Dodge County

Business Subsidy Policy and Criteria

1. PURPOSE AND AUTHORITY

1.01 The purpose of this policy is to establish a process for the application for an approval of business subsidies in Dodge County. These criteria shall apply to both the Dodge County Board of Commissioners and the Dodge County Economic Development Authority & Housing Redevelopment Authority (EDA/HRA) when considering applications for business subsidies, as defined in Minnesota Statues § 116J.993, Subdivision 3, for private development within the County. These criteria shall be used as a guide for processing and reviewing applications requesting business subsidies.

1.02 Dodge County is authorized to grant business subsidies pursuant to Minnesota Statutes § 116J.993 – 116J.995. Amendments to these criteria are subject to public hearing requirements pursuant to Minnesota Statutes § 116J.993 – 116J.995.

2. STATUTORY LIMITATIONS

2.01 All applications or requests for business subsidies must comply with all applicable state statutes.

2.02 The definitions and minimum criteria set forth in Minnesota Statutes § 116J.993 – 116J.995 are hereby adopted and incorporated herein by reference.

2.03 Dodge County's ability to grant business subsidies are ultimately governed by the limitations established in Minnesota Statutes § 116J.993 – 116J.995, except JOBZ business subsidies as defined by Minnesota statutes § 469.310 – 469.320. In the event of a conflict between the requirements of Minnesota Statutes § 116J.993 – 116.995 and 469.310 – 469.320, Minnesota Statutes § 469.310 – 469.320 shall supersede.

2.04 Because of the fluid nature of economic development, in cases where this policy is more restrictive than Minnesota Statutes § 116J.993 – 116J.995, the Dodge County Board of Commissioners and the Dodge County EDA/HRA may deviate from this policy if they deem doing so is in the best interest of Dodge County and will accomplish the goals set forth in this policy.

3. APPLICATION REQUIREMENTS

3.01 Each request for a business subsidy shall be submitted in writing to the Dodge County EDA/HRA on a form provided by the EDA/HRA.

4. PUBLIC POLICY REQUIREMENTS

4.01 Any application for a business subsidy must meet a public purpose which may include, but may not be limited to increasing the tax base.

5. BUSINESS SUBSIDY CRITERIA

The following criteria will be considered by Dodge County when reviewing applications for business subsidies in accordance with Minnesota Statutes. However, it should not be presumed that a project meeting these criteria will automatically be approved. Meeting these criteria creates no contractual rights on the part of any applicant, business, proposed project, or potential developer.

5.01 The ultimate benefit to the County must be at least equal to the costs of the business subsidy.

5.02 The business subsidy may only be provided within debt limit guidelines and other appropriate financial requirements and policies.

5.03 The project for which a business subsidy is sought must meet at least two of the following criteria:
a) Increase or preserve tax base;
b) Create or retain jobs (retention considered only with job loss is imminent and demonstrable);
c) Provide or help acquire, finance or construct public facilities;
d) Help develop or renew blighted areas;
e) Help provide access to services for residents of the County; or
f) Retain the business if it is at risk of relocating outside of the County.

5.04 The applicant, proposed project, or potential development must comply with any applicable Comprehensive Plan and Zoning Ordinances, or required changes to the Plan and Ordinances must be under active consideration at the time of approval. The applicant shall demonstrate evidence of support from the local unit of government.

5.05 Prior to consideration of a business subsidy request, the County may require an independent underwriting of the proposed project or potential development.

5.06 Any applicant requesting a business subsidy may be required to demonstrate past successful general development capability as well as specific capability in the type and size of project or development being proposed.

5.07 The applicant must retain ownership of the project at least long enough to stabilize its occupancy, to establish the project management, and if applicable, to initiate repayment of the business subsidy.

5.08 A recipient of a business subsidy shall continue operations at the site where the subsidy is used for at least five (5) years after the benefit begins.

5.09 The business subsidy funding will be set at the lowest level of funding and for the shortest period of time which is feasible to meet the objectives.

5.10 Retail, service, or recreation businesses will be considered for business subsidies only if the project meets at least two of the following:
a) Creates quality employment;
b) Creates tax base;
c) Provides a necessary service not already provided in the community;
d) Finances, constructs, or provides public infrastructure; or
e) Redevelops blighted areas.

5.11 The impact of the project on surrounding areas will be taken into consideration. Impacts include but not limited to:
a) Pollution;
b) Traffic;
c) Sewer and water;
d) Parks; and
e) Need for additional government services such as law enforcement.

5.12 Equal consideration will be given to both the expansion and growth of existing business and new businesses proposing to relocate in the County.

5.13 To be considered as a redevelopment project at least ninety (90) percent of the business subsidy allowed by the County must be expended by the applicant to eliminate blight conditions which justify the creation of a redevelopment district.

6. APPLICATIONS WILL RECEIVE PRIORITY FOR

6.01 Developments that create quality employment. The minimum wage threshold under this provision shall be $12.00 per hour plus benefits for new jobs created.

6.02 Projects which include manufacturing, distribution, or technology-based firms or businesses which employ a majority of professional or skilled labor.

6.03 Business at risk of locating out of the State or County.

6.04 Projects constructed of block, engineered concrete, brick, or engineered steel buildings which contain decorative accessory materials (e.g. brick or stucco).

6.05 Projects that promote, further, or accomplish specific items laid out in approved county-wide plans or long range goals.

6.06 Projects that enhance and strengthen agriculture within the County.

7. REVIEW AND APPROVAL

7.01 The EDA/HRA Board shall review each application and make a recommendation to the County Board as to the granting of a business subsidy.

7.02 The County Board will make the final decision on granting the business subsidy. The County Board will provide adequate notice of and hold a public hearing on any matter relating to granting a business subsidy of more than $25,000.

7.03 The preferred term of business subsidy is five years or less. The County Board may approve longer or shorter terms at its discretion.

7.04 The County may limit the amount of the business subsidy:

a) To a specific dollar amount per year or in total;
b) To the increase in property taxes resulting from improvement of the property;
c) To the increases in property taxes resulting from increases in the market value or tax capacity of the property;
d) In any other manner the County determines appropriate; and
e) The County may not abate tax attributable to the value of the land or the area wide tax under Minnesota Statutes § 276A.