

Socially Responsible Hiring Incentives

**Wake County Board of Commissioners
Work Session
August 12, 2019**



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Economic Strength Board Goal



Economic Strength

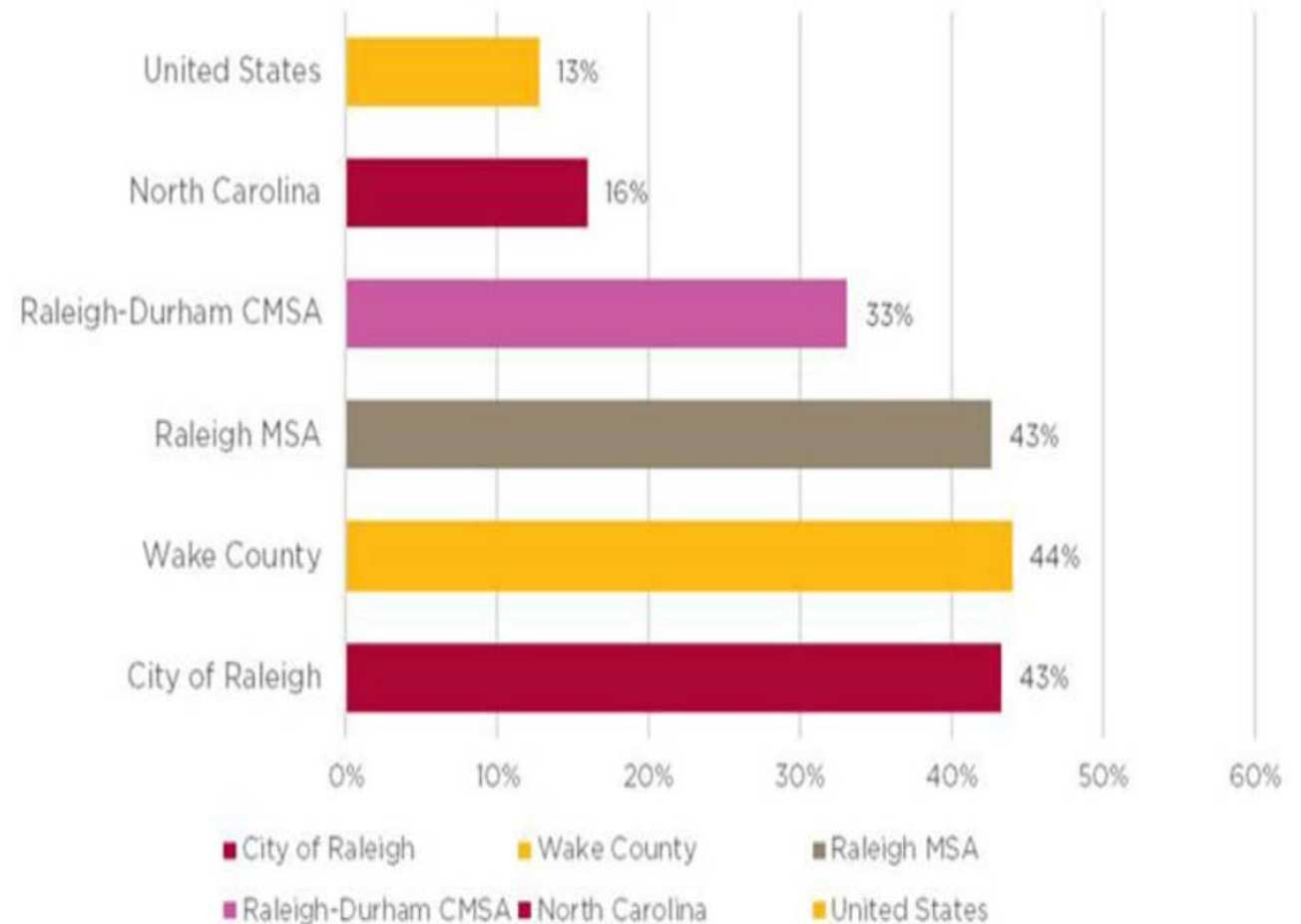
Goal: Create job opportunities for all, enhance our business-friendly environment to attract, retain and support business development and diversify the economic base.

- Objective ES3: Develop economic development strategies and tools that encourage socially responsible business practices, environmental stewardship, affordable housing, high quality of life and return on investments that produce societal benefits
- ES3.1: Explore a multi-criteria policy for economic development incentives to include work with vulnerable communities.

Economic Growth

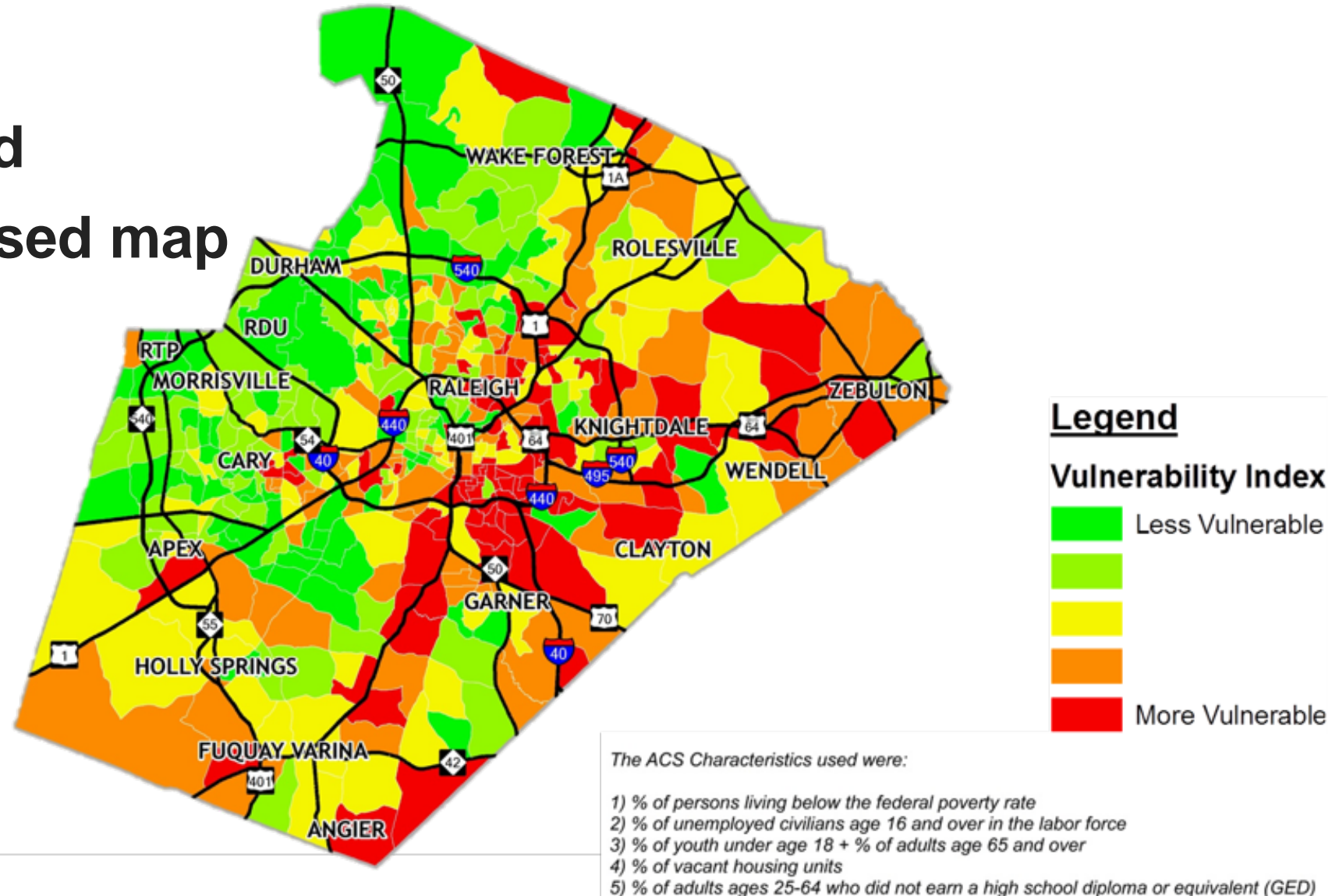
- Wake County has continued exponential growth
- Great place to live ranked nationally
- High wage job creation
- Although, some people are left behind, 45,000 households earn \$25,000 annually

2001-2018 Job Growth Comparison



Vulnerable Communities

- Map of vulnerable communities created
- Staff and partners used map to overlay data sets
 - Past projects
 - Current projects
 - Developable tracts



Targeted Growth Area Tier

- Commissioners amended Wake County Business Development Grant Policy on October 1, 2018

Vulnerable Communities

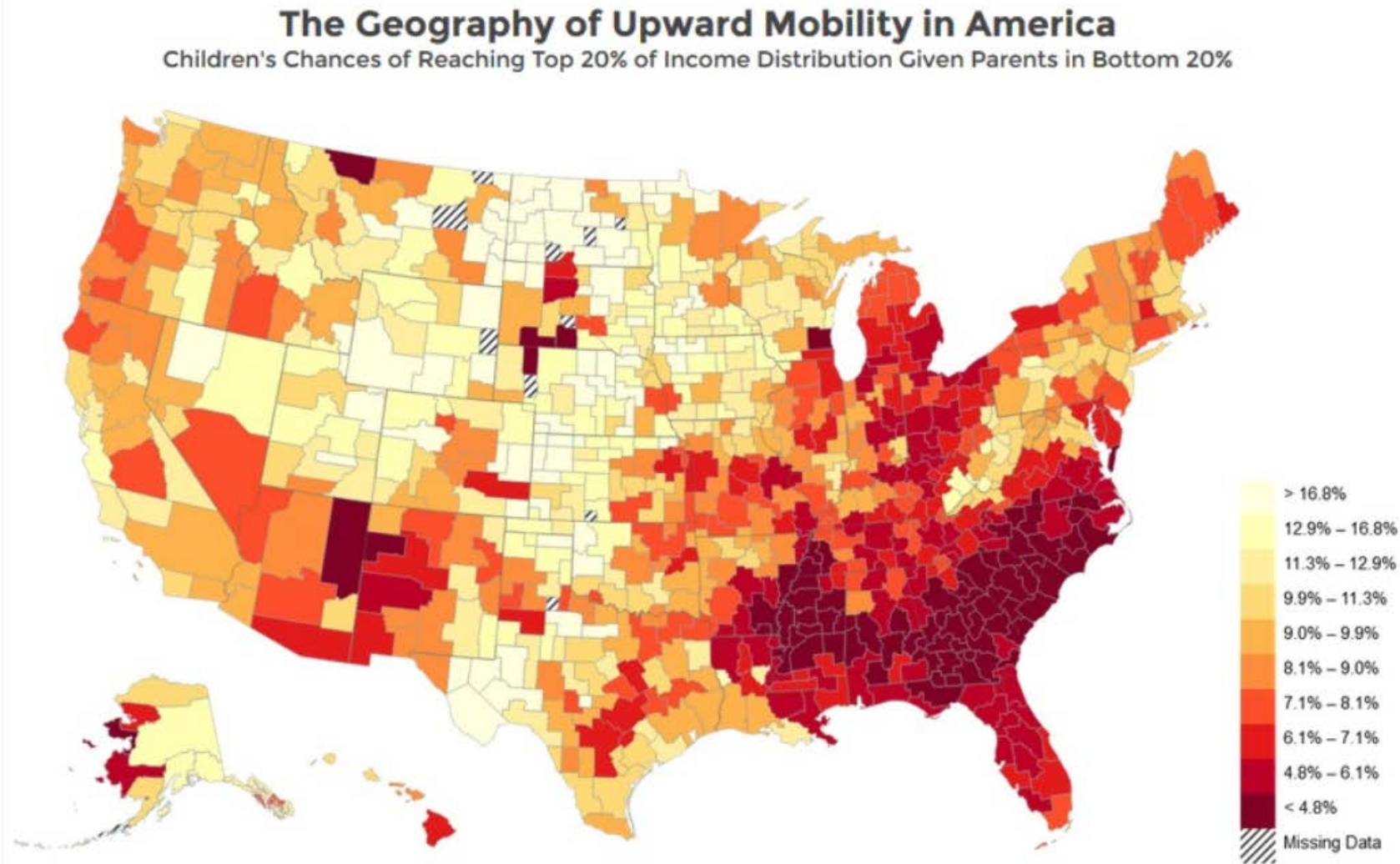
New or existing companies may be eligible for a Business Development Grant when locating or expanding in a designated Targeted Growth Area/Vulnerable Community when investment and job creation thresholds exceed the minimum outlined below.

	Investment Minimum	Jobs Minimum	Avg. Salary Minimum	Incentive Percentage	Max Years
Targeted Growth Area/Vulnerable Communities	\$2 million	20	Wake County Living Wage	35% new tax growth	5 years

Community Development Impacts

- Focusing economic development in certain areas of the county may increase demographic trends
- Areas of the county will see positive impacts of location of major employers
- How can the county influence health and wealth of residents?

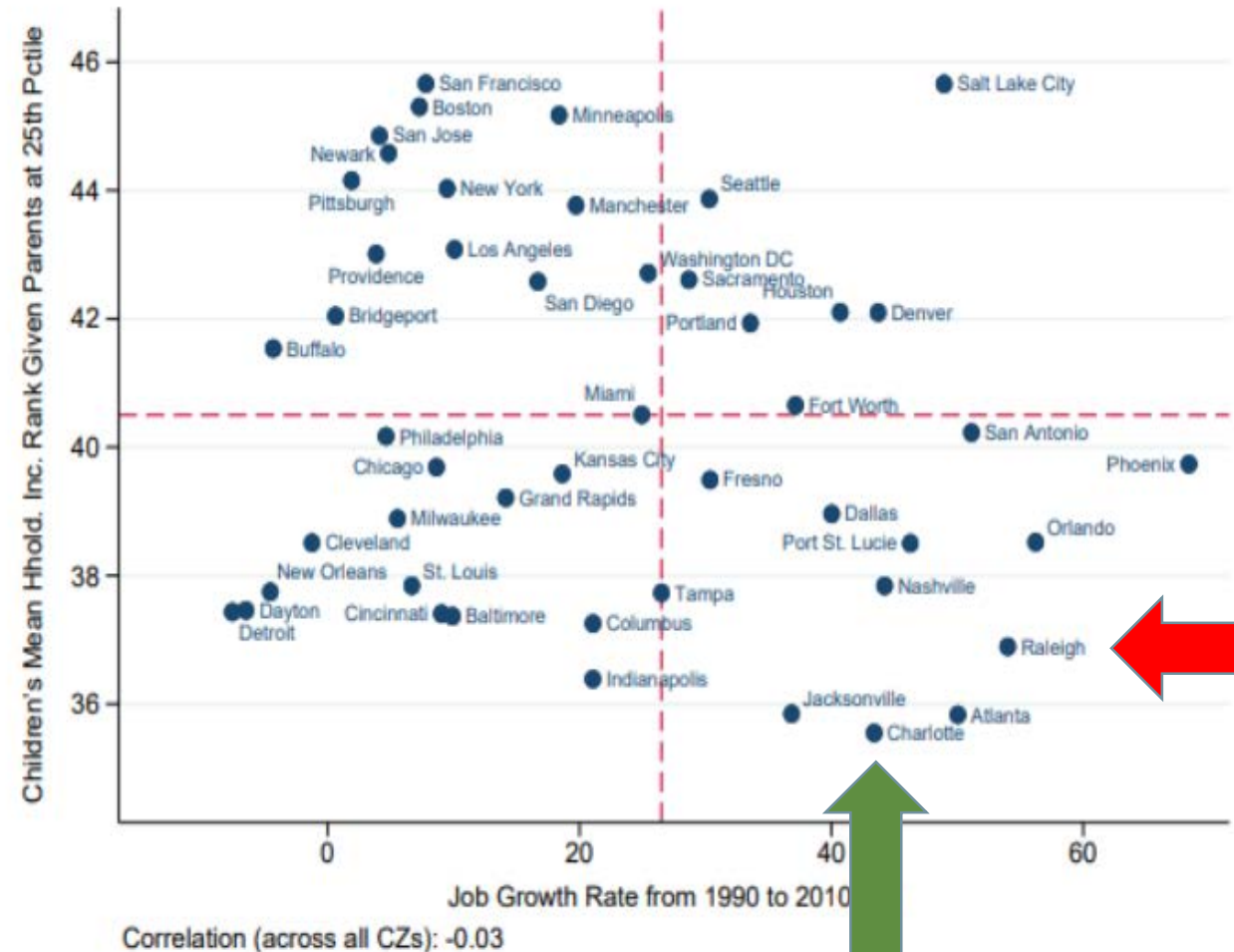
Lack of Upward Mobility in the Southeast



Lack of Upward Mobility in NC

- Region continues to grow
- Economic benefit not being enjoyed by everyone
- If you are born poor, high probability you stay poor

FIGURE VI: Upward Mobility vs. Job Growth in the 50 Largest CZs



Wake County Upward Mobility Resources

FY 2020 Wake County Adopted Budget

• Housing	\$22.9 million
• Behavioral Health	\$30.5 million
• K-12 Education	\$516 million
• Human Services	\$158 million
○ Social Services & Economic Self Sufficiency (\$54 million)	
• Capital Area Workforce Development	\$5.8 million
• Wake Technical Community College	\$24.6 million
• Economic Development Capital	\$5 million
FY 2020 Total	\$762.8 million

Increasing Upward Mobility

- Employee compensation packages
- Increase community involvement
- Provide for holistic wellness care
- Wealth generation policies
- Family friendly work environments
- Second chance community practices
- An equal pay community



Wake County Employee Benefits

- Employees receive a minimum salary of Wake County Living Wage
- Health insurance provided to employees and offered to spouses and dependents
- Equal pay for performance hiring policy
- Second chance hiring practices, including removal of prior conviction checkoffs
- Minimum of forty hours of bereavement leave for employees
- Minimum of eight weeks of parental leave for employees
- Minimum of sixteen hours of volunteer leave annually for employees
- Opportunities for improvement of health and wellness of employees

Socially Responsible Employment Bonus

Socially Responsible Employment 5% additional of new tax growth

After qualifying for a Business Development Grant under Wake County policy, new or existing companies may be eligible for a Business Development Grant Bonus when locating or expanding in Wake County and meeting the following conditions:

- Employees receive a minimum salary of Wake County Living Wage
- Health insurance provided to employees and offered to spouses and dependents
- Demonstrate equal pay for performance hiring policy
- Demonstrate second chance hiring practices, including removal of prior conviction checkoffs
- Provide a minimum of forty hours of bereavement leave for employees
- Provide a minimum of eight weeks of parental leave for employees
- Provide a minimum of sixteen hours of volunteer leave annually for employees
- Provide opportunities for improvement of health and wellness of employees

Socially Responsible Employment Bonus

- Must qualify for an existing Wake County economic development incentive
- Companies are not required to offer any of the employment benefits
- Purely a voluntary program to receive an additional 5% reimbursement of paid property taxes
- Local match is not required on the bonus percentage
- Verification through current incentive certification and audit process

Next Steps

Immediate Action

- Receive comments from the Board of Commissioners
- Recommend Business Development Grant Policy amendment at the September 3rd Board meeting

Long Term

- Partner with Wake County Economic Development on best practice study
 - Existing contract with WCED and RTI
 - Best practices in other counties/regions
 - Determine efficacy and impact of policy changes





Questions?