**Chapter 9: Economic Development – Job Creation**

Instructions / Application

**Instructions**

Economic Development - Job Creation projects are typically for the expansion and/or improvement of public infrastructure or utilities that are necessary to allow for a business to expand and create new jobs.

A**. Threshold Factors for Economic Development – Job Creation Projects**

In addition to the requirements set forth in Chapter 5 of this Application Handbook, all Economic Development/Job Creation projects are subject to the following:

* The project must benefit low-and-moderate-income persons through job creation. At least 51 percent of all the new jobs created must be “taken by” a member of a low-and-moderate-income family. Family income must be certified by the employee at the time of hire or be documented through a Commerce. The confidential job survey found in Part C of this chapter should be given to each person filling a job. Family income levels must be reported as low, moderate or high. County income levels can be found at <http://commerce.idaho.gov/communities/community-grants/grant-resources> .
* The grantee and business must complete and sign the Job Creation Agreement form found in Part C of this chapter.
* The jobs are measured in full-time equivalents (FTE) and must have been created as a direct result of the grant activity. These newly created positions must exist above and beyond the company’s workforce prior to the grant application.
* Any job creation application that costs more than $30,000 in CDBG funds per job will not be awarded.

* Job creation must occur within two years from completion of the project.
* If the ICDBG Grant assistance is under $10,000 per job, then only businesses applying for grant assistance need to be assessed for low-and-moderate-income job creation. If the grant assistance equals $10,000 or more per job, then any business benefiting from the public infrastructure for a period of up to one year after the physical completion of the project must be assessed for low-and-moderate-income job creation.
* For projects that involve more than one business, such as industrial parks, the aggregate number of low-and-moderate-income jobs created must equal at least 51 percent.

**Ranking Criteria**

1. **Quality of New Jobs (100 points):** This category measures the quality of the jobs created by comparing the full-time equivalent (FTE) wages or salaries created to the average county starting salary (not including benefits). Points will be awarded based upon the percentage of FTE wages exceeding the county (or state) average wage.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_ County’s average starting annual wage. Average county wage information can be found here: <http://lmi.idaho.gov/region>

\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Percentage of full-time equivalent jobs that exceed the starting average county (or state) wages.

*Writer’s Guide - Fill in blanks above.*

1. **Fringe benefits (100 points):** This category measures the quality of benefits the company provides for its employees. Fifty points will be awarded for an employer-funded health plan and 50 points for an employer-funded retirement plan.

Identify (✓) fringe benefits provided by the employer or business(es)

\_\_\_\_ Sick Leave

\_\_\_\_ Vacation Leave

\_\_\_\_ Paid Time off (combined sick and vacation leave)

\_\_\_\_ Health Insurance

\_\_\_ Medical

\_\_\_ Dental

\_\_\_ Vision

\_\_\_ Prescription

\_\_\_ Other (describe :\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

\_\_\_\_ Retirement Program (requires employer contribution)

\_\_\_ Pension

\_\_\_ IRA

\_\_\_ 401(k) – identify match percentage

\_\_\_ Other (describe :\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

*Writer’s Guide - Fill out the Fringe Benefit Checklist above; include documentation of fringe benefit plans provided by the employer.*

1. **Business risk and management (140 points):**

*Writer’s Guide - Complete a narrative addressing all of the criteria including: History of the Company, Market Information and sections A-F under Part B (attach any supporting documentation). Narrative length, not including attachments, should not exceed 3 pages.*

1. History of the Company:

2. Market information:

What does the company manufacture and/or produce?

Who is your customer base?

What sets you apart from your competitors?

Over the last two years has production and sales been increasing or decreasing?

Does the company have any patents in place?

1. **Planning, schedule, cost and field notes review (170 points):** Provide a short narrative about the project’s land use planning efforts and preparedness
2. **Planning (110 points):** Describe the status of each of the following land use

planning efforts and permit requirements, if applicable.

**For the Business**

1. Annexation approval
2. Zoning approval
3. Design reviews
4. Building permits
5. Developer’s agreement
6. Historic Preservation or Architectural Review
7. Public frontage improvements
8. Easements / Rights-of-way permits
9. Air quality permits
10. Surface water drainage requirements
11. Environmental mitigation requirements
12. Other

*Writer’s Guide - Provide status and timeline of approval for each requirement listed above if applicable.*

**For the City/County**

1. Design and engineering of public infrastructure
2. Easements / Rights-of-Way
3. Public frontage improvements

*Writer’s Guide - Provide status and timeline of approval for each requirement listed above if applicable.*

1. **Schedule (15 points):**

*Writer’s Guide - Commerce will use the Project Schedule completed as part of the general application in Chapter 5.*

1. **Cost (25 points):**

*Writer’s Guide - Commerce will use the Detailed Cost Analysis and Design Professional Cost Estimate completed in the general application in Chapter 5.*

1. **Project site - Field Notes Review (20 points):**

*Writer’s Guide - Commerce will use the Project Site - Field Notes Review will have been completed in the general application as part of Chapter 5.*

1. **Local match (100 points):** This category measures the percentage of local match (in-kind, cash, fee waiver, force account, etc.) committed to the project.

*Writer’s Guide - Commerce will use the Budget Sheet completed as part of the general application in Chapter 5 in order to determine local match.*

1. **Distressed areas (20 points):** Maximum points will be given if the project is located in a SBA historically underutilized business (HUB) Zone or Opportunity Zone.

Is the community located in a HUB Zone or Opportunity Zone?

\_\_\_\_\_ Yes \_\_\_\_\_ No

*Writer’s Guide - Identify if the business is located in a HUB zone and provide map. You may find this information at* [*www.sba.gov/hubzone*](http://www.sba.gov/hubzone) *or* [*https://commerce.idaho.gov/incentives-and-financing/opportunity-zones/*](https://commerce.idaho.gov/incentives-and-financing/opportunity-zones/)

1. **Existing Idaho business (20 points):** If the business has a significant Idaho presence it may receive full points.

*Writer’s Guide - Provide a narrative describing the business’s Idaho presence. Include how long the business has been in Idaho and if its corporate headquarters is located in Idaho.*

1. **Private leverage (100 points):** The dollar investment from the business to construct their facilities, acquire equipment, purchase land, and/or construct public infrastructure.

*Writer’s Guide - Commerce will use the Budget Sheet completed as a part of the general application in Chapter 5. Documentation should also include a letter from the business identifying the value of their private leverage for this project.*

1. **Activities (25 points):** Points will be awarded based upon the percentage of the grant committed to acquisition, new construction or improvement of public infrastructure or to publicly-owned commercial building rehabilitation for the purpose of assisting a business or businesses.

*Writer’s Guide - Commerce will use the Budget Sheet completed as a part of the general application in Chapter 5 to make this determination.*

1. **Grant management (25 points):** Previous track record and experience of grantee and/or grant administrator.

*Writer’s Guide - Commerce will use the Administrative Capacity section completed as part of the general application in Chapter 5.*

**Part B**

**Business Information**

***This section is exempt from public disclosure per Idaho Code 9-340D and can be separate from the application.***

1. Trends and Outlook:

Identify the reasons why the company sales are expected to grow.

1. Rationale for Expansion:

What are the factors for selecting this location? (i.e., city infrastructure, transportation routes, access to labor, access to west coast markets, access to suppliers, operating costs, education opportunities, etc.)

1. Financial Capabilities:

What is the financing source of the company’s expansion?

1. Managerial Capabilities:

Provide experience and/or resumes of top management.

1. Expansion Information: What is the status of the following: (provide explanation beyond a Yes or No response)

Has the company’s property and/or easement purchases been completed?

Does the company have a design professional firm under contract?

Have site and building plans been prepared? If so, please submit site plan and building elevation plan.

Does the company have a contractor secured?

What public infrastructure or utilities are needed, including upgrades?

1. Business plan or prospectus:

Not required but if available provide copy.

**Part C**

**Pre-Job Documentation**

**Confidential Income Survey**

Company Name:

Applicant/Employee Name:

Job Title:

Anticipated Hours to be worked per week:

Annual Family Income – Instructions:

* + - 1. Using the chart below, **CIRCLE** the number of people in your family.
      2. Read across the same row for the size of family identified and place an **X** in the box that represents your total annual family income range, **prior to you being hired.**

**Note**: your total annual family income is the same as the adjusted gross income as defined under Internal Revenue Service (IRS) annual income tax Form 1040 forms.

|  |  |  |  |
| --- | --- | --- | --- |
| **# of people**  1) Circle the family size  **in Family** | **TOTAL ANNUAL FAMILY INCOME RANGE** | | |
| 1 | $0 to $24,650 | $24,651 to $39,450 | $39,451 and Above |
| 2 | $0 to $28,200 | $28,201 to $45,050 | $45,051 and Above |
| 3 | $0 to $31,700 | $31,701 to $50,700 | $50,701 and Above |
| 4  2) Then select the income range on the same row as the family size circled | $0 to $35,200 | $35,201 to $56,300 | $56,301 and Above |
| 5 | $0 to $38,050 | $38,051 to $60,850 | $60,851 and Above |
| 6 | $0 to $40,850 | $40,851 to $65,350 | $65,351 and Above |
| 7 | $0 to $43,650 | $43,651 to $69,850 | $69,851 and Above |
| 8 | $0 to $46,500 | $46,501 to $74,350 | $74,351 and Above |

***The income limits above are for Minidoka County. Before using this survey, fill in the Low, Moderate and Above income ranges for your county. Be sure to delete this line as well.***

Certification: I hereby certify that, prior to this employment, my total family income level has been identified above.

Name: Date:

**Encuesta Confidencial de Ingresos**

Nombre de empresa:

Nombre del solicitante/empleado

Título profesional:

Horas previstas para ser trabajadas por semana:

El ingreso total de la familia – Instrucciones:

* + - 1. Utilizando la tabla siguiente, **haga un círculo marcando el numero de personas en su familia**.
      2. Mire hacia la derecha y marque en ingreso salarial anual de su familia con la cantidad en dólares que se encuentra en el recuadro de esa misma fila, **antes de ser contratado.**

\*Nota: El ingreso total de la famila es el mismo que el ingreso bruto ajustado que aparece en la declaracíon de impuestos con el IRS (formularios 1040).

|  |  |  |  |
| --- | --- | --- | --- |
| **# de personas en su familia**  1) Marque# de personas en su familia | **Rango anual total de ingresos familiares** | | |
| 1 | $0 to $24,650 | $24,651 to $39,450 | $39,451 and Above |
| 2 | $0 to $28,200 | $28,201 to $45,050 | $45,051 and Above |
| 3 | $0 to $31,700 | $31,701 to $50,700 | $50,701 and Above |
| 4  2) Despues, marque el rango anual de ingresos familiars de la misma fila | $0 to $35,200 | $35,201 to $56,300 | $56,301 and Above |
| 5 | $0 to $38,050 | $38,051 to 60,850 | $60,851 and Above |
| 6 | $0 to $40,850 | $40,851 to $65,350 | $65,351 and Above |
| 7 | $0 to $43,650 | $43,651 to 69,850 | $69,851 and Above |
| 8 | $0 to $46,500 | $46,501 to 74,350 | $74,351 and Above |

Certificación: Certifico que el ingreso total para mi familia es el nivel identificado arriba, y que estoy empleado en el trabajo descrito arriba

Nombre: Fecha:

**Job Creation Agreement**

**between City/County and Company**

Whereas, the City/County of is applying for an Idaho Community Development Block Grant (ICDBG) to provide public infrastructure and/or utilities to support (company name) expansion.

Therefore, as a result of the ICDBG assistance, (company name) agrees it will create \_\_\_\_ new full-time equivalent (FTE) jobs and that of these jobs at least 51% will be **taken by** low and moderate income (LMI) persons.

The City/County of and (company name) further agree to abide by all the following conditions of this Agreement.

**Definitions**

A. The City/County of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereafter is known as the LOCAL GOVERNMENT.

B. The (company name) , hereafter is known as the COMPANY.

C, Funding Source: The Idaho Community Development Block Grant (ICDBG) program is funded by the U.S. Department of Housing and Urban Development (HUD) and managed by the Idaho Department of Commerce (COMMERCE).

D. Low and Moderate Income (LMI): Family median income standards are set annually by HUD at a county level and by family size. Families having income 80% or less of the median income are defined as moderate-income families. Families having income 50% or less are defined as low-income families.

E. LMI Person: A member of a LMI family.

F. Full-Time Equivalent (FTE): Job creation must be calculated in FTE’s. An FTE job is the equivalent of 30 hours or more per week. Part-time jobs must be aggregated into FTE’s.

**The Project**

The LOCAL GOVERNMENT agrees to provide the following public infrastructure and/or utilities to assist the COMPANY with its planned expansion or location in the LOCAL GOVERNMENT’S jurisdiction.

(Identify detailed scope of work)

In the event project cost exceeds the total dollars budgeted for the project, (LOCAL GOVERNMENT OR COMPANY) shall be responsible for providing the additional funds needed to complete the project.

**Job Creation**

The COMPANY commits that by \_\_\_\_\_\_\_\_\_, 20\_\_, it will create \_\_\_\_ new FTE jobs above its current employment number as established by \_\_\_\_\_\_\_\_\_, 20\_\_\_. The COMPANY further commits that at least 51% (insert job number) of the new jobs will be **taken by** LMI persons. The new jobs to be created are identified and incorporated into this agreement in Attachment “A” - Jobs to be Created.

**Claw-Back**

The COMPANY agrees to reimburse the LOCAL GOVERNMENT a pro rata ICDBG dollar amount per job not created if (i) the total number of new jobs created does not meet or exceed the number of jobs committed above and (ii) the LOCAL GOVERNMENT is required to reimburse such amounts to COMMERCE. The ICDBG dollars per job ratio is $\_\_\_\_\_\_\_\_\_\_\_\_.

Regardless of the number of new jobs created, the COMPANY agrees to reimburse the LOCAL GOVERNMENT the entire amount of the ICDBG if (i) less than 51% of all new jobs created are **taken by** LMI persons and (ii) the LOCAL GOVERNMENT is required to reimburse the ICDBG dollars to COMMERCE.

The COMPANY and LOCAL GOVERNMENT agree that the decision of COMMERCE will be final in judging the level of job creation and percentage of jobs **taken by** LMI persons.

**Estimated Project Schedule**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Activity | Date | Supporting Documentation to  Submit to COMMERCE |
| The Project: | Start Construction | \_\_\_\_\_\_\_\_\_\_ | Contract and Notice to Proceed |
|  | Construction Complete | \_\_\_\_\_\_\_\_\_\_ | Certificate of Substantial Completion |
| Company’s Building / Facility: | |  |  |
|  | Start Construction | \_\_\_\_\_\_\_\_\_\_ | Notice to Proceed |
|  | Construction Complete | \_\_\_\_\_\_\_\_\_\_ | Occupancy Permit |
|  | Job Creation Complete | \_\_\_\_\_\_\_\_\_\_ | Employee Job Listing and Income Surveys |

**Recordkeeping and Reports**

The COMPANY will provide evidence and documentation of the new jobs created and the persons hired to fill the new jobs. To document that at least 51% of the jobs are **taken by** LMI persons, the following information must be provided before project closeout:

1) The completed ICDBG income surveys of each employee hired. (The income survey must be in the format as designated by COMMERCE).

2) An employee job listing which identifies: the new employee, job title, LMI status before hire, and full or part time position.

3) Contact information for the COMPANY’S human resource representative.

This information will be retained by the LOCAL GOVERNMENT for a period of five (5) years after project closeout.

**Monitoring Rights of Government Officials**

The information and all records related to this project and its associated job creation will be made available to the LOCAL GOVERNMENT, COMMERCE, and HUD officials.

The COMPANY upon request will allow said officials access to the records during regular working hours. The COMPANY shall, upon request, allow for visual inspection of the company expansion and provide for interviews with employees to verify job creation.

**Effectiveness**

This agreement is effective from the signature date and will remain in effect until the jobs are created and the grant is closed out by COMMERCE. Closeout occurs after COMMERCE determines the LOCAL GOVERNMENT has complied with all ICDBG conditions, regulations, and the COMPANY has created the jobs per this agreement.

**Signatures**

I certify by my signature that I have the authority to commit the (company) to this Agreement.

Signed: Date:

Name and Title:

I certify by my signature that I have the authority to commit the (Local Government) to this Agreement.

Signed: Date:

Name and Title:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ATTACHMENT “A” – Jobs to be Created  Company \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | | | | | | |
| Job Title | Full or part time position | Wage or Salary Range | Identify the special skills, certification or education, if any, that are required for the specific job. | Number of People Required (FTE), per job title | Approximate Date of Hire | Likely a job taken by an LMI person -  Yes/No |
|  |  |  |  |  |  |  |

**Part D**

**Post-Job Documentation**

**(contact your CDBG specialist for electronic forms)**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Job Creation Documentation as of Close-out Project Name ­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | | | | | | | | |
|  | | | | | | | | |
| Business Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | | | | | | | | |
|  |  | | | | | | | |
|  | New Hires | | | Employment Status Prior to Being Hired | | Income Level Prior to Being Hired | | |
|  |
|  | Last Name | First Name | Title/Classification | Employed | Unemployed | Low | Mod | Above |
| 1 |  |  |  |  |  |  |  |  |
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