____ Beginning year ____ Ending year

____ Amount of annual payments (Attach schedule if payments will vary)

Auditor

Business Incentive Agreement

1. In fulfillment of the requirements of N.D.C.C. § 54-60.1-03, Grantor and Recipient enter into this Business Incentive Agreement.

Grantor

Name	City of Fargo
Address	225 4th Street North Fargo, ND 58102

Recipient

Name	
Address	
Contact Person	E-mail Address
Recipient Parent Company (If applicable)	
Business Type (NAICS Code)	
Location of Recipient Prior to Receiving Incentive (If different)	

2. Description of project.

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3. Grantor(s) agrees to provide recipient with a business incentive described as follows:

3.a. Is this incentive tax increment financing? ☐ Yes ☐ No

If yes, describe the type of district:

4. The business incentive will be provided on _____.
This date is the benefit date.

5. The public purpose(s) of the business incentive are:

- | | |
|---|---|
| ☐ Assisting community development | ☐ Increase tax base |
| ☐ Directly create employment opportunities | ☐ Indirectly increase employment opportunities |
| ☐ Job retention | ☐ Other _____ |

6. Value of Business Incentive: \$ _____

7. Recipient currently employs _____ people, located in _____.

8. In return for the business incentive, Recipient shall, within two years create: _____
Number of full-time equivalent jobs

$$\frac{\text{Average hourly wage}}{\text{Average hourly wage}} + \frac{\text{Benefits per hour value}}{\text{Benefits per hour value}} = \frac{\text{Average hourly compensation}}{\text{Average hourly compensation}}$$

9. The Recipient shall continue operations in the jurisdiction in which the business incentive was issued for five years or more after the benefit date.

10. Recipient shall file a recipient report with the Grantor, as described in N.D.C.C. § 54-60.1-05 annually on or before March 1st of each year for two years, beginning in 2007, following the benefit date or until the goals of paragraph 8 are met, whichever is later.

10.a. Grantor shall mail the recipient a warning letter if no report is received by March 8th. Recipient shall file the progress report within 14 days of the postmarked date of the warning letter.

10.b. If a recipient report is not received within 14 days of the warning letter, Recipient agrees to pay to Grantor a \$100 penalty for each subsequent day until the report is filed. The maximum penalty under this section may not exceed \$1,000.

11. Recipient shall pay back the value of the incentive to the Grantor, prorated to reflect any partial fulfillment of the job and compensation goals, if, after two years, the job and compensation goals listed in paragraph 8 are not met.

- 11.a. Paragraph 11 does not apply if the job and compensation goals were not met as a result of an act of God or terrorism.
12. This business incentive agreement shall only be modified or extended by the Grantor pursuant to N.D.C.C. § 54-60.1-04.
13. If the terms of this business incentive agreement are not met, Recipient shall not receive a business incentive from any grantor for five years from the date of failure or until a recipient satisfies the repayment obligation.
14. The Recipient has disclosed, in attachment "A" of this agreement, all additional financial assistance received from state or political subdivision Grantors for this project since inception.
15. By signing this agreement, Recipient verifies that it has not failed to meet the terms of any business incentive agreement in the last five years.

Dated this _____ day of _____, 20____.

Grantor: _____ on behalf of _____

Dated this _____ day of _____, 20____.

Recipient: _____ on behalf of _____

Attachment "A"

Recipient has received the following additional financial assistance from state or political subdivision Grantors for this project since inception.

Grantor	Description of Assistance	
Value of Assistance	Benefit Date	Pending Benefit Date

Grantor	Description of Assistance	
Value of Assistance	Benefit Date	Pending Benefit Date

Grantor	Description of Assistance	
Value of Assistance	Benefit Date	Pending Benefit Date

Grantor	Description of Assistance	
Value of Assistance	Benefit Date	Pending Benefit Date

Grantor	Description of Assistance	
Value of Assistance	Benefit Date	Pending Benefit Date



April 1, 2026

Nathan Evenson
Najaxa Software LLC
102 Broadway N Ste 201
Fargo, ND 58102

Dear Nathan:

Thank you for your application for primary-sector certification by the North Dakota Department of Commerce, Economic Development & Finance Division. We have reviewed your application and determined that ED&F can certify your company, **Najaxa Software LLC**, as primary sector and a new wealth creator in the economy of North Dakota. This certification is valid for **four years** (3/30/2026 to 3/30/2030).

Most of North Dakota's economic development programs, tools and incentives are targeted toward primary-sector clients. You may be requested to provide a copy of this primary-sector certification letter when you apply for certain economic development incentive and funding programs.

This certification does not guarantee the receipt of any North Dakota business incentive. For example, there are additional qualification criteria for the Seed Capital Investment and Agricultural Business Investment personal income tax credits, and it is critical that investments **NOT** be made prior to the business receiving certification for these two credits. If you are pursuing certification for investment tax credits and need to know the criteria required for qualification, contact Guillermo Fregoso.

This certification is not the application process for the North Dakota New Jobs Training Program administered by Job Service North Dakota. To apply for the North Dakota New Jobs Training Program, you must contact Job Service North Dakota for the required application forms. Application forms for other programs that require primary sector certification are available from the agency administering the program.

Also, companies and individuals pursuing the investment tax credit incentive are reminded there is a cap on available dollars. Please visit with the ND Office of the Tax Commissioner regarding the remaining balance for investment tax credits. The credits are available on a first-come-first-serve basis until the law-defined cap is met.

North Dakota appreciates your contribution to the citizens and economy of our state. If your company needs additional assistance, please contact us at 701-328-5300.

Sincerely,

A handwritten signature in black ink that reads "Richard Garman".

Richard Garman, Director
Economic Development & Finance Division

1600 E Century Avenue, Suite 6 | P.O. Box 2057 | Bismarck, ND 58502

PHONE 701-328-5300 | TOLL FREE: 1-866-4DAKOTA | ND RELAY TTY: 1-800-366-6888 | VOICE: 1-800-366-6889 |

NDCommerce.com

Exemption Evaluation Calculator				178.0			178.0
				Points			Points
Najaxa Software LLC							
Project Type Code (Ctrl-C to view)				4	38.0		4 38.0
Current Number Of Employees		Year 1	7			Year 3	7
Hourly Salary Without Benefits		# Jobs				# Jobs	
Under \$13.00							
\$13.01-\$15.00							
\$15.01-\$20.00							
\$20.01-\$28.00			Pts. For # Jobs->	10.0		Pts. For # Jobs->	10.0
\$28.01-\$35.00		1	Pts. For \$ Jobs->	55.0		Pts. For \$ Jobs->	55.0
Over \$35.00		1					
TOTAL # OF JOBS CREATED		2				4	
% GI w/ Local Competition (not downtown)				0%	25.0		0% 25.0
Value of Proposed Buildings				\$ 776,200	15.0		\$ 776,200 15.0
Downtown Location (Y/N)				y	25.0		y 25.0
Startup Firm (Y/N)				n	0.0		n 0.0
Has Const Started or Has Bldg Been Occupied If Existing (Y/N)				n	0.0		n 0.0
Number of Years (Exemption)				5			5
Company Safety Experience Rating				2	10.0		2 10.0
RECOMMENDATION IS TO APPROVE						APPROVE	
Description				Primary Sector Service		Primary Sector Service	
Estimated New Annual Payroll				\$141,440		\$282,880	
Estimated Annual Real Estate Tax				\$11,582		\$11,582	
Estimated PV of Exemption				\$50,144		\$50,144	
Payroll / PV of Exemption				2.8		5.6	
Property Value / # of Jobs				\$ 388,100		\$ 194,050	
Total Value Of Benefit				\$ 57,910		\$ 57,910	