A RESOLUTION

WHEREAS, the Governing Authority of DeKalb County is tasked with the protection of the County’s health, safety, and general welfare; and

WHEREAS, Economic Development is highly competitive regionally, nationally, and internationally

WHEREAS, offering incentives to potential businesses interested in locating in DeKalb County is essential to attract new investment, create jobs, and expand the local tax base; and

WHEREAS, DeKalb County has adopted an Economic Development Strategic Plan to provide a roadmap for economic development activities countywide, and has tasked its Development Authority, Decide DeKalb, with implementing that plan; and

WHEREAS, DeKalb County has identified target industries in its Economic Development Strategic Plan. These were selected after an in-depth examination of industry clusters within the County that led to the identification of the following target industries: Professional & Business Services; Life Sciences; Tourism; Logistics; Construction & Support Trades; and Advanced Manufacturing; and

WHEREAS, the film production and distribution industry has been included in this policy as a niche within the tourism industry because of the unique opportunities it presents in the County and the State; and

WHEREAS, targeting certain industries will focus scarce resources on industries that provide the highest economic impact and hold the greatest potential for sustained growth; and

WHEREAS, the Governing Authority finds that this resolution will expand and attract businesses, create jobs, and increase economic growth, thereby improving the general welfare of the County;

NOW, THEREFORE, be it ordained by the Governing Authority of DeKalb County, Georgia, and it is hereby ordained by the authority of same, that the attached Economic Development Incentives Policy (Exhibit A) is adopted.

ADOPTED by the DeKalb County Board of Commissioners, this _____ day of __________, 2016.

______________________________________________
LARRY L. JOHNSON, MPH
Presiding Officer
Board of Commissioners
DeKalb County, Georgia
APPROVED by the Chief Executive Officer, or designee, of DeKalb County, this _____ day of _____, 2016.

________________________________
LEE MAY
Interim Chief Executive Officer
DeKalb County, Georgia

ATTEST:

_______________________________
BARBARA H. SANDERS, CCC
Clerk to the Board of Commissioners and
Chief Executive Officer
DeKalb County, Georgia

APPROVED AS TO SUBSTANCE:  APPROVED AS TO FORM:

________________________________________  __________________________
LUZ BORRERO  OV BRANTLEY
Deputy Chief Operating Officer for Development  County Attorney
Exhibit A
Economic Development Incentives Policy

1. Background

The objective of this Economic Development Incentives Policy is to create and expand economic development activity, enhance the tax base, create and retain jobs, and spur redevelopment in DeKalb County. This policy will also assist in addressing blight by creating an environment that encourages private sector reinvestment in key areas.

The Board of Commissioners of DeKalb County adopted the Economic Development Strategic Plan on September 23, 2014. This Strategic Plan included the objective of optimizing incentives, supporting entrepreneurship, and enhancing marketing, branding, and communications for DeKalb County.

An active business attraction program is an ideal way to improve the economic health and vitality of DeKalb County. Business attraction and expansion efforts can be done through a variety of programs and tools. Financial incentives and eliminating or minimizing barriers to doing business in an efficient and effective manner are critical components of these efforts. Financial incentives are one tool designed to more quickly move the County’s economy forward.

This Incentives Policy is designed to catalyze economic activity by focusing on opportunities aligned with the County’s Economic Development Strategic Plan, Comprehensive Plan, and the Activity Centers established therein. The policy is specifically designed to spur development directly related to target industries or related niches.

In addition, specific incentive levels were established in light of the projected benefits to the County, as represented by the number of new jobs created, the increase and diversification of the County’s tax base, and the additional revenues generated for the County’s Enterprise and General Funds.

2. Coordination with Decide DeKalb

The Development Authority of DeKalb County (Decide DeKalb) serves as the County’s Economic Development arm and is tasked with implementing the County’s Economic Development Strategic Plan. As such, Decide DeKalb and the County coordinate closely on all potential development projects. Decide DeKalb works with the County to set up pre-application meetings and assemble the Major Projects Team, as warranted. Under this incentives policy, Decide DeKalb will serve as the liaison for applicants and will coordinate with the County and the applicant throughout the application preparation, submittal, review, and approval process. Applicants that approach the county for incentives through this policy will be referred to Decide DeKalb for any financing or other incentives they may need for their project.

3. Policy Administration

The Chief Operating Officer, or designee, of DeKalb County shall be authorized to provide Economic Development Incentives in the form of fee reductions, waivers, and matching funds based on the criteria established in this policy. The Director of Planning and Sustainability shall oversee the incentives program and provide recommendations on incentives applications to the Chief Operating Officer, or designee.

4. Incentives Application Process
Applicants seeking an economic development fee reduction, waiver, or matching funds must file an application with the Director of Planning and Sustainability, or designated staff. Such application must be made prior to payment of any fees applicant would like reduced or waived, and prior to construction of any water/sewer infrastructure for which applicant plans to request matching funds for the project. Projects expected to last more than five years should submit separate phased incentives applications. The administration will inform district and superdistrict commissioners when an economic development incentives application has been received for a project within his or her district or superdistrict.

A business seeking a fee reduction, waiver, or matching funds must provide independent research to support their assertion that they will meet the impact requirements of this policy. These requirements include greater than 50% of the project being dedicated to a target industry, or some combination of target industries, along with meeting all other criteria established in this policy. The study must demonstrate that the development would not occur “but for” the offer of incentives. The projected attainment of these requirements should be presented by applicant and conducted by an independent service provider.

The County may hire an independent service provider to conduct this analysis, and may establish application fees to recover the cost of this service.

5. Incentives Approval Process

The Director of Planning and Sustainability will assess the application against established incentives criteria, and provide the Chief Operating Officer, or designee, with a recommendation on the appropriate fee reduction waiver, or matching funds. The final determination whether to offer incentives to a Targeted Business will be made by the Chief Operating Officer, or designee, after considering whether such an offer of incentives is in the best interest of DeKalb County.

This process is conducted and managed by the Director of Planning and Sustainability. However, the Chief Operating Officer (COO), or designee, makes the final determination whether an applicant meets the requirements for fee reductions, waivers, or matching funds. The COO, or designee, will mail the applicant a letter either rejecting the application for incentives or approving the application for incentives. The COO, or designee, will provide the applicant, the Director of Finance, the Director of Watershed Management, and the Director of Planning and Sustainability a letter detailing the fee reductions, waivers, or matching funds authorized. The applicant then enters into a contract with the County to accept the incentives based on conditions established in this policy.

Incentives offered shall include the following:

1. Reduction of fees for general contractor building and land development permits.
2. Reduction of business occupation taxes (business license fees).
3. Matching funds for water and sewer infrastructure improvements.
4. Acceleration of some or all aspects of the development review process.

All potential fee reductions, waivers, and matching funds are subject to DeKalb County’s budgetary constraints.

In no event shall any incentive result in a payment of County funds to an applicant.
March 8, 2016

The Chief Operating Officer, or designee, is hereby authorized to execute agreements with eligible businesses, which detail the requirements and benefits referenced herein.

5. Appeals

In the event that an applicant is rejected by the COO, or designee, and would like to appeal this decision, the applicant within 30 days of rejection shall write a letter to the Director of Planning and Sustainability appealing this decision.

This process for appeal is conducted and managed by the Director of Planning. However, the Chief Executive Officer (CEO), or designee, makes the final determination whether an applicant’s appeal should be granted and incentives should be given. Within 30 days of receipt of the appeal, the CEO, or designee, will write the applicant a letter either confirming the denial of incentives or approving the appeal for incentives. In the event the CEO, or designee, approves the appeal and an applicant is awarded the prescribed incentives, the COO, or designee, will provide the applicant, the Director of Finance, the Director of Watershed Management, and the Director of Planning and Sustainability a letter detailing the fee reductions, waivers, or matching funds authorized. The applicant then enters into a contract with the County to accept the incentives based on conditions established in this policy.

6. Eligibility Criteria

In order for a project to be eligible for Economic Development Incentives, it must satisfy defined eligibility criteria related to the type of development proposed, projected job creation and investment, and water usage.

a) Target Industries

In order for a project to be eligible for Economic Development Incentives, a majority of the project, measured as greater than 50% of the project investment, must relate to one or more of the following target industries or related niches (See related NAICS Code for further information):

- Professional & Business Services (541)
  Includes firms which provide services that require niche educational training, such as engineers, accountants, and lawyers, as well as firms that provide direct services to businesses.
  i. Consulting, Accounting, & Marketing (5416, 5412, and 5418);
  ii. Engineering (541330);
  iii. E-Commerce;
  iv. Creative Design (5414); and
  v. Entrepreneur Enabled Businesses
- Life Sciences (5417)
  Includes services, products, and activities that are broadly related to research, manufacturing, and other activities focused on, or utilizing, living organisms, with particular attention to the maintenance or restoration of health.
  i. Biotechnology;
  ii. Health IT;
  iii. Proteomics;
  iv. Bioinformatics; and
  v. Senior Care Centers (623110, 623311, & 624120)
- Tourism
This industry is focused on destinations, travelers, and the businesses that create destinations and accommodate those travelers.

i. Cultural Tourism (926110);
ii. Youth Sporting Events (713990);
iii. Bed & Breakfast Inns (721191); and
iv. Dynamic Tour Packages (561520)
v. Film/Motion Picture and Music Production and Distribution (512110 and 512220)

- Logistics
  Includes businesses associated with the process of planning, implementing, and controlling the efficient flow of goods and services through the supply chain from producer to consumer.
  i. Warehouse Distribution (493);
  ii. Truck Terminals (488490);
  iii. Back Office Support Services (561); and
  iv. Specialized Freight Trucking (484110)

- Construction & Support Trades
  Includes businesses that provide create, or support the creation, of residential, commercial, or industrial buildings, civil engineering work, or other infrastructure development.
  i. Homebuilding (236116);
  ii. Contracting (236-238); and
  iii. Construction Materials Manufacturing (333120)

- Advanced Manufacturing
  Category of manufacturing that utilizes innovative technologies to make superior products and improve production methods.
  i. Fabricated Metals Manufacturing (332);
  ii. Light Manufacturing & Assembly (3133)
  iii. Laboratory Equipment & Supplies (327212, 327215, 334515); and
  iv. Medical Equipment & Supplies (3391)

b) Employment and Investment Thresholds

i. Incentives Schedule: Land Development and Building Permits

To qualify for permit or business license waivers or reductions, a project must meet the required economic impact thresholds outlined in the table below, as measured by the investment and new jobs created by the business locating or expanding in DeKalb County

<table>
<thead>
<tr>
<th>Tier</th>
<th>Potential Economic Impact</th>
<th>Potential Incentives</th>
</tr>
</thead>
</table>
| I    | For investment projects with a taxable value within a range of $10 to $15 Million dollars and creating a minimum of 20 new jobs. | ✗ Permit discounts of 50% on General Contractor Fees
        ✗ Business occupation taxes capped at $1,000 for one (1) year. |

1 Businesses that specialize in single family home or multi-family construction and/or support may be eligible for incentives to locate in DeKalb County. However, construction of a single family residential home, subdivision, or multifamily development will not be eligible for incentives under this policy.
March 8, 2016

II For investment projects with a taxable value within a range of $16 to $20 Million dollars and creating a minimum of 30 new jobs.

- Permit discounts of 60% on General Contractor Fees
- Business occupation taxes capped at $1,000 for two (2) years.

III For investment projects with a taxable value within a range of $21 to $30 Million dollars and creating a minimum of 40 new jobs.

- Permit discounts of 70% on General Contractor Fees
- Business occupation taxes capped at $1,000 for three (3) years.

IV For investment projects with a taxable value within a range of $31 to $50 Million dollars and creating a minimum of 60 new jobs.

- Permit discounts of 80% on General Contractor Fees
- Business occupation taxes capped at $1,000 for four (4) years.

V For investment projects with a taxable value within a range of $51 Million and above, and creating a minimum of 100 new jobs.

- Permit discounts of 100% on General Contractor Fees
- Business occupation taxes capped at $1,000 for five (5) years.

ii. Incentives Schedule Water and Sewer Fees

To qualify for water/sewer infrastructure improvement matching funds, the applicant must meet the water usage criteria established in the table below.

<table>
<thead>
<tr>
<th>Tier</th>
<th>Potential Economic Impact</th>
<th>Potential Incentives</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>For investment projects with a taxable value within a range of $10 to $15 Million dollars and creating a minimum of 20 new jobs, and that produce at least $100,000 in new annual water and sewer revenues</td>
<td>County will match each dollar contribution toward cost of capacity improvements costing up to $200,000 for water and/or sewer with the County’s total contribution not to exceed $100,000</td>
</tr>
<tr>
<td>II</td>
<td>For investment projects with a taxable value within a range of $16 to $20 Million dollars and creating a minimum of 30 new jobs, and at least $200,000 in new annual water and sewer revenues</td>
<td>County will match each dollar contribution toward the cost of capacity improvements for water and/or sewer costing between $200,000 and $400,000 with the County’s total contribution not to exceed $200,000</td>
</tr>
<tr>
<td>III</td>
<td>For investment projects with a taxable value within a range of $21 to $30 Million dollars and creating a minimum of 40 new jobs, and at least $300,000 in new annual water and sewer revenues</td>
<td>County will match each dollar contribution toward the cost of capacity improvements for water and/or sewer costing between $400,000 and $600,000 with the County contribution not to exceed $300,000</td>
</tr>
<tr>
<td>IV</td>
<td>For investment projects with a taxable value within a range of $31 to $50 Million dollars and creating a minimum of 60 new jobs, and at least $400,000 in new annual water and sewer revenues</td>
<td>County will match each dollar contribution toward the cost of capacity improvements for water and/or sewer costing between $600,000 and $800,000 with the County contribution not to exceed $400,000</td>
</tr>
<tr>
<td>V</td>
<td>For investment projects with a taxable value within a range of $51 Million and $75 Million, and creating a minimum of 100 new jobs, and at least $500,000 in new annual water and sewer revenues</td>
<td>County will match each dollar contribution toward the cost of capacity improvements for water and/or sewer costing over $1,000,000 with the County contribution not to exceed $500,000</td>
</tr>
<tr>
<td>VI</td>
<td>For investment projects with a taxable value within a range of $76 Million and above, and creating a minimum of 100 new jobs, and at least $750,000 in new annual water and sewer revenues</td>
<td>County will match each dollar contribution toward the cost of capacity improvements for water and/or sewer costing over $1.5 Million with the County contribution not to exceed $750,000</td>
</tr>
</tbody>
</table>
Projects that obtain one or more sustainable building certifications through LEED, Earthcraft, Green Globes, or the Living Building Challenge will receive a 15% credit toward the required investment to obtain all incentives. Applicants will include their intent to obtain one of these certifications on their application. For example, a development estimated at $18 million of investment that creates 40 new jobs and $300,000 in new water/sewer revenue would ordinarily qualify for a Tier II incentive for permitting, business license, and water/sewer incentives. However, if that same development was built and certified through any of the aforementioned sustainable building programs, it would receive a 15% investment credit and qualify for Tier III incentives ($18 million + $2.7 million = $20.7 million).

7. Developments with High Water Usage and Low Sewage Usage

Investment projects with a taxable value of $10 Million+ and creating a minimum of 20 new jobs, with a sewage usage that is 30% of water usage will receive a 50% discount in sewage rates for 5 years.

8. Expansion of Water & Sewage Capacity for Public Benefit

The Director of Watershed Management may contract to reimburse a developer for water and sewer system improvements beyond what is required for the development, where it will expand capacity for other potential users.


Any proposed development with a taxable value of at least $10 million may request an expedited process for Land Development and Building permits. For approved projects, the County will provide guaranteed service level agreements for completion of all Land Development and Building permit reviews within ten business days of applicant submission. Additionally, the County will establish a single point of contact to work closely with project managers, contractors, owners, and other interested parties.

10. Coordination with DeKalb County Workforce Development Agency

The DeKalb County Workforce Development Agency provides businesses with access to dollars to assist training new and existing employees. Any development project that receives incentives through this policy will be required to collaborate with the DeKalb County Workforce Development Agency to advertise jobs created during the development process and take advantage of the following services, as appropriate:

- Job candidate recruitment and screening
- Customized job fairs for employers
- Occupational skills training funded through the Workforce Innovation & Opportunity Act (WIOA), which covers up to 100% of training costs
- Work-Based Training: Internships, On-the-Job-Training, Customized and Incumbent Worker Training
- Skills assessments for all new and existing employees
- Layoff aversion solutions
March 8, 2016

- Community/business collaborations with the Georgia Department of Labor, Georgia Piedmont Technical College, the Georgia Department of Economic Development – Workforce Division, and other entities as needed

11. Performance Bond

Applicants seeking an economic development fee reduction, waiver, or matching funds must secure a performance bond with a bonding company in the amount of the incentives offered to the business by the County, for a period of no less than five years. The bond must be secured, and documentation must be presented to the County prior to finalizing the incentives contract.

12. Business Fails to Meet Policy Guidelines

The responsibility to meet the requirements associated with target industries, job creation, taxable value, sustainable building certification, and/or water/sewer revenue for any incentives given to a business through this policy transfer to any subsequent business or other entity to which ownership passes during the incentives time period. In the event the business is sold, the business owner must provide the buyer with a deed detailing the obligations of the owner under the incentives contract. Once the transaction is complete, the new owner must contact the Director of Planning and Sustainability to inform him or her of the transfer.

Businesses that receive any incentive under the provisions of this policy shall agree not to relocate outside DeKalb County for five years after incentives are granted. If the Targeted Business relocates outside DeKalb County during the incentive period, the Targeted Business shall immediately reimburse DeKalb County for the full value of any and all incentives received pursuant to this Policy.

In the event an applicant fails to meet the financial or employment impact levels, or obtain required sustainable building certification presented to the county, the applicant shall return to the County the amount of incentives in excess of the amount typically awarded for the financial impact level the applicant has attained.

Projects must attain requirements associated with target industries, job creation, taxable value, sustainable building certification, and/or water/sewer revenue in the period of time outlined in the table below.

<table>
<thead>
<tr>
<th>Incentives Tier</th>
<th>Time to Meet Eligibility Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Three Years</td>
</tr>
<tr>
<td>II</td>
<td>Three Years</td>
</tr>
<tr>
<td>III</td>
<td>Four Years</td>
</tr>
<tr>
<td>IV</td>
<td>Four Years</td>
</tr>
<tr>
<td>V</td>
<td>Five Years</td>
</tr>
<tr>
<td>VI</td>
<td>Five Years</td>
</tr>
</tbody>
</table>

13. Extensions

In the event an applicant acknowledges that they will not meet the prescribed impact levels in the time allotted, the applicant may request an extension on this time frame by submitting a letter to the COO,
or designee, detailing (1) the reason they have failed to meet the impact levels established; (2) time of extension requested; and (3) a plan to meet the impact levels established in that time frame.

The COO, or designee, can grant an extension with evidence that the project delays were out of the control of the applicant; there has been substantial progress made towards reaching impact requirements; and/or applicant has shown a good faith effort in reaching the requirements.

Extensions shall only be granted once, for no more than one year, as determined by the specific circumstances after review by the Chief Operating Officer or designee as to how much time will be needed to complete the project.

### 14. Incentives Ceiling & Reporting to the DeKalb County Board of Commissioners

Applicant shall convey yearly reports to the county to show adherence to the requirements presented for incentives, including First Source Jobs awarded, for a period of five years after the incentives are granted.

An annual incentives ceiling will be proposed to the Board of Commissioners through the budget process based on historical incentives data and knowledge of anticipated projects. This incentives ceiling will inform the anticipated revenue projections utilized by the Office of Management and Budget when preparing the annual County budget.

The County will track all approved incentives applications, as well as the total amount awarded for each incentives category to ensure the total amount approved in a given fiscal year does not exceed the allotted fiscal year budget for fee waivers, reductions, and matching funds.

Quarterly reports will be provided to the Board of Commissioners regarding the progress of existing incentives projects and the benefits of previously completed projects to assess the success of the program on an ongoing basis.