

**RESOLUTION
OF THE COUNTY
OF
MURRAY**

To State

Its Resolution # 2017-11-28-02 entitled
“Business Subsidy Policy and Criteria”

RESOLVED by the Board of the County of Murray that it shall adopt the following **Business Subsidy Policy and Criteria**:

Preamble. Whenever the County of Murray invests public funds or agrees to voluntarily forfeit tax or other revenue that benefit private development projects, those projects should create the greatest number of Full Time Equivalent (FTE) jobs that pay a living wage possible for the residents of the County and the surrounding region. County policy makers and economic development agents must keep the critical need for living wage FTE jobs the priority whenever public dollars are invested in a private business or development project.

Business Subsidy Public Purpose. The public purposes of this policy shall be to accomplish the following on behalf of the County of Murray:

1. Enhance economic growth in this area
2. Create high quality job growth in this area
3. Retain high quality jobs in this area
4. Stabilize the community

This policy is adopted in compliance with Minn. Stat. § 116J.994, subd. 2.

Principles of Business Subsidy Implementation. The County shall target its business subsidy assistance to businesses that demonstrate a clear and ongoing commitment to the community by providing living wage jobs to their employees and to County residents, where applicable, by giving priority to those businesses over businesses that have not traditionally paid living wages.

The County shall focus its business subsidy assistance only to businesses which agree to comply with annual business subsidy reporting requirements as required by the Business Subsidy statute Minn. Stat. §§ 116J.993 - 116J.995.

I. DEFINITIONS

“Authorized Business Subsidy Signatory” means the individual(s) who is/are authorized by this Policy to execute business subsidy agreements on behalf of the County of Murray.

“Business Subsidy” means a state or local government agency grant, contribution of personal property, real property, infrastructure, the principal amount of a loan at rates below those commercially available to the recipient, any reduction or deferral of any tax or any fee, any guarantee of any payment under any loan, lease, or other obligation, or any preferential use of government facilities given to a business, and as defined by the Business Subsidy statute Minn. Stat. §§ 116J.993 - 116J.995. Business subsidies shall include, but not be limited to:

1. Loan
2. Grant

3. Tax abatement
4. TIF or other tax reduction or deferral
5. Guarantee of payment
6. Contribution of property or infrastructure
7. Preferential use of governmental facilities
8. Land contribution

Business subsidies do not include the following:

1. assistance of less than the amount set forth in Minn. Stat. § 116J.993, subd. 3(1).
2. assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of businesses, size, location or similar general criteria;
3. public improvements to buildings or lands owned by the County that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made;
4. property polluted by contaminants being redeveloped as defined in Minn. Stat. § 116J.552, subd. 3.
5. assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code and assistance to designated historic preservation sites or districts, if the assistance is equal to or less than 50% of the total cost of the development;
6. assistance to provide job readiness and training services;
7. assistance for housing;
8. assistance for pollution control or abatement, including assistance from a TIF hazardous substances sub district;
9. assistance for energy conservation;
10. tax reductions resulting from conformity with federal tax law;
11. workers' compensation and unemployment compensation;
12. benefits derived from regulation;
13. indirect benefits derived from assistance to educational institutions;
14. funds from bonds allocated under Minnesota Chapter 474A, refunding bonds and 501(c)(3) bonds;
15. assistance for collaboration between a Minnesota higher education institution and a business;
16. assistance from a tax increment financing soils condition district as defined under Minn. Stat. § 469.174, subd.19;
17. redevelopment when the recipient's investment in the purchase of the site and in site preparation is 70 percent or more of the assessor's current years estimated market value;
18. general changes in tax increment financing law and other general tax law changes of a principally technical nature;
19. federal assistance until the assistance has been repaid to and reinvested by the local governmental unit;
20. business loans or loan guarantees in an amount less than or equal to the amount set forth in Minn. Stat. § 116J.993, subd. 3(21); and
21. federal loan funds provided through the U.S. Economic Development Administration.

“Business Subsidy Report” means the annual reports submitted each year for each business receiving a business subsidy in the community. The report is submitted by the LGU to comply with Minn. Stat. § 116J.994, subd. 8.

“Criteria” means the equitably applied, uniform standards by which the Economic Development Agency and /or the County bases its decision to award any business subsidy to a private business or development project establishing a business and creating jobs in the County of Murray.

“DEED” means Minnesota Department of Employment and Economic Development.

“Economic Development Agent” means the county department, local or regional economic development agency or other authorized entity that is empowered to solicit, negotiate and form business subsidy agreements on behalf of the County of Murray. The Economic Development Agent for the County of Murray shall be the Murray County Economic Development Authority (EDA), hereinafter “Agent”.

“Living Wage Job” shall mean a job which pays wages, including benefits not mandated by law, that total at least the rate of 110% of the current poverty level for a family of four.

“Local Governmental Unit” hereinafter LGU, means the county or county economic development authority.

“Recipient” means any business entity that receives a business subsidy as defined by Minn. Stat. § 116J.993, and that has signed a Business Subsidy Agreement with the county.

II. BUSINESS SUBSIDY REQUIREMENTS

A. Business Subsidy Policies. The County of Murray adopts the following:

1. Any time the County of Murray provides a business subsidy to a recipient, that business is subject to the wage levels, job creation and other criteria set forth in this policy and specified in the Business Subsidy Agreement made with the LGU. The recipient shall pay each employee compensation, including benefits not mandated by law, that on an annualized basis is equal to at least 110 percent of the federal poverty level for a family of four.
2. The County of Murray may deviate from wage and job criteria in Section II, by documenting the reason in writing for the deviation and attaching a copy of this reason to the next annual Business Subsidy Report submitted to DEED.
3. The County of Murray authorizes the Murray County EDA board chair and/or the Murray County Economic Development Director and/or the Board Chair of the County of Murray to act as its Authorized Business Subsidy Signatory to execute business subsidy agreements on behalf of the County of Murray.
4. **Requirements of businesses.** The County of Murray shall require all businesses receiving a business subsidy to comply with the following:
 - a. The business shall attend a properly noticed public hearing held by the County as provided by Minn. Stat. § 116J.994, when the value of the subsidy from local sources does or is expected to exceed the amount set forth in Minn. Stat. § 116J.994, subd. 5. The purpose of the hearing shall be held to identify and/or define the criteria that the or recipient shall meet to be eligible to receive a business subsidy. The hearing shall specify the subsidy provided, public purpose(s) that shall be achieved by offering the subsidy, and shall specify the measurable, specific, and tangible goals committed to by the recipient. As provided by Minn. Stat. 116J.994, subd. 5., a public notice shall be published in print and if possible, on the internet, at least 10 days prior to the hearing, identifying the location, date time and place of the hearing; and providing information about the business subsidy proposed, including a summary of the terms of the subsidy.