Ransom County Job Development Authority

(formerly Ransom County Economic Job Corporation)

Investment Guidelines

I. General Purpose

The overall investment guidelines of the Ransom County Job Development Authority (RCJDA) are to invest county tax derived funds in projects that will ultimately result in an economic benefit to Ransom County. Although there is no required formula that RCJDA must follow when it decides whether to extend funding to applicants, the following guidelines may be considered by RCJDA. This is not an all-inclusive list.

The number of jobs created or saved by implementation of a project or program; The quality of jobs created, in terms of salary, benefit levels and the expected length of time the job will be viable; Importation of new wealth into the county/township/city; The expansion of the tax base; The environmental impact; The use of regional material in the production process; The amount of primary sector money generated by the project; The owner's equity required to make the venture successful; The ability of management to successfully operate the business; The growth potential of the venture; The amount of third party participation in the venture; Providing new and desirable products/services to the city/community; Diversification of county/township/city economic base; The RCJDA investment decision will reflect the board's expected economic benefit of each project.

II. Investment Vehicles

The RCJDA may consider participating in proposed projects in a variety of ways. The rational for a particular method of participation will be tailored to each individual project, keeping in mind that emphasis be to create a revolving fund that will generate a return of assets for re-lending to new or expanding businesses and industries in the county/township/city.

County tax funds may be employed in any of the following ways:

- Loans, subordinated or unsubordinated
- Loan guarantees
- Lease and/or lease buy-back
- An equity position with another individual, partnership or corporation
- Grants
- Other, as deemed appropriate

RCJDA, generally, will only make grants to those projects in which other state, regional, county, private foundation or institution are also participating. Because the goal of RCJDA is to create a long-term revolving fund, the board may also issue grants that later convert to loans should the projects become successful. Terms and conditions of the conversions to be worked out between RCJDA and the project. These terms will be established prior to dispersing of any funds.

III. Optional Assistance

Other methods of assisting prospective businesses and using county tax funds to attract new business and industry to Ransom County may be:

- Temporary or permanent purchase of land or building(s) which would benefit the economic health of the county/township/city.
- Infrastructure improvements that directly relate to a particular project. On-going maintenance and repair of infrastructure is not considered proper use of sales tax derived funds.
- Feasibility studies
- Business plans
- Marketing plans

IV. Eligible Applicants

- Individuals
- Corporations
- Partnerships
- Limited Liability Companies
- Cooperatives
- Non-profits * Under unusual circumstances only

V. Ineligible Applicants

- Generally, no county tax funds will be used for establishing a commercial activity within Ransom County when the services/products of the new venture will be of substantial detriment to an existing business. RCJDA believes in healthy competition, but that it should not use county tax funds to assist one like enterprise over another.
- Restructuring existing debt generally will not be considered.
- Generally, county tax funds will be used to develop private enterprise. *Non-profit organizations will be considered for these funds only under the most unusual circumstances, and only when it can be determined that the non-profit venture meets the general purpose for which the RCJDA was established.
- Applicants must have a minimum of 10% equity in the project, whether an individual or business concern. Balance sheet equity will be considered. Generally, applicants who do not have adequate equity will be ineligible for sales tax funds.
- Applications not supported by the township/city or village where the venture will be located will not be eligible for funding. Letters of support from those entities are required with the application.

VI. Application Process

The RCJDA will develop application procedures and processes for administration of funds. It is important that the process be comprehensive enough to protect the county/township/city but streamlined enough to not discourage applicants from seeking assistance.

- Applicants will be required to submit a proposal form (prescribed by the RCJDA) briefly describing the project.
- Applicants whose proposals warrant further consideration will be asked to submit additional details, financial and personal data.
- The RCJDA may contract for professional service to assist in their deliberations.
- Applicants are required to attend the RCJDA meeting in which their application is being considered. If a proposal does not have representation, it will not be considered.
- The RCJDA will review, grant or deny final approval for all projects.
- The RCJDA has the authority to disapprove applications.
- All applications requesting $5,000 or more must submit a viable business plan.
- The RCJCA meets on a quarterly basis, January, April, July and October. Applications must be received two weeks before quarterly meeting.

VII. Funding Process

Applications requesting funds from the RCJDA to be used as a match dollar in a grant application will only be paid if the application is successful.
Application requests will not exceed $10,000.00 and only under the most unusual circumstances with requests above $10,000.00 be considered.

VIII. Project Tracking

The RCJDA may gather appropriate data on all proposed, disapproved and funded projects. The RCIDA may publish a report relating to funded projects or respond directly to the funded or disapproved projects. The report may include the number of primary and secondary jobs created or saved in each project; the economic impact of each project in terms of tax base expansion, payroll, cost per job and private sector dollars leveraged; and the community impact of the projects in terms of impact on municipal services, the social environment and the business environment.

The RCJDA may discuss the status of each approved project and each disapproved project from the previous calendar year and provide feedback to those approved or disapproved projects based on the evaluative data it collected relating to those projects.

Contact Information

If applicants have questions of concerns relating to these guidelines, please direct them to: Ransom County Job Development Authority, PO Box 923, Lisbon, ND 58054 or Board Secretary at e-mail: SecretaryRCJDA@gmail.com