

9/14/2023

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ADMINISTRATIVE ORDER

OF THE

JEFFERSON COUNTY

COMMISSION

23-2

ECONOMIC DEVELOPMENT FUND

DocuSigned by:
Mildred G. Diliberto
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PURSUANT to the authority vested in the Jefferson County Commission by law, the following Administrative Order is hereby issued:

I. PREVIOUS POLICY

This administrative order replaces any internal County policy, procedure, administrative order, or resolution to the extent they are inconsistent.

II. PURPOSE

To define goals for the County’s Economic Development Activities and establish clear parameters for use of County’s Economic Development Fund, to include carryover monies in Fund account.

III. DEFINITIONS

For purposes of this Administrative Order these terms shall have the following definition:

Accelerator / Business Accelerator - A program, often sponsored by a university or nonprofit organization, that works with entrepreneurs and start-up companies for a short and defined timeframe to help them reach the next phase in their growth.

Annual Economic Development Appropriation – Funds in the amount of \$10 million per year allocated by the Jefferson County Commission to be used for economic development.

Amendment 772 - Under the provisions of Amendment 772 of the Alabama Constitution, counties and municipalities are authorized to lend or grant public funds or things of value to an individual, public entity, or private entity "for the purpose of promoting the economic and industrial development of the county or the municipality." Under Amendment 772, the county or municipality must adopt a resolution determining that the funds would serve a public purpose and must publish a notice of the proposed action in the largest circulating newspaper in the county or municipality for at least seven days, followed by a public hearing by the governmental authority to explain the parameters of the project and the economic incentives involved.

Brownfield - Abandoned, idled or underused industrial and commercial properties where expansion or redevelopment is complicated by real or perceived environmental contamination.

Commission – The Jefferson County Commission

Community Development - A process of participatory economic development in which local stakeholders are resourced and empowered by agencies and service providers to improve their communities.

Direct Economic Development – Investments by the County that will directly result in the creation of new, quality, permanent jobs in Jefferson County.

Economic Development - Creating the conditions for economic growth and improved quality of life by expanding the capacity of individuals, businesses, and communities to maximize the use of their talents and skills to support innovation, job creation, and private investment.

Economic Development Advisor – The Economic Development Advisor to the County Manager.

Economic Development Fund – The fund where public funds allocated by Jefferson County for the purposes of economic development are held until approved for use by the Jefferson County Commission.

Economic Development-Focused Activity – Activities that promote the direct creation of new, quality, permanent jobs by investing in the development of ready sites, incentivizing new and expanding industry to locate and grow, and reduce barriers to employment.

Economic Enhancement – Investments by the County that indirectly encourage economic development and growth by enhancing the quality of life in an area by promoting activities, education and training, business support activities, enhancing infrastructure, reducing barriers to employment or help promote local business to business transactions.

Greenfield - Greenfield land is undeveloped land in an urban or rural area that land developers typically desire for new development. Greenfield areas provide open space that suits a variety of projects. In some cases, greenfield development may refer to the development of agricultural land.

Incentive -Financial or in-kind assistance provided on a discretionary basis by Jefferson County to incentivize location/opening, expansion, or retention.

Incubator / Business Incubator - A program, often sponsored by a university or nonprofit organization, that provides support and guidance to start-up companies during the embryonic phases of their development to support job creation and retention. Support can include technical assistance, facility access, financing, mentorship, and networking opportunities.

JCEIDA – The Jefferson County Economic and Industrial Development Authority

Quality Job - A job that exceeds the local prevailing wage for an industry in the region, includes basic benefits (e.g., paid leave, health insurance, retirement/savings plan), and helps the employee develop the skills and experiences necessary to advance along a career path.

USDOT – United States Department of Transportation

Workforce Development - Economic development planning or implementation projects that support workforce education and skills training activities directly connected to the hiring and skills needs of the business community and that result in quality jobs.

IV. POLICY – DIRECT ECONOMIC DEVELOPMENT

It shall be the policy of the Jefferson County Commission to prioritize use of the Economic Development Fund and Annual Economic Development Appropriation to support activities that result in the direct creation of new, quality, permanent jobs in Jefferson County.

V. GOALS/PROCEDURE - DIRECT ECONOMIC DEVELOPMENT

- A. No less than 90% of the economic development fund shall be used for Direct Economic Development.
- B. **Economic Development Advisor**- The Economic Development Advisor will be the primary contact for Economic Development projects, inquiries, and requests for Jefferson County. The Economic Development Advisor will review, evaluate, and report on proposals, maintain data, and work collaboratively with partner organizations to help create new, quality jobs in Jefferson County and provide representation for the County on local and regional projects.

The Economic Development Advisor will review and analyze each proposed or requested project and report on its merits and impact towards meeting County goals.

The Economic Development Advisor reports to the County Manager and will keep the County Manager updated with regular reports on potential, pending and upcoming projects. The Advisor will meet, at minimum, on a monthly basis with the County Manager and the Chairperson of the Jefferson County Commission Economic Development Committee and report on all requested or submitted projects and status thereof.

C. Site Development

- 1. Greenfield
 - a. The County will prioritize identifying sites in unincorporated Jefferson County.

- b. The County will prioritize purchase of land on sites with over 50-acres, with preference on sites of several hundred acres or more.
- c. The County will support activities to get land in a shovel-ready condition, including clearing, grading, infrastructure, or other activities deemed necessary to include engineering studies and limited permitting activities.
- d. The County's primary partner to develop greenfield sites will be the JCEIDA, with a goal of assisting the JCEIDA in developing over 1300 shovel-ready acres for industrial sites by the end of FY 2026 and maintaining or increasing that number from that point forward.

2. Brownfield

- a. The County will prioritize blighted areas and areas with low job opportunity.
- b. The Economic Development Advisor will develop a plan to identify these sites and how redevelopment can be encouraged.

D. Incentives

- 1. Any and all applicable provisions of Amendment 772 will be strictly adhered to.
- 2. Incentives will be prioritized for entities that will create quality jobs in Jefferson County.
- 3. Any request for potential incentives should be made in writing to the Economic Development Advisor and include:
 - a. A breakdown of capital investment.
 - b. The total number or projected new direct hires.
 - c. The average wage and a breakdown of individual wages for new direct hires.
 - d. A timeline for project implementation and hiring.
 - e. The development of a benefit analysis.
 - f. Other information as deemed necessary by the County.
- 4. Any project agreement including incentives will contain claw-back provisions that will be triggered if targets are not met.
- 5. No incentive under this section shall be offered for a project that will be located within a municipal boundary of a municipality with a population of 25,000 or greater unless that municipality is also providing incentives at a minimum 3:1 ratio.
- 6. No incentive under this section shall be offered for a project that will be located within a municipal boundary of a municipality with a population of less than 25,000 unless that municipality is also providing incentives at a minimum 1.5:1 ratio.
- 7. Exceptions to 5 and 6 above will be made for projects proposed in the footprint of Historically Disadvantaged Communities, as defined by the USDOT.
- 8. Regular reporting will be made from the recipient of incentives to the Economic Development Advisor, who will track data and report periodically the Commission on project performance.

E. Infrastructure

In some instances, it will be necessary for the Jefferson County Commission to perform work by contract or force account labor to prepare a site to specifications outlined in the project agreement. In these instances, a resolution will be introduced to the Jefferson County Commission requesting to use the Economic Development Fund as a funding source. This resolution should specify the nature of the project and the cost.

VI. GOALS/PROCEDURE – ECONOMIC ENHANCEMENT

- A. No more than 10% of the Economic Development Fund will be used for economic enhancement activities.

These activities are indirect but important activities that indirectly support economic development through tourism, sporting events, entrepreneurship, business development to include incubators and accelerators, and other vital activities deemed necessary, so long as those activities support creation, sustainment, and growth of quality jobs.

- B. The County has numerous requests for support annually and a finite amount of resources. The Economic Development Advisor will review and analyze each proposed or requested project and report on its merits and impact towards meeting County goals.

The Advisor will meet, at minimum, on a monthly basis with the County Manager and the Chairperson of the Jefferson County Commission Economic Development Committee and report on all requested or submitted projects and status thereof.

- C. To ensure that all requests are fairly evaluated and considered, and the county is receiving the best return on investment possible:

1. Organization/Program Support

Any requests for organization or program support for economic enhancement should be made in writing to the Economic Development Advisor and include the following:

- a. A detailed proposal for the use of funds and how they will be used to address areas of the County's economic development focus.
- b. Copy of IRS Form 990 from most recent year available, or other federal tax return documents as applicable (Form 941, Form 944)
- c. Development of a detailed Statement of Work that includes program metrics for the specific funding request.

- d. Other information as deemed necessary by the County, which may include:
 - Reports maintained by the organization detailing activity for previous quarter(s)
 - And if a previous recipient of county-funding:
 - Overall program activity since beginning of funding.
 - funds used/remaining.
 - plans for next quarter.
 - Any other information as deemed necessary to help demonstrate organizational capacity to deliver the results funding is requested for.

1. Tourism/Sports

- a. Any request for financial support should include:
 - i. A budget with identified gaps in funding.
 - ii. An understanding of request to, and level of support from, municipality (if located within one)
 - iii. A breakdown of expenses from the previous 2-3 years if available.
 - iv. An understanding of benefits and beneficiaries.
 - v. A review of County revenues from previous years' for returning events.
 - vi. Other information as deemed necessary by the County.

2. Community/Workforce Development

- 1. It will be a goal of the Jefferson County Commission to support programs that upskill or retrain Jefferson County residents trying but struggling to find work.
- 2. The Economic Development Advisor will identify and present opportunities to reduce or eliminate barriers to workforce entry including:
 - a. Upskilling/Retraining
 - b. Transportation
 - c. Childcare
 - d. Retaining Student Population

The above instances are all subject to Amendment 772 where applicable.

VII. EFFECTIVE DATE

This Administrative Order shall be effective at 12:01 a.m. on September 15, 2023.

ORDERED at the Jefferson County Courthouse this 14th day of September, 2023.