

M E M O



**County
Administrator**

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TO: County Commissioners
FROM: Robert W. Wilson
DATE: September 16, 2022
SUBJECT: County Job Development Authority Options

At the May 16, 2022 Commission Meeting the Board approved the following motion related to a Job Development Authority (JDA) in Cass County:

“Develop Information about a process, timeline, potential expenses, and staff support to stand-up a Cass County Job Development Authority and report back to the Commission.”

This memo is drafted as a response to that direction. The information has been gathered from the following sources: advice and analysis provided by State’s Attorney Mr. Birch Burdick, conversations and analysis provided by Joe Raso, President and CEO of the Greater Fargo Moorhead Economic Development Corporation (GFMEDC) and a review of both the Cass County Home Rule Charter and North Dakota Century Code.

Process:

The County has two options about how it may form a JDA. The County Commission may establish a stand-alone Cass County JDA -or-partner with one or more counties or municipalities to form a joint-JDA. Mr. Burdick has generally advised that the powers of a municipality-formed JDA that Cass County partners with would have more expansive powers (in terms of flexibility regarding Authority Board membership) than a JDA that Cass County would form individually.

Mr. Burdick has advised that the last time he consulted with his colleagues in the Cities of Fargo and West Fargo about this option the feedback was there may be a willingness to consider such a partnership, but their legal counsel have not explored this option and would likely need time to research and vet the concept.

Cass County could individually form a JDA with an affirmative vote by the Commission on a resolution establishing the Authority. Once established Century Code defines the makeup of a JDA governing Board. Century Code directs that the County Commission appoint the board from a slate of candidates submitted by the chambers of commerce within the county. The board shall include not less than 10 nor more than 20 members. Century Code also directs that the Board shall include:

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- Two Cass County Commissioners
- A representative from the city council or commission of every city with a population of 500 or more (Fargo, West Fargo, Casselton, Mapleton, Kindred, Horace, Harwood, Argusville, Enderlin, Reile's Acres)
- One elected representative from the remaining cities
- Two elected township representatives

With 15 appointments directed by statute, the County Commission would have discretion to appoint up to an additional five JDA Board members. It would be advisable that the Board and staff receive further clarification from Mr. Burdick about the Century Code requirements to consider applications submitted by chambers of commerce versus the required board representations from various townships and municipalities.

In previous discussions at County Commission meetings, it appears Board sentiment favors a stand-alone County Job Development Authority. That is a matter that deserves further Board discussion and direction to staff.

Once established members of the Authority Board shall annually elect a Chair, Vice-Chair, Secretary, and Treasurer. The Authority shall also select an executive committee with such powers and duties as may be delegated by the Authority board.

If the County Commission establishes a JDA the Commission shall establish a Job Development Authority fund and may levy a tax up to 4 mills to fund JDA activities.

Timeline:

If the County Commission acts to approve a stand-alone JDA, County staff would then reach out to The Chamber, and communities required in statute to be represented on the Authority Board. Below is an optimistic timeframe of how quickly organizational activities could proceed. This timeline assumes all entities schedule consideration of this request at their next available meeting and there are no scheduling conflicts. A longer timeframe may be required if County personnel are requested to appear at a council/commission meeting to answer questions. The timeline below should be considered a most optimistic scenario:

- Week 1: Commission sets agenda item to consider JDA Resolution
- Week 2: Commission authorizes JDA and selects two member representatives.
- Week 2: Correspondence drafted and sent to the cities above 500 population requesting each city appoint a member to the Cass County JDA.
- Week 2: County representatives coordinate meetings with small municipalities and townships about appointing members.
- Weeks 3-5: Best case scenario for cities over 500 population to consider appointing representatives.
- Week 4-5: Meet with small municipalities and townships when authority appointments are made.
- Week 7-8: Hold organizational meeting of Cass County JDA.

*Please recognize the timeline above does not include chamber of commerce involvement in the nomination process. The extent of that involvement and a process would need to be clarified by Mr. Burdick's office prior to initiating the selection of authority members.

Potential Expenses:

If Cass County creates a JDA, it is reasonable to expect expenses may be incurred. Initially the expenses would be minimal. Staff would reach out to the various organizations that represent required Authority Board membership and coordinate required activities. Beyond that, the level of involvement becomes dependent on the activities the County Commission directs the JDA to perform. It is likely the following expenses may exist:

- Administrative support required to prepare agenda materials, research potential projects and opportunities as directed by the Authority.
- Develop processes to track funding in support of projects and initiatives approved by the Authority.
- Various activities that advance Authority projects and initiatives, as directed by the Commission and/or Authority Board.
- Other expenses that may be identified and authorized by the Commission or the JDA.

One previously discussed concept is that the Greater Fargo Moorhead Economic Development Corporation (GFMEDC) may be considered an Industrial Development Organization (IDO), and the County could potentially contract with GFMEDC to provide administrative support to the Authority. It is my understanding Mr. Burdick has advised that Century Code is much clearer in allowing a municipality-formed JDA to contract with an IDO than county-formed JDA's. This potential partnership may require additional research.

One additional question - regardless of if Cass County chooses to form a stand-alone JDA or partner with another organization to form a joint JDA, is the question of non-North Dakota participation. We are a cross-border community and economic activities routinely flow between Cass and Clay Counties. With respect to a JDA, non-North Dakota members could be appointed as non-voting members of the Authority Board.

Based on this information, the Board may have additional questions or direction. Two potential motion have been prepared in anticipation of several potential next steps the Commission may wish to consider.

SUGGESTED MOTION: Direct the County Administrator to work with the State's Attorney to Draft a Resolution to Create a Cass County Job Development Authority.

-or

SUGGESTED MOTION: Take the information developed under advisement and potentially consider action to create a Job Development Authority at a later date.