

RECEIVED JULY 11 2004

**COUNTY OF STEELE
ECONOMIC DEVELOPMENT INCENTIVES POLICY**

This policy is adopted for purposes of the business subsidies act (the "Act"), which is Minnesota Statutes, Sections 116J.993 through 116J.995. Terms used in this Policy are intended to have the same meanings as used in the Act and are consistent with a resolution on TIF subsidies adopted October 22, 1996. A business subsidy, as defined in Minnesota Statute 116J.993 (3), is herein referred to as an economic development incentive. This Policy shall apply only with respect to incentives granted under the Act if and to the extent required thereby.

This policy shall provide the legal and statutory framework to utilize economic development incentives pursuant to requirements in law. The adoption of this policy is a prerequisite to determining the level of and extent of participation in economic incentives programs.

Economic development incentives seek to realize goals that benefit the community and meet a public purpose, including the creation or retention of jobs; the provision and upgrade of public infrastructure; the stabilization of commercial and industrial districts or neighborhoods; and the support of industry and employment through job advancement and training opportunities.

Criteria for Economic Development Incentive.

- 1) The economic development incentive shall be tied to the creation of new jobs that pay a living wage. For the purposes of this policy, living wage shall be computed at 120% of the "Cost of Living in Minnesota Wage and Benefit Calculator" for Steele County as prepared by the Jobs Now Coalition (www.jobsnowcoalition.org). The cost of living calculation shall be for a family of 2 adults and 2 children with one adult working. The economic development incentive may be targeted to job retention only when job loss is specific and demonstrable.
- 2) Proposals for economic development incentives must also meet one of the following criteria.
 - The incentive will be used for a business expansion, relocation, or start-up.
 - The incentive is used for the construction, extension, or upgrade of public infrastructure.

- The incentive will be used for projects that will provide for employee training or that offer job advancement opportunities through skills learned in the workplace.
- The incentive will be used for projects that address and promote the stabilization of commercial, industrial, and residential areas including the elimination of blight, and redevelopment activities.
- The incentive will result in a significant increase in county's taxable base relative to the size of the incentive.

3) Because it is not possible to anticipate every type of project which may in its context and time present opportunities for community development, deviation from the above criteria is permitted upon adoption of resolution by the granting authority documenting the reason for the deviation.

5/11/04

RECEIVED MAY 11 2004

RESOLUTION ADOPTING A BUSINESS SUBSIDY POLICY

WHEREAS, Minnesota Statutes, Section 116J.993 through 116J.995, "Business Subsidies Act", requires that before a business subsidy, as defined in the Act, can be granted by a local unit of government or local agency, the grantor must adopt business subsidy criteria after public hearing. Such criteria must include a policy establishing a specific base wage for jobs created; and

WHEREAS, the Steele County Board of Commissioners, may encourage and assist economic development projects that benefit the county and such assistance may involve the use of business subsidies as defined in the "Business Subsidies Act"; and

WHEREAS, a public hearing was held on May, 11, 2004, on adoption of a business subsidy policy.

NOW THEREFORE, BE IT RESOLVED, that the County Board of Steele County, Minnesota, hereby adopts the attached "Economic Development Incentives Policy" dated May, 11, 2004.

Passed and adopted this 11th day of May, 2004, with the following vote: Aye 5; No 0; Absent 0.

Approved and signed this 11th day of May, 2004.

[Signature]
Chair

ATTEST:

[Signature]
County Auditor