



## TIIF Employment Standard Guidelines

In an effort to align Delaware's economic development grants, the TIIF Council (Council) is seeking to adopt guidelines that define the employment standard based on Delaware Code and Administrative Code.

### ***Definitions***

For purposes of TIIF, the "significant number of direct, permanent, quality, full-time jobs" definition shall utilize the following guidelines supported by the Division of Small Business (DSB):

#### **Significant Number**

- A TIIF funding-to-jobs ratio that indicates a beneficial investment of public funds
- The jobs creation number stated in the application should be achievable within 3 years of the development project's completion

#### **Direct**

- Jobs are not provided through a staffing agency or 1099 contractor
- If the lessee or tenant of the development project is known, the employment standard must be provided by the lessee or tenant

#### **Permanent**

- Not seasonal
- Not term (as in an X-year contract)
- Part-time employees may not be aggregated to equal full-time employees

#### **Quality**

- Employee annual compensation must exceed \$35,000 annually (salary or hourly, excluding overtime)
- Employer-offered health benefits

#### **Full Time**

- Employee compensation is based on a work week of at least thirty-five (35) hours

### ***Lower Priority Development Types***

For purposes of considering applications, the following development types are lower priority based on jobs creation and jobs certainty:

- Private speculative real estate ventures
- Projects where there are no identified tenants at the time of application
- Projects which do not create a significant number of direct, permanent, quality, full-time jobs

### ***Generally Excluded Development Types***

While the Council acknowledges that all new and expanding businesses in the state in some measure add to the economic prosperity of the state, the following development types are generally considered to be excluded from consideration for TIIF based on the adopted jobs definitions:

- Projects which do not attract or retain employment opportunities
- Restaurants, for-profit retail, convenience stores, gas stations, hospitality, residential, mixed-use projects that incorporate one or more of these categories

Notwithstanding the foregoing, the Council reserves the right to consider funding Generally Excluded Development Type (GEDT) requests, including partial funding, based upon public benefit factors. GEDT applicants must minimally meet the following criteria:

- Demonstrate by extensive narrative how their particular jobs creation differs from other similar GEDT's
  - For example: upward mobility, turnover rates, benefits, pay, educational opportunities; and
- Explain by extensive narrative and supporting documentation of qualitative and quantitative arguments how the GEDT will create or stimulate secondary jobs growth in the region of the project; and
- Provide a comprehensive environmental justice analysis (using an industry-standard screening and mapping tool such as <https://www.epa.gov/ejscreen>) of the impacts the proposed GEDT will have on the surrounding area.

The Council will also review the economic development analysis report prepared by DSB to assess economic benefit indicators associated with the GEDT.

The transportation improvements under consideration for GEDT's will be limited to improvements with direct public benefit such as increasing intersection levels of service (capacity) and/or safety improvements. Site entrances including auxiliary lanes, and frontage improvements for the purpose of enabling entrance into and egress out of the GEDT including pedestrian facilities along the frontages, which are required by DelDOT's Development Coordination Manual, or by local regulations for access to municipality-maintained streets, are considered developer-funded investments in the economic development project and are not TIIF eligible. The Council will allow DelDOT to have discretion in determining the TIIF Scope of Work.

## ***References***

### **Delaware Code:**

<https://delcode.delaware.gov/title29/c084/index.html#8422>.

### **§ 8422. Transportation Infrastructure Investment Fund; Fund Council.**

(a) The Transportation Infrastructure Investment Fund (Fund) is established to provide economic assistance for renovation, construction, or any other type of improvements to roads and related transportation infrastructure in order to attract new businesses to this State, or expand existing businesses in this State, when such an economic development opportunity would create a significant number of direct, permanent, quality, full-time jobs.

(b) Improvements funded through the Fund must occur within the public right-of-way or on public land and directly benefit the traveling public. To be eligible for a grant under this section, improvements must meet all of the following, as defined by regulation:

- (1) Have at least 1 public endorser.
- (2) Meet certain employment standards.
- (3) Be financially stable.
- (4) Serve a public purpose.

(c) A business applying to the Transportation Infrastructure Investment Fund must meet all of the following:

- (1) Validly exist as a corporation, limited liability company, or other regulated entity.
- (2) Be in good standing under the laws of this State, duly-qualified to do business.
- (3) Be in good standing in each other jurisdiction in which its conduct of business requires such qualification.
- (4) Possess business and professional licenses required under Titles 24 and 30.

(d) The Department of Transportation may promulgate regulations as required to administer this section.

### **Excerpts from Administrative Code:**

<https://regulations.delaware.gov/AdminCode/title2/2000/2300/2312.shtml#TopOfPage>

4.3.1.1 Employment Standard. The Council will review information concerning the Applicant as submitted in an Application. As a condition precedent to making a Grant, the Council shall determine that the Applicant intends to provide gainful employment within the State. The standards to be considered by the Council will include, but not be limited to, the number of permanent, quality, full-time jobs created as a result of the Project, the wage scale applicable to persons to be employed as a result of the Project, the effect of the Project on the tax base of the State and/or the county or municipality in which the Project is to be located, and the expected impact that the Project will have on the development of new or expanded economic activity within the State.

4.3.1.2 In determining whether the Project will assist in creating "direct, permanent, quality full-time jobs" in the State, the Applicant shall demonstrate to the Council that the Applicant, operator or principal user thereof has the capability to operate and maintain such Project efficiently and that the Applicant has not been convicted of a major labor law violation or of a violation involving moral turpitude by any agency or court of the federal government or agency or court of any state in the 2-year period immediately prior to the approval of the Applicant's Application. In this regard, the Council may, in its discretion, rely on a sworn affidavit of the Applicant or an officer of the Applicant or an opinion of counsel of the Applicant to such effect. If an Applicant has been convicted of such a violation, the Council, in its sole discretion, may decline to consider the Application. If requested by the Council, similar proof shall be obtained from any operator or principal user of the Project.

*Adopted by the TIIF Council on 7/26/2023*

*Revisions adopted by the TIIF Council on 11/14/2024*