CN
CountyNews

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House tax plan impacts key county priorities

By Jack Peterson
associate legislative director

The House Ways and Means Committee passed the GOP's tax overhaul bill, the Tax Cuts and Jobs Act (H.R.1) Nov. 9 by a 24–16 vote along party-lines. Introduced Nov. 2 by Chairman Kevin Brady (R-Texas), the legislation culminates a year of work by Brady and House Republican leadership to craft a comprehensive tax reform package. The 452-page bill would alter nearly every portion of the tax code, including many key county priorities outlined below.

Broadly, the House Republican tax reform plan would lower individual and corporate tax rates and sets a new rate for so-called "pass through businesses," or businesses that file on the individual side of the tax code. To make up revenue lost by lowering rates and to simplify the code, the package also eliminates or caps dozens of tax deductions and credits. Ultimately, the Joint Committee on Taxation estimates H.R. 1 will result in a roughly $1.5 trillion increase in the national deficit over the next decade.

Both chambers of Congress intend to move quickly on the legislation, aiming to send a final bill to the president's desk before Christmas. While the initial versions approved by each chamber could differ substantially, ultimately both chambers must agree on the same package before taking a final vote. Republicans plan to use the budget reconciliation process to pass the bill, which only requires a simple majority vote in the Senate but adds additional financial restrictions and rules to the legislation.

Many components of H.R. 1 will impact counties and the services they provide their residents. In addition to key county priorities, a list of other changes is included at the end to provide more context and information about the overall bill.

Here are the issues with the greatest impact on counties and their residents:

STATE AND LOCAL TAX (SALT) DEDUCTION

- **H.R. 1 Proposal:** The Tax Cuts and Jobs Act would retain the deduction for property taxes, capped at $10,000 per tax

See TAX REFORM page 3

Law-enforcement officers comb the crime scene outside the First Baptist Church of Sutherland Springs in Wilson County, Texas where a lone gunman killed at least 26 people Nov. 5 during services. Photo by Jay Janner/AMERICAN-STATESMAN

Mass shooting hits at heart of county family

By Mary Ann Barton
senior staff writer

A county employee and his child survived the mass shooting Nov. 5 in Wilson County, Texas, but lost numerous family members in the massacre. The county's IT manager, John Holcombe, was in the church filming the Sunday service when the gunman opened fire. Holcombe lost numerous family members in the shooting: his wife Crystal, who was expecting their child; three stepchildren, Emily, Greg and Megan, as well as his brother Marc, mother Karla and father Bryan, Wilson County Commissioner Ernest "Skip" Hajek said. A niece also died in the shooting. Holcombe's father was the visiting preacher that day.

Holcombe and his stepson

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Opioids declared public health emergency

Valerie Brankovic
legislative assistant

The White House recently announced a series of next steps in the effort to address the nation's rising tide of opioid overdoses and deaths. To respond to the crisis, President Trump on Oct. 26 directed the Acting U.S. Secretary of Health and Human Services (HHS) Eric Hargan to declare the opioid epidemic a public health emergency under the Public Health Service Act.

A week later, the White House Commission on Combating Drug Addiction and the Opioid Epidemic, chaired by New Jersey Gov. Chris Christie (R), released its final slate of policy recommendations, which are expected to be reviewed by Congress and the White House.

The first of these actions — the president's announcement of a public health emergency — followed through on a recommendation offered by the opioid commission, but stopped short of committing new federal funds to the epidemic or declaring a national state of emergency under the Stafford Act.

There are important distinctions between a public health emergency and the wider na-

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President declares opioids public health emergency

From OPIOIDS page 1

tional state of emergency, which many public health officials had expected the administration to declare. Public health emergencies are typically intended for short-term outbreaks and a focused deployment of federal officials and resources, whereas a national state of emergency under the Stafford Act would allow state and federal agencies to draw on the federal disaster aid fund and broaden public access to overdose antidotes.

A public health emergency declaration is nonetheless a significant step that enables the HHS secretary to waive certain administrative regulations around treatment resources and allow states greater flexibility in using federal dollars to combat a public health crisis. A public health emergency declaration lasts for 90 days and can be renewed by the HHS secretary. There are currently 13 localized public health emergencies in effect in response to recent hurricanes and the California wildfires.

The White House's public health emergency declaration on opioids is expected to expedite the following actions:

- Allow patients to obtain medically-assisted treatment via telemedicine, which could make treatment more accessible for individuals in remote areas
- Provide state and federal agencies greater flexibility in hiring substance abuse specialists
- Shift federal funds dedicated to HIV programs to opioid addiction prevention efforts
- Expand eligibility for Department of Labor Dislocated Worker Grants to include people with opioid addiction; and
- Issue guidance on healthcare privacy laws that currently prevent medical providers from sharing medical information with the families of overdose victims.

In addition, HHS can tap into funds available through the congressionally-established Public Health Emergency Fund. The fund's reserves currently total approximately $57,000. The White House has indicated that it plans to negotiate with congressional lawmakers to include funding for opioid abuse prevention in a year-end spending package.

How Congress uses the commission's recommendations remains to be seen, especially since many of the proposals would require new streams of federal funds. Congress previously allocated funds to address substance abuse in last year's 21st Century Cures Act; so far, $500 million has been appropriated and the balance is expected to be attached to FY2018 funding for the federal government. Other grants to address the crisis were outlined as part of the Comprehensive Addiction and Recovery Act of 2016, which was signed into law with NACo's support.

Many public health advocates worry, however, that the combined costs of overdose antidote drugs and addiction treatment programs, among other costs, could go far beyond what has been allocated to address the crisis thus far. CN

President Trump, joined by first lady Melania Trump, signs a Presidential Memorandum Oct. 26 declaring the opioid crisis a national public health emergency. White House photo by Andrea Hanks

OPIOID COMMISSION'S POLICY RECOMMENDATIONS

Congressional lawmakers are expected to review the opioid commission's third and final report of policy recommendations. The commission specifically calls on Congress and the White House to take the following steps:

- Establish education requirements for opioid-prescribing medical professionals
- Create substance abuse aid block grants to disburse to cities and states struggling to manage the cost of the epidemic
- Expand federal drug courts into all 93 federal court jurisdictions
- Enact harsher penalties for the trafficking of fentanyl, a synthetic opioid that can be up to 50-100 times more potent than prescription versions of the drug
- Adjust the way insurance rates are calculated to encourage opioid-prescribing medical professionals to recommend treatments other than painkillers to patients, and
- Call on the Centers for Medicare and Medicaid Services (CMS) to remove pain-related questions from patient satisfaction surveys, which may contribute to overprescribing of opioid pain medication.

SNAP/STATS

LARGEST 2016 TURKEY TROT RACES

Finishers	Race Name	County
12,996	Silicon Valley Turkey Trot	Santa Clara County, Calif.
12,243	YMCA Turkey Trot	Buffalo County, N.Y.
12,115	Cincinnati Thanksgiving Day Race	Hamilton County, Ohio
11,225	Manchester Road Race	Hartford County, Conn.
10,057	Strategic Staffing Solutions Turkey Trot	Wayne County, Mich.

Source: Athlinks

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House overhaul retains interest exemption for municipal bonds

From TAX REFORM page 1

filer, and it would fully eliminate the deductions for state and local income and sales taxes. Businesses and pass through filers, however, would still be able to deduct all state and local taxes. The provision would generate $1.1 trillion in new revenue for the federal government.

- **Current law:** Any individual or family who itemizes their tax returns may deduct either state and local income taxes or state and local sales taxes paid. Any taxpayer who itemizes can also deduct property taxes paid.
- **Impact on counties:** Eliminating or capping the SALT deduction represents a significant revenue shift from state and local governments to the federal government. Additionally, any changes open the door to further cuts and caps by Congress. Homeowners and families are particularly hit hard by the proposal to limit the SALT deduction, since they are the most likely to see their tax rates increase. Additionally, the proposal could remove many home ownership incentives, potentially resulting in a decline in home values and leading to less local revenue generated through property tax assessments. Finally, the bill develops a double standard by denying the SALT deduction to individuals while retaining it for businesses.
- **Take action:** Call your representatives now and urge them to support full preservation of the SALT deduction in tax reform. Call your senators as well, because the Senate version may repeal the deduction in its entirety. Visit *www.americansagainstdoubletaxation.org* to access more information on the deduction, including new data on how the proposal would impact middle-class families.

Municipal Bonds

- **H.R. 1 Proposal:** The tax reform package would retain the tax-exemption for municipal bond interest, with one exception: municipal bonds used for professional sports stadiums would no longer be tax-exempt. The proposal would generate $200 million over 10 years.
- **Current law:** Interest earned on all municipal bonds is tax-exempt.
- **Impact on counties:** Some counties own and maintain local professional sports stadiums, while others may consider building new ones. Narrowing the scope of tax-exempt municipal bonds opens the door to future changes to further restrict which types of projects can be supported by municipal bonds.
- **Take action:** Call your representatives and senators now and remind them of the importance of municipal bonds to all types of infrastructure projects.

ADVANCE REFUNDING BONDS

- **H.R. 1 Proposal:** The tax reform package would eliminate the tax-exempt status of advance refunding bonds. Interest on current refunding bonds would continue to be tax-exempt. The provision would be effective for advance refunding bonds issued after 2017 and would generate $17.3 billion over 10 years.
- **Current law:** Under current law, governmental bonds — including municipal bonds — are permitted one advance refunding during the lifetime of the bond to refinance the bond. This allows public issuers to take advantage of fluctuations in interest rates to realize considerable savings on debt service, which ultimately benefits taxpayers.
- **Impact on counties:** The ability to advance refund outstanding bonds provides substantial savings to taxpayers and counties throughout the country. In 2016, the advance refunding of more than $120 billion of municipal securities saved taxpayers at least $3 billion. Best practices advanced by the Government Finance Officers Association (GFOA) recommend minimum savings thresholds on a present value basis of 3 percent to 5 percent when advance refunding municipal securities. The combined impact of all the bond proposals in H.R. 1 would be an additional $60 billion in federal revenue at the expense of local governments and infrastructure development.
- **Take action:** Call your representatives and senators and ask them to support advance refunding bonds, a provision rewarding fiscal stewardship and saving taxpayer dollars.

PRIVATE ACTIVITY BONDS (PABs)

- **H.R. 1 Proposal:** Under the proposal, interest on newly issued PABs would be included as income and thus subject to tax. The provision would be effective for bonds issued after 2017 and would generate $38.9 billion over the next 10 years.
- **Current law:** Under current law, interest earned on PABs is tax exempt.
- **Impact on counties:** While PABs generally benefit a larger percentage of the private sector than the proceeds of governmental bonds, counties and their local partners often leverage PABs to engage in targeted economic development and build moderate-to-low-income single-family housing, large hospitals, airports, seaports and water and sewer systems. By eliminating PABs, the federal government is dictating to states and local governments the types of financing methods they may use, thereby undermining vital projects that provide essential public services.
- **Take action:** Call your representatives and senators and ask them to support all types of financing for projects vital to local communities.

CADILLAC TAX

- **H.R. 1 Proposal:** H.R 1 would not delay or repeal the so-called "Cadillac tax," a 40 percent excise tax on "high value" employer-sponsored health plans.
- **Current law:** The Affordable Care Act (ACA) levied a 40 percent excise tax on high cost employer-sponsored health coverage. In the omnibus spending package passed in December 2015, Congress included a two-year delay of the implementation of the tax, which is scheduled to take effect in 2020.
- **Impact on counties:** There are 3.6 million county employees that serve over 308 million county residents, and health care coverage is one of the primary benefits counties use to attract and maintain a quality workforce. If the excise tax on employer-sponsored health insurance is implemented, counties will face a significant impact on their budgets and workforce.
- **Take action:** Call your representatives and senators and encourage them to include a full repeal of the Cadillac Tax in any comprehensive tax reform package. Health insurance contracts are typically set two years in advance, meaning counties must budget for potential changes well before they go into effect. A full repeal will ensure certainty as counties determine health plans for their employees.

New Markets Tax Credits

- **H.R. 1 Proposal:** The proposal would eliminate any new New Markets Tax Credits (NMTC) after 2017, two years before the program's current expiration date. Credits already allocated may be used over the course of up to seven years as contemplated by the credit's multiyear timeline. The proposal is estimated to generate $1.7 billion over the next 10 years.
- **Current law:** Under current law, certain qualifying investors may claim credits for developments in qualified community entities when they meet thresholds defined by law. These investments generally serve low- and middle-income families and individuals. The NMTC is currently authorized through 2019.
- **Impact on counties:** Many counties rely on private investment in single-family and multifamily affordable housing to help stimulate neighborhood revitalization. NMTC is one of many tools counties can use to encourage this investment, and losing incentives and private investment will strain county resources.
- **Take action:** Call your representatives and senators and ask them to support key tax code incentives that stimulate private investment in local affordable housing and neighborhood revitalization.

Renewable Energy Tax Credits

- **H.R. 1 Proposal:** The tax reform bill would alter some energy tax credits while leaving others unchanged. For example, the value of the wind energy tax credit would be reduced by from 2.3 cents per kilowatt-hour to 1.5 cents per kilowatt-hour, but the tax credit for the solar industry would remain unchanged until its expiration in 2022.
- **Current law:** Under current law, wind energy tax credits are extended at their current level through 2020, while solar credits are extended through 2022.
- **Impact on counties:** Many counties work to attract renewable energy development within their borders. Eliminating renewable energy credits could reduce incentives for companies to build new facilities, which generate new property taxes and create local jobs.
- **Take action:** NACo policy supports industry tax incentives for a wide range of renewable energy technologies. Ask your representatives and senators to treat renewable energy tax credits equally. CN

House passes bipartisan NACo-supported forestry bill

By Jonathan Shuffield
associate legislative director

Recent legislation passed by the House of Representatives would improve conditions in the country's national forests and for the counties that share them. By a bipartisan vote of 232 to 188 on Nov. 1, the House passed H.R. 2936, the Resilient Federal Forests Act of 2017. The bill would expand revenue sharing with county governments, empower counties by allowing more flexible use of Secure Rural Schools (SRS) Title III dollars and delegate the authority to make appointments to local Resource Advisory Committees (RAC).

H.R. 2936 promotes forest health by authorizing categorical exclusions for collaborative projects, reducing regulatory reviews for timber salvage projects in response to a natural disaster, and requiring the costs and benefits of a proposed forest project to be weighed against the costs and benefits of doing nothing to address wildfire threats or disease and insect infestation.

Additionally, the bill includes language that would pay counties 25 percent of the revenues from stewardship contract projects located within their boundaries. Counties do not currently receive a share of the revenues generated from stewardship contract projects unlike traditional timber sales. H.R. 2936 would bring stewardship contracts in line with traditional timber sales, giving counties a new revenue stream.

The Resilient Federal Forests Act also gives counties greater flexibility in using SRS Title III funds for law enforcement training and patrols on federal lands. Counties with federal lands within their boundaries are required to perform law enforcement, and search and rescue functions on public lands. This bill will help ease the cost of these mandates.

Finally, H.R. 2936 would allow the secretaries of the departments of the Interior and Agriculture to delegate the appointment of RAC members to agency leaders, such as Bureau of Land Management State Directors or Regional Foresters. Under current law, only the secretaries may sign off on the appointment of RAC members, leading to appointment delays that hold up land management decisions.

The bill will be sent to the Senate. Two other forestry bills have been introduced in the chamber: S.1991, the Wildlands Fires Act of 2017, introduced by Sen. Maria Cantwell (D-Wash.); and S.2068, the Wildfire Prevention and Mitigation Act by Sen. John Barrasso (R-Wyo.). CN

WORD SEARCH

TALBOT COUNTY, MD.

Created by: Mary Ann Barton

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BAY BRIDGE Completion of the Bay Bridge in 1951 ended the county's isolation.

BOATS The Chesapeake Chapter of the Antique & Classic Boat Society holds an annual boat festival in St. Michael's located in the county.

BRITISH The town of St. Michael's in Talbot County was attacked by British ships during the War of 1812. Legend has it that lanterns hung in the trees caused the Brits to overshoot the town.

CHESAPEAKE The county is bordered on the west by the Chesapeake Bay.

CLIPPER The Baltimore Clipper, famous in the War of 1812, was built in the county, in St. Michael's.

DOUGLASS African-American social reformer Frederick Douglass was a native of the area.

EASTON The county seat.

LADY GRACE The county was named for Lady Grace Talbot, the wife of Sir Robert Talbot, an Anglo-Irish statesman.

THIRD HAVEN The Third Haven Meeting House may be the oldest framed building for religious meetings in the United States. It was built in 1682 by Quakers and is located in Easton, in the county.

TIDAL Talbot County has more than 600 miles of tidal shoreline, the most of any county in the country.

TILGHMAN Col. Tench Tilghman, Gen. George Washington's aide-de-camp, was born in Talbot County in 1744. He is buried in Oxford.

TOBACCO The first English settlers established tobacco plantations in the county in the 1630s.

UNIONVILLE The town was settled by Union soldiers who were freed slaves returning to their politically divided home county.

WEDDING CRASHERS The comedy starring Owen Wilson and Vince Vaughn was shot in St. Michael's.

WIDOW WINKLES The first meeting of 'Commissions' (judicial officers) was held at this home near the town of York in 1667.

Over 100 counties lining up to sue big pharma

By Charlie Ban
and Mary Ann Barton
senior staff writers

The 1998 tobacco settlement looms over the growing number of counties suing pharmaceutical companies for their marketing of opioid painkillers.

More than 100 counties are suing to recover the costs they have borne in treating or jailing residents addicted to opioid-based painkillers, heroin or fentanyl, due in large part to marketing by several drug companies that obscured how addictive the drugs could be. Twenty-nine Wisconsin counties filed lawsuits Nov. 7, and the same day a 37th Kentucky county joined its state association's effort, with other counties deciding to sue almost weekly. The same day in Texas, Dallas and Tarrant counties filed their suits. Three state associations of counties so far are taking lead roles in coordinating action.

The Association of Arkansas Counties is awaiting individual counties to authorize suits and sign engagement letters, after the state's county judges association voted unanimously to support possible litigation. None of the suits are enumerating damages, yet.

At the same time, several state attorneys general have filed suit on behalf of their states. Mark O'Connell, executive director of the Wisconsin Counties Association, said that while that may seem duplicative, the $206 billion tobacco settlement slighted local governments, and separate action was the best way to make sure governments' damages were addressed.

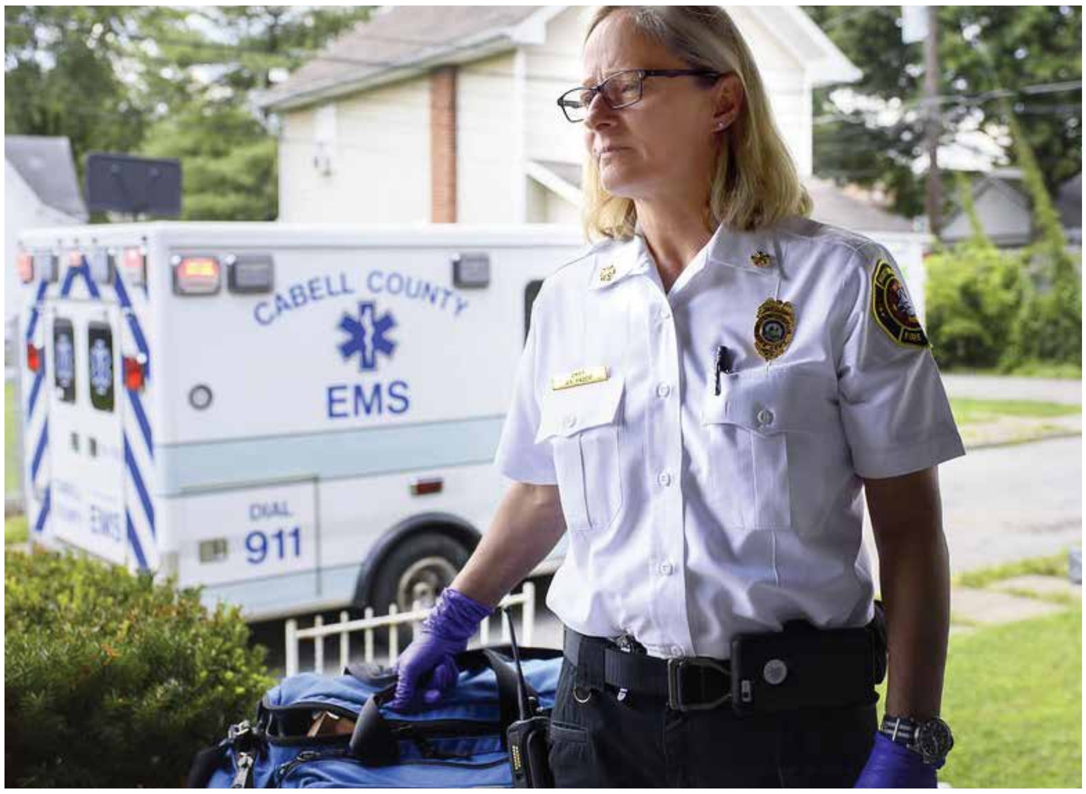
"What rings in the ears of county officials was when the states' attorneys general filed suit and prevailed in a settlement with tobacco companies, the states indicated to local units of government that the states would receive some kind of compensation and then they'll share with the locals," he said. "All of that worked out pretty well except the sharing part. That's where the states forgot. We wish the states well in their efforts, but we as counties have our own costs, our own challenges, our own damages."

The Wisconsin suit targets Purdue, Teva, Cephalon, Johnson & Johnson, Janssen and Endo, among others, and a few doctors.

"We're going to pursue those damages on behalf of each and every county. I expect over 60 (Wisconsin) counties will participate. For Wisconsin counties, we're looking at hundreds of millions in damages. Nationally, we're in the billions."

O'Connell envisions a national effort by state associations to organize their members in suits, rather than a top-down national effort.

"Even an issue like this, it's hard to get 3,069 cats looking the same way," he said.



Fire Chief Jan Rader in Huntington, West Virginia, county seat of Cabell County, is on the front lines of the opioid crisis; Huntington sees as many as 26 overdoses per day. Cabell County is one of more than 100 counties that have sued pharmacuetical companies. Photo courtesy of *Heroin(e)*, a Netflix documentary.

The legal team

Along with Andy Phillips, who has served as the state association's general counsel for more than a decade, the Wisconsin counties are represented by Crueger Dickinson, of Wisconsin, and Simmons Hanly Conroy of New York, the latter also representing 10 New York counties in their pharmaceutical lawsuits.

Paul Hanly of Simmons Hanly Conroy is, so far, the only attorney to prevail against a pharmaceutical company, when he won a $7.5 million mass action judgment against Purdue in 2004. That also led to a $600 million federal fine and jail time for executives.

When selecting representation for a similar lawsuit, O'Connell advises counties that it was crucial that a firm understands how counties operate.

"We're different from cities, we're different from our friends in the towns, we're different from states, we're very unique," he said. "We're creatures of the state, we perform at the pleasure of the state, we carry out functions for the state, but we incur our own costs. That unique understanding in how social work occurs on the county level is critical if we want to fully understand the costs that we have incurred."

"We want to have as many counties represented by as few legal teams as possible," O'Connell said. "The fewer of them at the table, the more likely we'll have a productive conversation."

Given the number of federal suits involved, a mid-December motion of a multidistrict litigation hearing will consolidate the federal suits for pretrial litigation before one judge, and Phillips expects a decision in early 2018.

"The cases ought to be sited in Wisconsin given the number of counties that are involved now," he said.

Counties signing on

Eau Clair County is one of the Wisconsin counties suing.

Board Chairman Gregg Moore said it was important to hold drug companies responsible for their role in the crisis, but acknowledged it was still difficult to do so.

"Pharmaceutical companies do a lot of good work; they create a lot of vital medicines that mean the difference between life and death for a lot of people," he said. "But in this case, their product has caused ongoing damage in terms of lives lost and the services counties have to provide."

Moore said the attorneys working the case on a contingency basis reduce the financial commitment on the part of counties and make the choice to join the lawsuits easier.

Contingency fees for attorneys range between 25-30 perent.

Phillips said legal action wasn't entirely the last resort for counties seeking relief (see story page 1), but it may be the most direct.

"We've heard from membership that the opioid epidemic is busting budgets," he said. "We view litigation as not the only way to get them help but certainly one of the primary ways to get member counties some direct assistance as it comes to battling this epidemic."

O'Connell says it's a no-brainer for most, and that state associations would assist in assessing damages.

"If you exist in the United States as a unit of local government, you have incurred damages," he said. "Some may look at this and say we're a low population county, it may not be worth it for me to review records over 20 years to figure out how much we've spent, but more than likely they'll look at it and say it's worthwhile."

In early 2017, Santa Clara and Orange counties in California settled with Teva for $1.6 million, which will fund substance treatment and education efforts.

County costs

In Marathon County, Wisconsin, a jail built to house 182 inmates has been averaging 420 in 2017, and even more have been sent to neighboring county jails to the cost of $1.2 million per year. On top of drug possession charges, addicts often resort to burglary and theft to fund drug habits.

"That's only part of it, you have additional costs of social workers, the cost to the county is just astronomical," said Kurt Gibbs, chairman of the county's Board of Supervisors. "They're costs we never expected years ago that are now becoming

See LAWSUITS page 16

Spice Kitchen Incubator cooks up ways to help refugees

NACo President Roy Charles Brooks discusses the Spice Kitchen Incubator program with a participant in Salt Lake County, Utah.

By Mary Ann Barton
senior staff writer

Walking into Salt Lake County's SPICE Kitchen Incubator, you're immediately surrounded by the scent of home cooking, from a tray of freshly baked baklava, Turkish donuts and fried falafel.

SPICE, short for Supporting the Pursuit of Innovative Culinary Entrepreneurs, is housed in a warehouse-type building with a large commercial kitchen and offices for the incubator's employees. It offers refugees, immigrants and other residents a chance to become entrepreneurs and start their own culinary businesses. The incubator is adding new flavors to Salt Lake County, with foods cooked up from around the globe including Jamaica, Iraq, Kenya and Venezuela.

"This is delicious," NACo President Roy Charles Brooks, commissioner, Tarrant County, Texas told Kaltum, a refugee from Sudan, as he took a bite of a falafel pulled from the fryer. Brooks and others toured the kitchen, sampling some of the freshly cooked items that were made for the tour, during the LUCC Symposium.

Kate Idzorek, who manages the program, told LUCC members that the food industry is typically a "low barrier" industry that's easier for immigrants and others to enter and start a business.

Some of the 20-plus food businesses that have been launched by incubator participants include a restaurant, catering business and food truck. Three full-time incubator employees help refugees navigate the two-part program, which teaches participants business basics, from developing recipes and learning how to analyze food costs to understanding state and federal laws surrounding food handling.

The endeavor, which operates on an annual budget of $200,000, is a partnership between the International Rescue Committee and Salt Lake County Refugee Services and is funded with Community Development Block Grants as well as help from SCORE (Service Corps of Retired Executives), the Women's Business Center and the Utah State University Extension service. The incubator also reaches out to donors for needs. Residents who take part in the program must apply and meet income requirements.

Entrepreneurs can earn extra income by offering cooked meals for "Spice to Go!" a weekly hot-meal take-out service for local residents, featuring food cooked by a different chef each week; meals start at $12. Residents must place their orders by noon the day before pickup. CN

HERE IS WHAT IS OFFERED TO PARTICIPANTS AT SALT LAKE COUNTY'S SPICE KITCHEN INCUBATOR:

- **Access to Commercial Kitchen Space:** Subsidized kitchen space will be provided to ensure access for participants and other community members.
- **Workshops:** Workshops will be offered to participants and the general public on various aspects of food business and cooking. These events will build community, raise the profiles of the entrepreneurs and raise funds for the program.
- **Access to Markets and Market Positioning:** Participants will be connected to market opportunities, market partners, and SPICE Kitchen Incubator co-branding for the mainstream customer base.
- **Industry-Specific Technical Assistance and Mentorship:** Partnering with current micro-enterprise efforts for refugees and local restaurateurs and food industry professionals, a network of dedicated professionals will provide free or subsidized technical assistance in marketing, operations and product development. Access to capital via micro- and small-business loans will also be provided.

Find out more about the Spice Kitchen Incubator on its web site: *spicekitchenincubator.org*

LUCC members talk solutions to urban challenges

Members of NACo's Large Urban County Caucus (LUCC) and NACo staff gather Oct. 26 in the rotunda of the Utah State Capitol during the three-day LUCC Symposium. Photo by Hugh Clarke

By Mary Ann Barton
senior staff writer

About 100 county officials and others gathered Oct. 25-27 in Salt Lake County, Utah to tackle some of the country's thorniest issues — including the opioid crisis and homelessness — at NACo's 2017 Large Urban County Caucus (LUCC) Symposium.

LUCC members heard from thought leaders on everything from impact investing to the organic growth of urban areas at the three-day annual conference, held this year in the mountains of Salt Lake County.

"We plan to take these innovations and strategies back to the people we serve," LUCC Chair Larry Johnson, commissioner, DeKalb County, Georgia, said during the opening session.

Salt Lake County Mayor Ben McAdams, welcomed NACo members to his county and talked about some of the innovative programs happening there. "We've thrown our doors open and we're proud of that," he said of the county's Spice Kitchen Incubator, one of the stops during the symposium. The kitchen helps the county's 70,000 refugees start their own culinary businesses. "It's also added to our food diversity and our culture," he said. McAdams also noted the success of the $119 million Eccles Theater, a public-private project completed last year that was also a tour stop for county officials; it now sells out its season subscriptions and is revitalizing the downtown area.

Qualtrics CEO addresses LUCC members

LUCC members also heard from Ryan Smith, the co-founder and CEO of Qualtrics headquartered in nearby Provo. Offering solutions for measuring things such as customer satisfaction and employee engagement, the company "is helping folks gather a different type of data — it's called 'experience data,'" Smith said. A father of five who admits to a mean Mountain Dew habit, Smith founded the software firm in 2002 with his dad Scott in the basement of the family's home; it is now worth $2.5 billion, according to *Fortune*.

Smith attributes his company's success partly to its culture. "Unless you're all in on something, you're not going to do a great job," he said. Being "all in" is one of his company's core values or TACOS. The acronym stands for: **T**ransparency; **A**ll In; **C**ustomer Obsession; **O**ne Team; and **S**crappy.

The company holds weekly 30-minute meetings to catch employees up on everything that's going on, department by department, as well as introduce new hires, even if Smith is out of town.

Smith, whose company hosted an executive leadership meeting for LUCC members at the company headquarters, calls counties "these silent carriers of our government that are making everything work — a lot of times on what seems like a volunteer basis, but you're actually stewards over the future."

Using a business model to solve social problems

A new way that counties are trying to make things work is with impact investing, a model for investments made with the intention to generate social impact along with financial return, said Jeremy Keele, president and CEO of Sorenson Impact Center at the University of Utah in Salt Lake City, which counts cities and counties among its clients. Keele drove home the idea that traditional philanthropic dollars "are a drop in the bucket" and while those dollars play a role, they do not solve problems. "The funding gap has to be solved," he said. "What we haven't done a good job of is 'What are the net results? Are we seeing long-term improvements?' We need data systems in place."

While Sorenson works to structure, Andi Phillips, founder and managing partner, Maycomb Capital, who also addressed LUCC members, "works to finance." Phillips noted that local governments are often "reinventing the wheel" when it comes to financing programs, and she is seeking to create financial models that sustain programs.

"I admire what you all are doing — I admire your determination and service," said James Lee "Jim" Sorenson, Sorenson Impact Foundation board chairman. Sorenson said he is trying to build on the philanthropic model after he recognized that it's possible to use a business model to address social problems. Sorenson closed his remarks with an optimistic phrase that was a favorite of his father's, the late James LeVoy Sorenson: "The best is yet to come."

Living in an increasingly urban world

While impact investing and data-driven solutions are some of the answers to counties' problems, author and physicist Dr. Geoffrey West gave LUCC members plenty to ponder during a "big picture" luncheon address Oct. 25, when he compared the synergy of urban areas to living organisms.

"There's a fundamental law of physics — if you use energy to create order… to create a cell, a city, a company… you must also inevitably and inextricably create disorder," he said. "That's called entropy." When we think of urban areas, West said, "we think of the physicality — the roads, the skyscrapers." Urban areas are actually "the platform in which social interaction takes place" that "facilitates wealth and ideas."

Explosive population growth is on tap for urban areas, West noted. The pressures on the social fabric, as the world becomes increasingly urbanized, will be enormous, he warned the audience. CN

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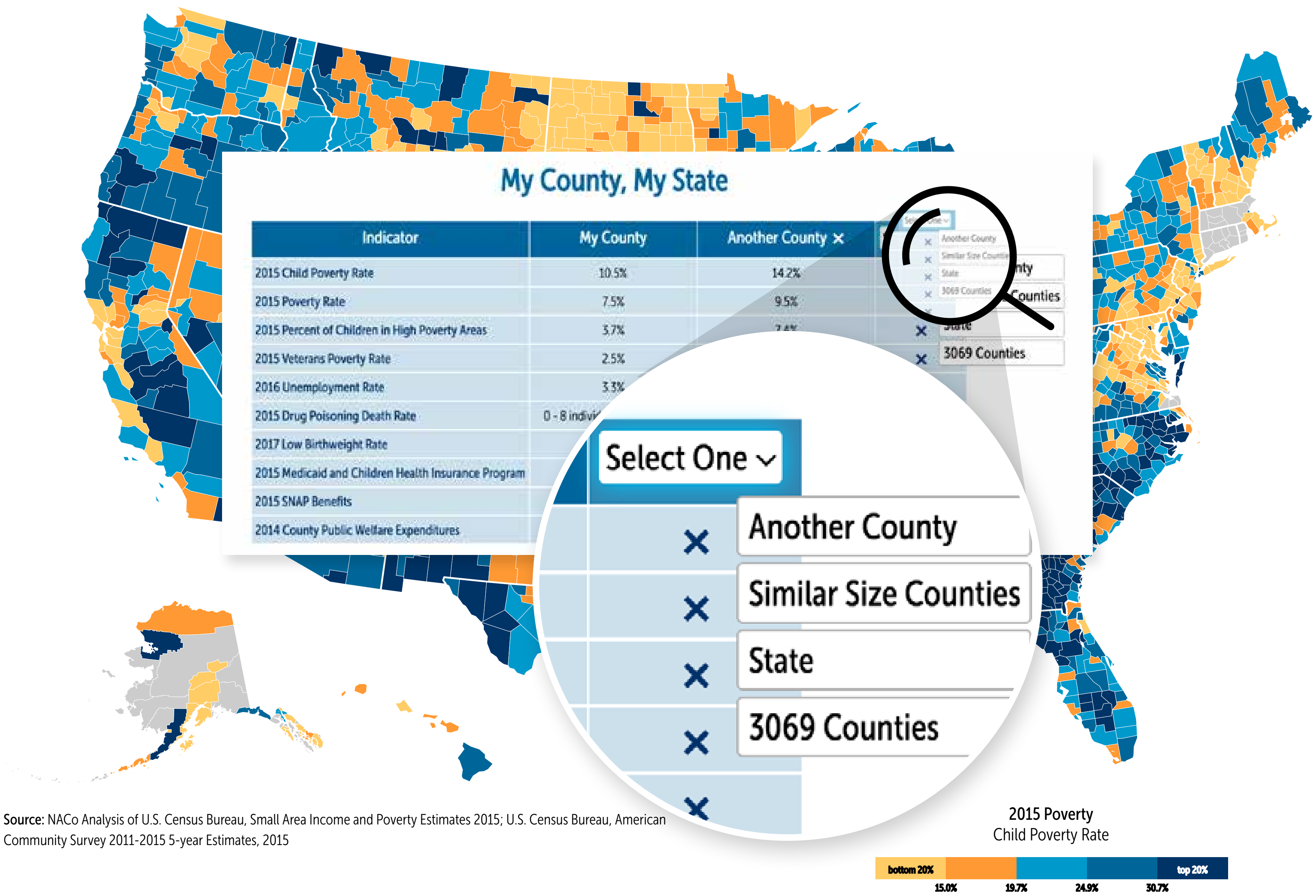


Source: NACo Analysis of U.S. Census Bureau, Small Area Income and Poverty Estimates 2015; U.S. Census Bureau, American Community Survey 2011-2015 5-year Estimates, 2015

MORE ABOUT COUNTY EXPLORER BENCHMARKING

The new benchmarking feature allows users to compare a county across up to 10 indicators with other counties, the state, similarly sized counties or the median for the 3,069 counties with county governments. Users can select from about 850 indicators in County Explorer. The benchmark table can be printed or downloaded.

Email research@naco.org for more information.

COUNTIES FUTURES LAB NACo

Coal's decline fosters new thinking

By Charlie Ban
senior staff writer

Lena Fowler felt like Coconino County, Arizona was well ahead of the game. When she started as a county supervisor in 2009, the Navajo Generating Station in her district was scheduled to close in 2044, giving the coal-fired power plant near the Utah border a nearly-70-year lifespan. She figured that by starting their transition planning early, the county would have a generous amount of time to prepare for the power plant's closure and sidestep local economic consequences.

"We knew there would be some eventual transition to a new economy, so we'd better start planning for it," she said. "There were a lot of people working there making good money with advanced degrees. If all of that went away, our demographics would change, and we'd have trouble attracting business to the community."

That happened much sooner than most in the area anticipated. In 2017, the plant put off an overhaul that would have upgraded its operations. Then the topic changed to whether the plant would close in July. All of that followed the reduced operations on the Coconino Community College campus in Page, close to the power plant.

"July? What happened to 2044?" Fowler remembers saying. "They explained that the economics have changed, gas is more affordable than coal and it wasn't viable, long term."

That's the reality facing a lot of coal-dependent counties, as coal drops to one-third of American energy production in 2017 after providing half in 2000. That's meant plummeting job numbers in the industry, with a 59 percent decline of the coal mining workforce between 1980 and 2015. It isn't just competition from natural gas that is forcing job cuts — the process is increasingly mechanized, and even if coal use rebounds, it would not necessarily mean more jobs. But the tipping point

The Navajo Generating Station, in Page, Coconino County, Ariz., employs approximately 500 people and is slated for decommissioning beginning in January 2020. Photo by Kit Leong, Getty Images

that leads to mine and power plant closures is still stark.

Delta County, Colorado saw things change fast, too, when a fire in 2013 prompted one of two mines to shut down, rather than rebuild. The county's other mine followed a year later, with the two closures wiping out 800 jobs.

"A lot of coal-reliant counties are facing slow attrition, but we just had a shock," said Elyse Ackerman-Casselberry, the county's community and economic director. "We had no other choice."

Those changes have had different effects, and anticipated effects, on their counties. While it's hard to say how much of a decrease in Delta County's tax base has come from coal mine closure, Ackerman-Casselberry said it certainly has contributed. Families left town, gutting school enrollment. Federal mine lease payments to the county have declined, and the housing market, which never recovered from the Great Recession, plummeted again and stagnated.

The Navajo Generating Station's closure won't sink Coconino County, the second-largest county in the continental United States. But a failure to replace those jobs in northern parts of the county will be crippling to the Navajo reservation, where most plant and mine workers live, and the towns outside of the reservation that supported the industry. It will change the northern region of the county, including a drop in $51 million in economic impact to the city of Page, according to a Northern Arizona University study.

The plant ultimately extended its lease with the Navajo Nation until the end of 2019, giving the county a slight reprieve to figure out how it will keep one of its communities together.

Navajo Generating Station employs roughly 500 people, but it draws it coal from a mine in neighboring Navajo County, and ancillary jobs add up to roughly 2,400. And that goes even further, Fowler said, because many of the workers are Navajo, and in that culture one paycheck often supports an extended family, which usually includes aging parents.

"The big fear is that this will divide families," Fowler said. "We're also worried about how this will affect special districts — our school districts, fire districts, hospital districts — if we lose population."

Anatomy of a comeback

Now formerly-coal-driven counties are left to figure out how to replace those economic drivers. While the Coconino County community is trying a last-ditch effort to find a buyer for the plant, both counties are essentially planning to move on and diversify their economies.

Delta County has a plan, and while the shock of the mine fire hit the community hard, the county's economic and community development department was already thinking ahead.

"The writing had been on the wall for coal," Ackerman-Casselberry said. "We had been thinking about that decline, and we were well positioned to act more quickly."

They aggressively courted broadband infrastructure opportunities and collaboration between the state, the local council of governments have made way for access to the county's towns. Three communities already have broadband, and within six months all will be hooked up.

"Then we'll work to get it out to the rural parts. We're ahead of the curve in Colorado for rural counties."

That's how the county hopes to regain what it lost.

"We're shifting the mindset that job creating has to happen in the hundreds," Ackerman-Casselberry said. "The idea of landing a big something… while we'd work hard to get it, we are targeting primarily entrepreneurs who will hire 2-5 people. Broadband supports the entrepreneurial ecosystem more than anything."

So they'll focus on getting on base, with a walk or a single, rather than trying to hit a home run.

"That sort of grassroots job growth is where we're going to see things happen," Ackerman-Casselberry said. "We aren't going to be a manufacturing center."

And along the way, there's work for the displaced miners in the buildout of internet lines.

"That's been the bridge between immediate unemployment and the future," she said.

When people move into Delta County, bringing a remote job with them, they stabilize the housing market.

Fowler said education is going to be the cornerstone of northern Coconino County's resilience. Four institutions — Coconino Community College, Northern Arizona University, Navajo Technical University and Dine College — will fill the gap created when the community college pulled back on operations on its Page campus three years ago. Of the other participating schools, Northern Arizona University was the only one within 130 miles. The Page Higher Education Consortium will offer classes starting in early 2018.

She said there would be an emphasis on the hospitality industry and outdoor recreation — nearby Lake Powell is a popular attraction, and Glenn Canyon and Grand Canyon national parks need rangers.

"It will offer a chance to retrain the workforce for many different kinds of jobs," Fowler said. "Having an opportunity for higher education and job training in the Page area will give people a chance to remake their careers and keep them in Page." CN

NACo, the National Association of Development Organizations and the U.S. Economic Development Administration maintain a resource portal containing information on economic diversification at http://diversifyeconomies.org/tools-and-training.

BRIGHT IDEAS | CLACKAMAS COUNTY, OREGON

There Goes the Neighborhood
County Teams End Rat-Infested Drug Dens

PROBLEM:
Neighborhoods were being "held hostage" as houses in foreclosure were taken over by drug addicts. The homes were being trashed and fines were ignored.

SOLUTION:
Neighbors, the sheriff's office, human services and the district attorney's office all teamed together to break a vicious cycle, take back their neighborhoods and get help for the addicts.

A cleaned-up, rebuilt home (left) makes the neighborhood proud, after Clackamas County kicked out the previous tenants — drug addicts who trashed the place (photo above). Properties are rehabbed and addicts are offered the help they need in the county program.

By Mary Ann Barton
senior staff writer

After a new family moved into their dream home in a neighborhood in Clackamas County, Oregon, they began to notice strange goings-on next door. Loud arguments came from inside the house late at night, rats scurried under the fence and people came and went at all hours of the day and night.

"I got a phone call from a guy named Todd — very nice man, young family," said Officer Sara McClurg of the Clackamas County Sheriff's Office. "They had just moved into the house next door. He thought that he and his wife had scored and gotten a really great deal on this wonderful little split level '60s family house with a nice big yard for his children."

The man told McClurg that the day after they moved in, he went into his backyard onto the deck. "He noticed all these sketchy people in the backyard next door, started getting a little bit alarmed, noticed rats running under the fence, a stench coming from the house," McClurg said. "He started talking to the neighbors and they said 'Oh my God, you bought that house? We're so sorry.'"

The home had belonged to a resident who passed away and afterward, his 50-something year-old son decided to live in the family home, even though he didn't have a job to pay for the mortgage or utilities, McClurg noted. He got the word out to drug addicts that they could stay at the house in exchange for cash so he could keep the utilities on.

By the time the new family moved in next door in the spring of 2015, the home was down to one toilet for 20 people who were usually high on meth or heroin, and the backyard was filled with trash, she said.

The family that had moved in next door "couldn't let their children play in the front yard because of the comings and goings," McClurg said. "It was abhorrent. It was very, very severe. So, we were routinely responding to complaints, usually making arrests, some we didn't catch up to because they were jumping over the back fence. And the poor neighbors … a couple of times dangerous armed criminals were at the house, so twice, the sheriff's office had to get SWAT teams to respond. All we could do was arrest people over and over and over again."

The house became the poster child for a problem that was repeated in other neighborhoods in the county. After the recession, "we had a glut of empty houses out there somewhere in the foreclosure process…and at the same time our homeless population was escalating," McClurg said.

"And a lot of these homes were being basically identified by homeless individuals as a potential residence, and so they were moving themselves in and taking over these sites, really with nobody who was resisting their efforts. Some of these folks were just really down on their luck…but I would say for the majority there was an element of alcohol or substance abuse."

The spring of 2015 was also a time that the sheriff's department "had come to an impasse" and was ready to try anything to break the cycle of arrests and non-compliance by the occupants of these problem homes.

That's when a team from the sheriff's office, along with support from the county commissioners, district attorney's office and county human services, decided to take a look at how they might team together and use the Clackamas County Nuisance Ordinance, McClurg said. The teamwork evolved into what they now call the "Neighborhood Livability Project."

The county's first attempt in using the nuisance ordinance was to shut down the problem drug den where the 50-something-year-old son was living with drug addicts. The county scheduled a "kick out" at the home, McClurg said. "That's when 10 to 12 squad cars show up to let them know 'This is a do or die, you have to leave.'"

When police arrived at the home June 5, 2015, 11 people were still holed up inside. McClurg said it was evident most of them were on drugs. "They had 20 minutes to collect any belongings and vacate the premises." Once they were gone, officers boarded up the house from the inside, posted "No Trespassing" signs on the home and warned the addicts that if they were caught returning they would be arrested.

The next piece of the puzzle for the county was bringing in human services and behavioral specialists to help the addicted, McClurg said, which is part of the equation the county has perfected since the start of the program. Anytime there is a "kick out" done, human service representatives are now also there to let anyone know there are options for treatment. If they are not ready to go that day, and most are not, she noted, they are given brochures and business cards so they can follow up later, which several have done.

"Like any county, that's where we're trying to take it," McClurg said. "If we can get them into treatment, that's a save."

And what happened to the house? The county took possession of the home and put it up for auction. The home was purchased for under $200,000 by an attorney who does remodeling on the side. In addition to taking the house down to the studs, trash had to be hauled away, exterminators had to be called in and two trashed-out recreational vehicles had to be towed out. After about nine months of rebuilding, the new home was sold for about $450,000.

"So that's a really great success story," McClurg said. She and others on the team took a township official by the house

See LIVABILITY page 11

Problem homes turned around

From LIVABILITY page 10

last month because he wants to bring the program to his community. "We showed him some of the houses we've been dealing with. And the new homeowners were outside doing yard work. And we saw kids' toys in people's front yards, which we didn't see before."

The statistics also tell the story: Since the county began its Neighborhood Livability Project in 2015, 94 homes have been "closed" or the problem was abated. Twelve homes are under review, where drug and other activity has calmed down but police are still vigilant, McClurg said. Thirteen homes are deemed "active," with still more work to do and just one new home has been added. "The new ones are declining," she said. "We're hitting the worst and it's getting resolved."

The program costs are minimal, with most of the costs needed for overtime pay for several sheriff's deputies, who at most worked up to 20 hours of overtime per week as the program was ramping up, which was OK'd by the sheriff, McClurg said. They received donations of dumpsters and plywood from local companies, to board up homes.

McClurg said she would advise other counties with a similar problem to work with other agencies, "see if you can have a sit down" and "identify your three top problem addresses."

"Work on those, learn from your mistakes and call us if you need some advice," she said. "We've pretty much seen it all."

In her 12 years in the sheriff's department, McClurg said the Neighborhood Livability Project is the most rewarding program she's ever worked on. "We made a difference in a community, which is what we're supposed to do, right? We can see the results, we can point to something and say 'We helped do that.'" CN

You may contact McClurg at: saramcc@clackamas.us.

LEADERSHIP EDGE

Think About It: Town Hall Meetings Have Gone Out of Style

By Larry Schooler

Imagine taking a seat in a space that resembles a theater or a house of worship or a courtroom.

Now imagine having a real conversation with anyone in that space — particularly the main speaker, standing quite far away from you, maybe even standing on a stage or sitting on a dais.

We don't go to court, or the theater or our worship spaces, with an eye toward having a back and forth dialogue with the judge or the actors or the clergy (though some preachers surely entice some "amens" and "hallelujahs," but that's about all). We come to receive something — maybe entertainment, inspiration or justice — without expecting to play much of a role in the event itself.

But that is the very setting we expect our own citizenry to accept when we invite them for a chat. We may call it a "town hall meeting," but we have migrated pretty far away from the New England tradition of giving every resident a direct voice in the town's affairs.

Instead, we are privileging some citizens over others by expecting people to speak in front of a crowd of hundreds or thousands. It should not surprise us that the citizens who most often take advantage of that opportunity are an infinitesimally small percentage of the population as a whole — often the angriest among us, or those with more extreme points of view, for whom a microphone represents a golden opportunity to vent.

And why, you may ask, would they be angry?

Picture this. You come home from work and without prior warning, your spouse has redecorated your entire home, even thrown out some furniture you liked. Maybe you like the new look, but chances are, you would be so taken aback by the process that you could not even form an opinion on what the house looked like. You would probably feel so slighted not to have been consulted ahead of time that you forget all about whether you like the new look.

Constituents often feel the same way. They read in the paper or hear on the news that their elected officials are leaning toward a major policy decision, or have even already made that decision, and only then are they scheduling a "town hall" to talk to their constituents about it. Imagine if you read a headline that read, "County plans to remove all statues with ties to the Confederacy." Even if, ultimately, county residents determined that those statues belong in a museum or elsewhere, they would likely take umbrage at being told that was happening, rather than given the chance to weigh in on what should happen.

Nothing about the current iteration of a town hall meeting befits its name. Agendas or objectives for the gathering are seldom seen. Crowds drown out the speaker. Attendees never get to share their views, or get questions answered, much less influence policy decisions. Insults are even exchanged — both by the crowd and the presenter.

Who benefits from this? It might seem like a constitutionally protected expression of the right to assemble, petition and speak, and to a degree, it is. But what happens when my opinion is different from the cheering or sneering many? Chances are I will choose to hold my tongue — or the organizer will end the meeting when they have had enough of the verbal abuse. So, my elected official is unable to hear my point of view — and, undoubtedly that of many others — and may make policy decisions with incomplete, or even inaccurate information about his constituents' views.

Unquestionably, however, elected officials need to face their bosses (constituents) and take accountability for their actions, or do their jobs as decision-makers by asking their bosses what they should decide. But the most recent wave of town hall meetings — or perhaps pep rallies for angry constituents — suggests the model needs an overhaul.

If, indeed, the purpose of these kinds of gatherings is to allow the elected official to understand his constituents' point of view than conversation held around a single table, in a smaller group, with the help of a facilitator who keeps the group focused on its agenda and mindful of its discussion agreements, could yield far better results than the status quo.

So, too, could thoughtful uses of technology improve the people's access to those in power. A basic social media account, on Facebook or Twitter for example, can reproduce some of the same dynamics at the packed gymnasium — unvarnished vitriol, limited information exchanged, many voices silenced. But a moderated video chat with multiple participants who can see one another, or a televised meeting that enables participants to call or send a text message (and even be part of a small group in those contexts), can change the dynamics of the conversation significantly.

Of course, in many contexts, elected officials have thousands, or even hundreds of thousands, of constituents. Perhaps the time has come for investment in a "conversation corps" — an army of trained facilitators who make civil, civic dialogue possible for people all across the country, in settings that feel comfortable, familiar and inviting.

Perhaps the resources of iconic internet brands can be brought to bear in this regard — taking the vast reach of their platform and creating small, diverse conversational cross-sections of a community or a county. Imagine the possibilities if we could talk to someone with whom we disagree, even passionately, and find even the smallest sliver of common ground. It is difficult to find someone for a conversation like that, but it has become easier with technology.

Ultimately, as a country, we should expect more of our elected officials and how responsive they are to our concerns. But they will only change if we change the conversation. CN

Larry Schooler, based in the Miami area, is a senior fellow at the National Civic League.

DOT releases details on drone pilot program

The U.S. Department of Transportation (DOT) has released details about applying to participate in the Unmanned Aerial Systems (AKA drones) Integration Pilot Program.

As of Nov. 8, counties have 20 days to email their notice of intent to the Federal Aviation Administration (FAA) indicating their interest in submitting an application.

The drones program, designed to connect state and local governments with industry stakeholders, will allow county governments to determine local rules and regulations that will best fit their communities.

Through the program, the FAA plans to gather data that can assist in future rulemaking to ensure safe integration of drones into the national airspace.

The FAA expressed interest in gathering data pertaining to: critical infrastructure; emergency response; disaster relief/news reporting; and transportation/hazardous materials safety.

Counties may also collaborate with their state and municipal partners and jointly email their notice of intent.

The deadline for submitting this notice of intent is Nov. 28. For specific information on how the email should, visit *http://bit.ly/2zG0QM*.

PROFILES IN SERVICE

CLAY JENKINS

Chair, Health Steering Committee
County Judge
Dallas County, Texas

Number of years involved in NACo: 7

Years in public service: 7

Occupation: Lawyer

Education: Baylor University BA ‘85 in political science; Baylor University JD ‘87

The hardest thing I’ve ever done was: Our West Nile Virus response in 2012.

Three people (living or dead) I’d invite to dinner: My Dad, my Grandma and Jesus.

A dream I have is to: Cut the uninsured and poverty rates in Dallas County by half.

You’d be surprised to learn that I: Am introverted.

My favorite way to relax is to: Spend time with my family and ride my bicycle.

I’m most proud of: My daughter.

Every morning I read: www.365promises.com

My favorite meal is: Lobster.

My pet peeve is: Elected and appointed leaders who lose touch with the rights of the working poor.

Jenkins

My motto is: Treat others the way you want to be treated.

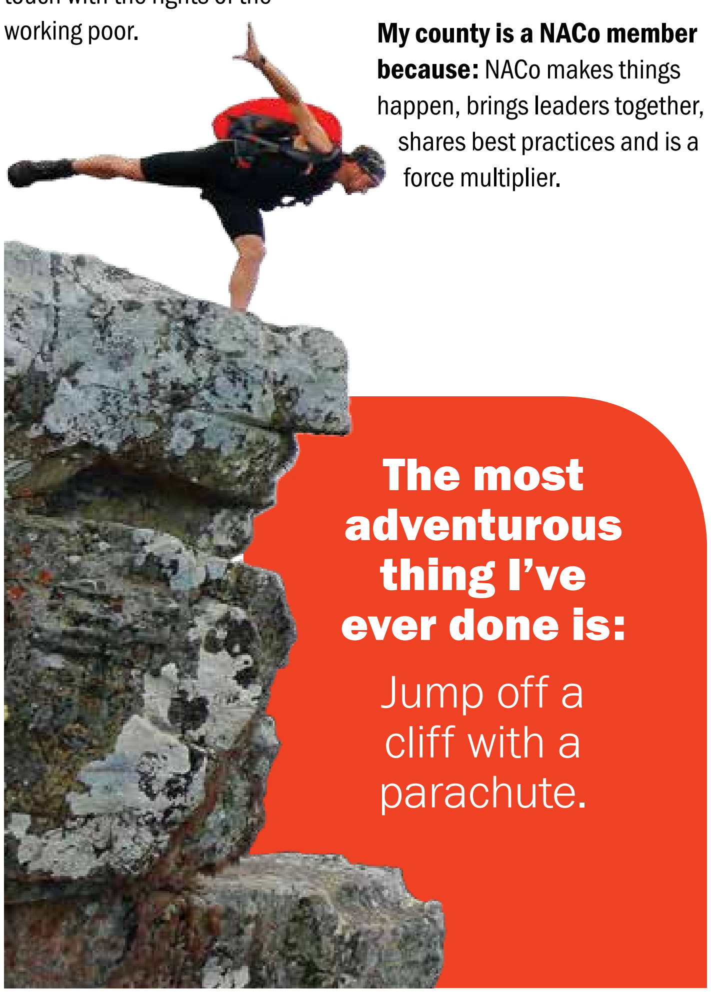
The last book I read was: *Evicted: Poverty and Profit in the American City* by Matthew Desmond.

My favorite movie is: *To Kill a Mockingbird*.

My favorite music is: Christian.

My favorite U.S. president is: A tough one. I respect and know all our living former presidents. President Obama is my favorite living president, although my favorite deceased president would be Abraham Lincoln.

My county is a NACo member because: NACo makes things happen, brings leaders together, shares best practices and is a force multiplier.



The most adventurous thing I’ve ever done is:

Jump off a cliff with a parachute.

CAPITAL LOOP

President declares opioid epidemic a public health emergency

President Trump’s public health emergency declaration allows the federal government to waive regulations around treatment resources and offers states more latitude in using federal money to fight the epidemic, but included no new federal funding.

HUD extends deadline for veterans’ public housing vouchers

The U.S. Department of Housing and Urban Development extended until Dec. 1 the deadline for public housing agencies to submit registrations of interest for new awards under the HUD-Veterans Affairs Supportive Housing (HUD-VASH) program.

EPA releases final designations for 2015 ozone standards

EPA states that most areas of the country — 2,649 counties overall — either meet the 2015 standards for ground-level ozone or are unclassifiable. There is no indication when the designations will be determined for the remaining 420 counties.

CN SPOTLIGHT

A DAY FOR EVERY VETERAN

Huerfano County, Colorado doesn’t just celebrate Veterans Day, it celebrates individual veterans’ days. Since early 2016, the county Board of Commissioners has passed one resolution a week honoring an individual veteran who lives in the county.

“We were recognizing athletes for going to state for wrestling, so there’s no reason not to give veterans the same honor for what they’ve done for our country,” said County Manager John Galusha.

The county frames certificates bearing the veteran’s resolution from the Board of Commissioners. A report from the state’s Department of Veterans Affairs has listed 880 veterans in the county of 6,700. The county prioritizes World War II and Korean War veterans, but through early November the county had honored 160 different servicemen.

Every third Tuesday of the month, commissioners go to the Colorado State Veterans’ Community Living Center and dedicate a day to four or five veterans living there.

“We don’t have many World War II vets left, so we want to make sure we get to them,” Galusha said. “The reactions are incredible — it’s really emotional. There’s a lot of humble acceptance that gives way to tears from them and their families.

“It’s an emotional force.”

MONEYMATTERS

A Best Practice from the Government Finance Officers Association

Economic Development Incentives

BACKGROUND

Governments consider using public funds to help incentivize proposed private economic development projects in order to strengthen the community's economic viability. Incentives can take a variety of forms such as tax breaks, building supporting infrastructure or workforce development. Jurisdictions may use these incentives to pursue economic goals such as tax base diversification, job creation, housing stock creation, or business retention and expansion.

However, these incentives often carry substantial risk. These risks include failure to direct scarce public funds to their highest and best use, violation of laws and misuse of incentive programs. Policies that guide the use of publicly funded incentives help ensure that incentives are applied consistently with principles and practices designed to mitigate these risks.

RECOMMENDATION

GFOA recommends that jurisdictions create policies on the appropriate parameters for use of economic development incentives. An economic development incentive policy needs to be specific enough to establish clear boundaries but not overly restrictive in order to allow for flexibility and discretion to ensure that the policy serves the best interest of a jurisdiction.

Economic development projects vary considerably and incentives may need to be evaluated and tailored on a case-by case basis. Additionally, a government may have multiple policies to cover specific considerations associated with each different strategies or economic development tools.

An economic development incentive policy should contain the following elements:

- **The Goals and Objectives of Economic Development** — Goals and measurable objectives create a context and accountability for the use of economic development incentives. Common goals used in economic development include: expansion of tax base, job creation, development of targeted economic sectors, business retention and/or recruitment blight mitigation, improving economically distressed neighborhoods, housing stock creation, environmental and infrastructure improvements.
- **Financial Incentive Tools and Limitations** — An economic development incentive policy should define the types of incentives the jurisdiction is permitted to use and any limitations on their use (e.g., maximum dollar amounts, time limits, type of project that is eligible). For example, governments may choose to grant an entitlement to any firm that meets minimum qualifications, or may choose to provide incentives based on an assessment of individual firms. The policy should identify the funding sources for the incentives and ensure the use of incentives is not in conflict with the government's established fiscal policies. Governments may also establish maximum funding for a particular program.
- **Evaluation Process** — A clearly defined evaluation process should be outlined in an economic development policy for the purposes of consistency and transparency. Evaluation activities and factors typically include:
  - How a proposal measures up to the criteria a jurisdiction has established to evaluate proposals. The criteria should align with the jurisdiction's goals and objectives of economic development and policy guidance on financial incentive tools and their limitations.
  - A comparison of the cost of the incentive against the benefits that the project is expected to produce.
  - An evaluation of the impact on the tax base and revenue. This should include the impact on the tax base and revenue of the jurisdiction offering the incentive, but may also include the impact on other tax jurisdictions, especially where the incentive may have the potential to reduce the tax revenue of another jurisdiction.
  - Analysis of the impact of a project on existing businesses. Projects that simply shift economic activity from one area of the community to another may not represent good investments of public funds.
  - A determination of whether the project would proceed if the incentive were not provided. Local economic development incentives exist to induce private economic activity where it would have not otherwise occurred.
  - A jurisdiction may also wish to include in its policy a list of required documentation for the economic development application and the officials who are a part of the review team.
- **Performance Standards** — An economic development policy should require that specific performance standards, that are either quantitative or include an objective assessment that can determine if the standard is met, be established for each project receiving incentives. The policy should also outline remedies the governing board would use in the event that specific performance standards are not achieved.

Performance standards help a jurisdiction gauge the effectiveness of its overall economic development program, as well as the performance of specific economic development projects.

Performance standards allow jurisdictions to avoid payment of incentives for projects that do not meet the performance standards. If the proper contractual provisions are in place, performance standards could even help jurisdictions to recover the cost of the incentive if the financial benefits that the incentive was predicated on do not materialize (e.g., a "clawback" provision).

- **Monitoring and Compliance** — A process should be established for regular monitoring of the economic development agreements adopted by the governing board and the performance of each project receiving incentives per the agreements. The policy should also identify who in the organization will be responsible for monitoring and compliance, and if multiple departments are involved, the roles and responsibilities of each department.

The monitoring process should examine performance standards relative to each economic development agreement and determine whether the goals for each project are achieved within the defined timeframe. The policy should identify when the governing board will receive status updates regarding the jurisdiction's economic development projects and related outcomes per the relevant agreements. Additionally, lessons learned during the monitoring can be used to update the jurisdiction's policies going forward. CN

GFOA's Best Practice on Economic Development Incentive Policies was approved by GFOA's Executive Board, September 2017 and reprinted with permission.

BEHIND THE SEAL

TALBOT COUNTY, MARYLAND

Introduced in: 1966

Talbot County, on Maryland's Eastern Shore, was named in honor of Grace Talbot, daughter of George Calvert, the first Lord Baltimore and sister of Cecil Calvert, the second Lord Baltimore. The Talbot coat of arms was adopted as the design of both the seal and flag.

Author John T. Marck compiled this information for www.marylandtheseventhstate.com.

The seal shows a rampant lion in red against a silver shield.

The background color of the seal is purple, the color assigned in 1694 to Talbot County by the royal governor of Maryland.

Below the rampant lion is written in Latin, "Tempus Praeteritum Et Futurum," which translates as, "Times, Past and Future."

Would you like to see your county's seal featured? Contact Charlie Ban at cban@naco.org.

NEWS FROM ACROSS THE NATION

ARKANSAS

Dark store theory is darkening the door of **WASHINGTON COUNTY** after Home Depot and Lowe's recently petitioned the county for lower property values. "In the appraisal world, it's like Darth Vader is coming in," Assessor Russell Hill told the *Northwest Arkansas Democrat Gazette*. Under a dark store claim, property value would be based on what the property would be worth to a hypothetical user in the future or the property is compared to space that is closed or "dark."

In other dark store news, the Michigan Supreme Court last month denied an appeal from big box retailer Menard Inc., effectively ending the so-called "dark store" practice of property valuation in the state, MiBiz.com reported. The state's Supreme Court denied Menard Inc.'s request for an appeal in its lawsuit against the city of Escanaba because the justices felt they were "not persuaded that the questions presented should be reviewed by this Court."

CALIFORNIA

- **SONOMA COUNTY** has adopted several emergency ordinances to help victims of the **recent wildfires** that killed 23 in the county and burned 7,000 structures. The county will not issue new vacation rental permits for the next 45 days. The ban may be extended for two years in order to temporarily preserve housing for permanent and long-term residential use. The board also approved an ordinance allowing residential use and occupancy of recreation vehicles and travel trailers inside and outside fire-damaged sites without county approval for 45 days, as long as they have adequate septic holding capacity. Other ordinances extend farmworker housing to 365 days a year, which allows the rental of existing guest houses, pool houses and other residential accessory structures for rent to fire victims.

- **VENTURA COUNTY's** public health officer, Dr. Robert Levin, is hoping that "Get inside. Stay inside. Stay tuned," becomes a mantra similar to "Stop, drop and roll."

But in this case, it's not a fire that residents would be concerned about, it's a **nuclear attack** from North Korea. By getting inside if the worst ever happened "it would save hundreds of thousands of lives," Levin recently told KPNX-TV.

Four years ago, Levin led an effort to compile a 243-page nuclear response plan for the county, looking at everything from millions who might flee north from Los Angeles to skipping conditioner when shampooing, so that radioactive particles don't bind into your hair.

COLORADO

With **no contested races** or local ballot measures, **CHEYENNE, DOLORES, GRAND, HINSDALE, MINERAL** and **WASHINGTON** counties cancelled their elections this cycle, according to the *The Denver Post.*

FLORIDA

OSCEOLA COUNTY will place a six-month **moratorium** on new development proposals to give the county planning and design team a chance to allow for future planning.

The team said it spends 80 percent of its time dealing with incoming applications, News 13 reported.

Mixed-use projects are exempt under the ordinance as are applications already in the planning commission's agenda. Some commissioners believe the exemption for mixed-use projects in particular may help bring more affordable housing to Osceola County.

ILLINOIS

- Illinois' most famous part-time resident, **former President Barack Obama,** showed up for jury duty Nov. 8 in **COOK COUNTY**. "Thanks everybody for serving on the jury, or at least being willing to," Obama is heard saying in a video posted to Twitter.

But in the end, the voter-in-chief was not selected to serve, according to the Associated Press.

- Illinois is celebrating its **bicentennial** by giving portraits of Abraham Lincoln to all **102 county courthouses.** The canvases are a gift from the Jerome Mirza Foundation, a Bloomington not-for-profit organization founded by the late Jerome Mirza, a Bloomington- and Chicago-based lawyer and past president of the Illinois State Bar Association and the Illinois Trial Lawyers Association. The portrait is a photo taken of Lincoln by Chicago photographer Alexander Hesler in June 1860. The image of Lincoln, the country's 16th president, was captured at the Old State Capitol in Springfield.

Photo courtesy of Illinois State Historical Society

MARYLAND

The Clean Water Partnership (CWP), a 30-year collaboration between **PRINCE GEORGE'S COUNTY** and Corvias, has reached a major program milestone of retrofitting up to 2,000 acres of impervious surfaces using green infrastructure. All 106 guaranteed **water quality projects** throughout the county are either in construction or are completed.

The partnership has 80 percent of the work contracted out to local disadvantaged small businesses, and 51 percent of all work hours have been performed by Prince George's County residents.

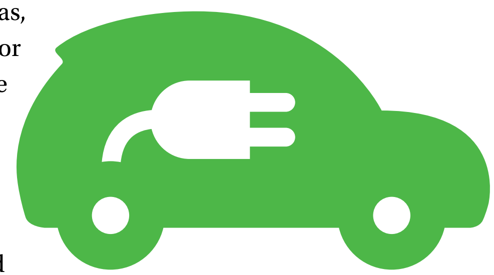
"Prince George's County selected the CBP3 [partnership] solution as an alternative delivery method because it could deliver both greater environmental improvements and local economic development results for the county in a more economical manner than the traditional design-bid-build procurement method," said David Washington, program executive for the partnership.

NEVADA

The American Civil Liberties Union has sued the state of Nevada for providing insufficient support to **rural counties for indigent defense**. The class-action suit says the state lacks oversight of multiple rural counties and their system of contracting attorneys to represent the accused. The suit asks the court to require Nevada to modify its systems to comply with constitutional protections, the *Las Vegas Review-Journal* reported.

NEW YORK

Electric-powered vehicle owners will be allowed to charge their cars for free at **SENECA COUNTY**'s two charging stations. The county purchased two small charging stations for about $1,200 to help it qualify for a state grant as a clean energy community, but the county does not own any electric-powered vehicles, according to the *Finger Lakes Times*.

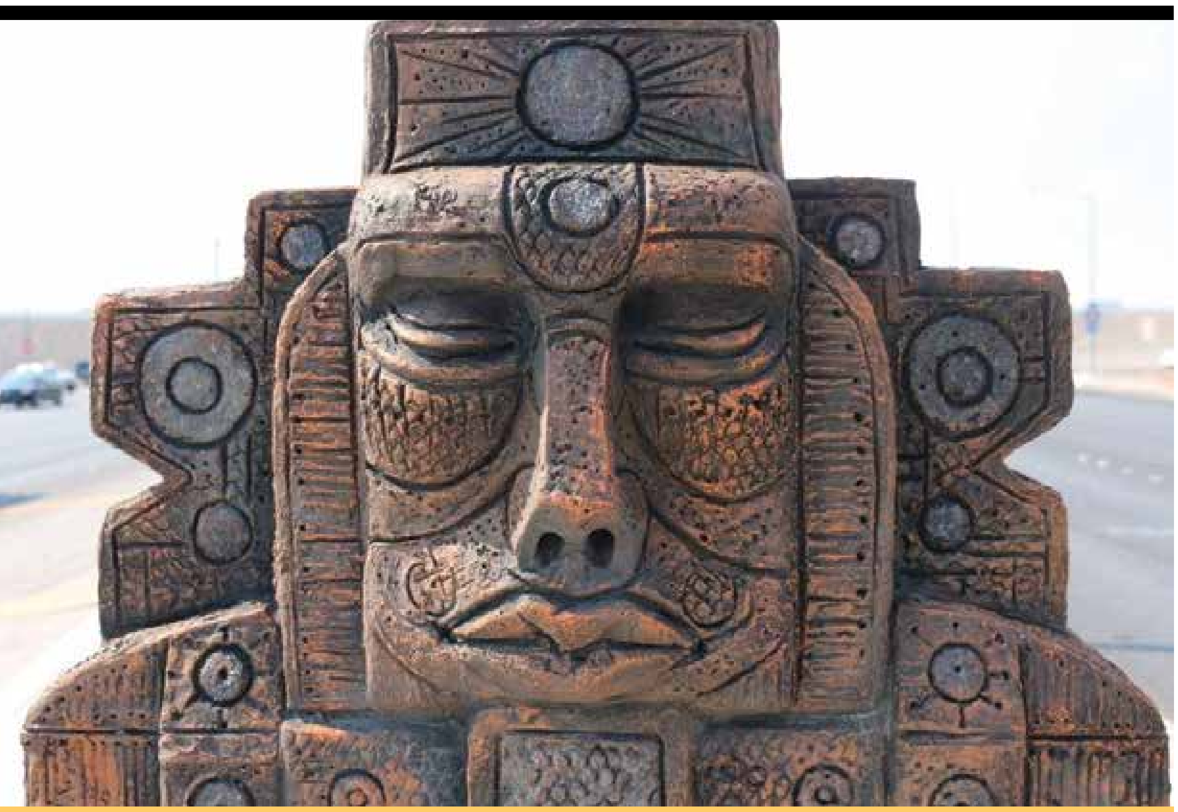


OREGON

Planners are writing a **zoning code amendment** that will help **DESCHUTES COUNTY** out of a difficult legal bind.

The county tried to protect mule deer and other wildlife by putting additional restrictions for portions of the county that have been found to contain habitat for deer herds during the winter, as well as significant elk or antelope populations, and among other structures, prohibiting churches in these wildlife zones, *The Oregonian* reported.

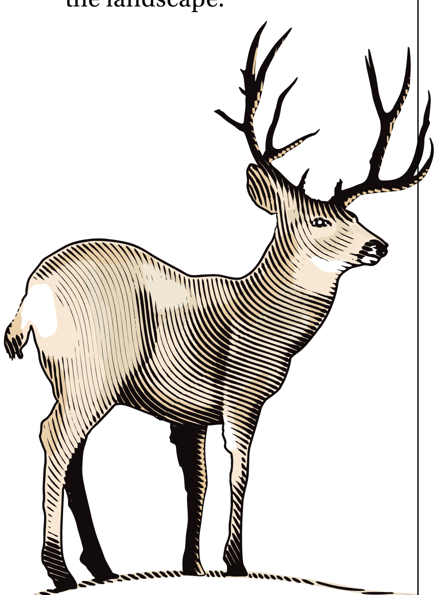
Then, in 2012, a county ordinance permitted "agritourism," including commercial events in wildlife zones, like



NEVADA

Ten pieces of **public art**, like this statue, now decorate roadway medians in **CLARK COUNTY**. A panel of local artists, arts educators, and a representative public works department chose 10 artists to create the art. The project, "Centered," drew submissions from 56 artists. Photo courtesy of Clark County.

farm tours and wine tastings that take place on a farm or ranch. Because churches would likely have a similar economic, environmental and social impact to these establishments, prohibiting them would represent a violation of the Religious Land Use and Institutionalized Persons Act, which prohibits local governments from treating religious buildings differently from other, non-religious buildings that have a similar impact on the landscape.



PENNSYLVANIA

● **CUMBERLAND COUNTY** residents might not pop into the county's weights and measures office too frequently, but they'll be thankful it's there when the county completes its countywide inspection of gas pumps for **credit card skimming devices**. The machines are added to gas pumps and ATMs and record credit card information. The office will also teach business owners how to check their equipment for signs of tampering.

● **YORK COUNTY** commissioners are trying to **negotiate lower phone rates** with the jail's telecommunications provider, following publication of a *York Dispatch* article showing that prisoners' families are paying rates far higher than those charged at state correctional facilities for phone calls.

TEXAS

WILLIAMSON COUNTY will **fund indigent health care** by collecting mandatory payments from its 10 local hospitals. The county may ask for up to 6 percent of a hospital's net revenue from patients, which could add up to $15 million a year. The *Austin American Statesman* reported that collections would help the county qualify for federal matching money to cover health care for poor residents.

VIRGINIA

FAUQUIER COUNTY is hoping that opening a **clinic for county government** and school **employees** and **retirees** from those organizations will save money and provide better care.

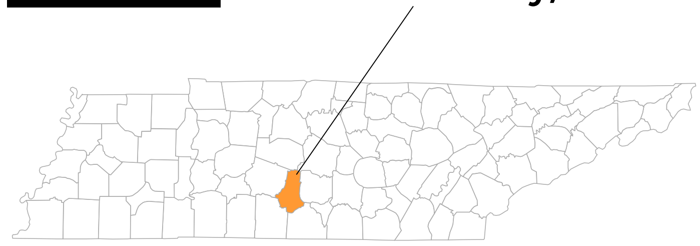
The Board of Supervisors hired a Vermont-based company to open the clinic, which would cost approximately $180,000 to establish and $1 million a year to run. A consultant pitched the promise of savings of $1 million over three years by treating low-intensity problems for which employees would otherwise take to emergency rooms, offering preventive care and establishing wellness programs, according to *Fauquier Now*.

The clinic is scheduled to open in March 2018.

News from Across the Nation is compiled by Charlie Ban and Mary Ann Barton, senior staff writers. If you have an item for News From, please email cban@naco.org or mbarton@naco.org.

New NACo Member

GET TO KNOW... Marshall County, Tenn.



Welcome, Marshall County, Tenn.

Marshall County was named for the American jurist **John Marshall, chief justice of the U.S. Supreme Court.** The county has been home at some point in their careers to three Tennessee governors — Buford Ellington, Henry Hollis Horton and Jim Nance McCord. The Tennessee Walking Horse Breeders' and Exhibitors' Association, responsible for registering Tennessee Walking Horses and maintaining their bloodlines, is based in Marshall County. As of 2017, the association has registered **more than 520,000 horses**.

ON THE MOVE

NACo OFFICERS, COUNTY OFFICIALS

● NACo President **Roy Charles Brooks** and Maeghan Gilmore, program director, spoke at the Aetna Foundation's Healthiest Cities and Counties Challenge Institute in Fulton County, Georgia. Nov 3.

● **Sallie Clark**, past NACo president and former El Paso County, Colorado commissioner, has been named USDA's state director of rural development in Colorado.

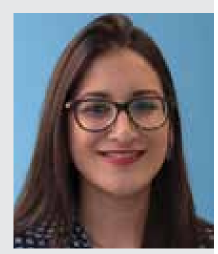
NACo STAFF

● **Kevan Stone**, associate legislative director, represented NACo in King County, Washington at the Federal Aviation Administration's Drone Advisory Committee's quarterly meeting, Nov. 7–10.

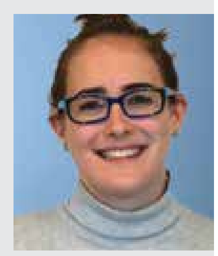
● **Sanah Baig**, program director, participated in the Innovation in Resilience FEMA Annual Partnership Forum in Washington, D.C. Nov. 8.

● **Jenna Moran**, program manager, participated in a Department of Transportation Intelligent Transportation Systems workshop that will bring together educators and practitioners to discuss educational needs for students in transportation-related disciplines, Nov. 8–9.

Stone



Baig



Moran

Shooting: 'It can take a toll on first responders'

From SHOOTING page 1

were injured, but were discharged from the hospital.

Twenty-six people were killed and at least 20 injured after a gunman shot up the First Baptist Church in Sutherland Springs, a town of about 600 in the central Texas county. Located about a 40-minute drive southeast of San Antonio, the county has a population of 43,000.

"This community has never seen anything like this," Hajek said. A former detective for 40 years with Bexar County, Hajek started his job as a county commissioner in January. One of the other county commissioners alerted him to the shooting. "I just happened to come in to get a drink of water when the phone rang," he said. He had been outside adding fencing to a pasture for horses for his grandchildren.

"When I saw the front of the church I assumed there had to be mass casualties, there were bullet holes all across the front of the church," he said. "And seeing a dead man laying out in the yard, I assumed there were going to be more casualties."

The county made sure that visiting law enforcement had esources, whether it was crowd control, food, fuel or just finding a rest room, Hajek said. County commissioners met with Texas Gov. Greg Abbott (R), Lieutenant Gov. Dan Patrick and Vice President Mike Pence.

"Normally a county would be lead law enforcement agency, but when they found out the enormity of it they asked dispatch to provide all the ambulance services within our county and surrounding areas we could," Hajek said. "We requested, from the state, for them to provide DPS (Texas Department of Public Safety) and Rangers (Texas Rangers) and they responded immediately. They, in turn, contacted the FBI because of the enormity of the event."

The county had other duties as well. "We're trying to coordinate the efforts, the counseling services for the survivors, deputies and first responders," Hajek said. "Unless they've been in combat military, they've never seen a scene like this, 3-year old children dead. Half of the 26 killed were children. It can take a toll for first responders when they have to deal with something like that. I know I've seen my share over the years. We want to be sure first responders have access to counseling."

County officials and others gather Nov. 5 outside the First Baptist Church in Wilson County, Texas where a gunman killed 26 people during services. Photo by N. Kilbey-Smith/Wilson County News

The county notified the Texas Crime Victims Fund and American Red Cross and others to help in any way possible with-burial and other expenses for the victims' families. The community has been very responsive, he said. "Coordinating all of these needs, services, is the county role right now." A funeral home in nearby Cuero donated 14 caskets. An organization in San Antonio donated as well.

Normally, the justice of the peace is designated to pronounce someone dead in Texas counties; for this kind of mass casualty event, a mobile medical examiner and morgue were enlisted.

Hajek said he hopes some of the lessons learned can help other counties dealing with such emergencies. "Hopefully they don't have to endure something like this, but maybe our learning curve here will help other counties in the future."

The gunman, 26, was found dead in his truck after a chase north into Guadalupe County. His body was transported to Travis County for an autopsy, according to the *Austin American-Statesman* newspaper.

The shooting has prompted some counties to remind residents that active shooter training is available. Polk County, Florida, has active shooter training specifically for churches. Orange County, New York is offering free programs on site security, staff education and public presentations for schools, government offices and local businesses.

The killing comes on the heels of a mass shooting Oct. 1 in Las Vegas, Clark County, Nevada, where 58 people were killed at an outdoor concert after a gunman started shooting from the window of a hotel room.

The White House issued a statement from President Trump, which stated in part: "My administration is providing its full support to the state and local authorities investigating this horrible crime. I have spoken with Gov. Abbott and we offer our thanks to the first responders who ultimately stopped the suspect and rendered immediate and lifesaving aid to the victims of this shooting. I will continue to follow developments closely." CN

Opioid crisis 'reveals so much that's broken in our system'

From LAWSUITS page 5

routine."

By late October, Marathon County's costs for out-of-home placement services for children of addicted parents in 2017 is already $456,000 over 2016's entire year budget.

Urban counties, too

Tarrant and Dallas counties are two of the largest in the county, and their participation is a harbinger of other large urban counties' involvement. The topic got attention last month at the Large Urban County Caucus Symposium in Salt Lake County, where a panel of experts discussed suing opioid manufacturers and distributors.

"Where the political and regulatory processes have failed, the courts are sometimes the last resort for trying to get some kind of compensation," said moderator Teneille Ruth Brown of the SJ Quinney College of Law at University of Utah.

Counties considering whether to sue an opioid manufacturer or distributor should plan to go to trial, said Danny Chou, assistant county counsel, Santa Clara County, California Counsel's Office, where he oversees impact litigation.

"We go into every lawsuit that we file with the assumption that we are going to go to trial," he said. "We find that in order to litigate against these large corporate defendants, if they don't believe you're willing to go to trial, they'll just run all over you."

Harriet Ryan, a reporter for the *Los Angeles Times*, who is part of a team at the newspaper reporting on the opioid crisis, said that drug manufacturers have armed themselves with information about alleged illicit activity involving their prescription opioids, but have done little to stop it, in order to continue to make profits.

The newspaper published a series of articles last year about the opioid epidemic, focusing on Purdue Pharma, a manufacturer of OxyContin. Among the report's findings:

- In 2007, the U.S. Justice Department and several states reached a settlement with Purdue Pharma for its early marketing of OxyContin which claimed the drug was less addictive than it actually was, reaching a $600 million settlement.
- The reporters found there was a "duration" problem with OxyContin, where it wears off early in many patients, fostering addiction, and making people "accidental addicts."
- Illicit trafficking of OxyContin showed involvement by drug dealers and gangs. "Our investigation showed that this company, with its beautiful headquarters in Stanford, Connecticut, collected lots and lots of evidence of suspected trafficking of its pills. In many, many cases they never turned it over to law enforcement. They did not stop the flow of their pills into 'dirty' pharmacies that were fueling our national problem."
- What's happening now that sales of opioids are falling? The family that owns Purdue has a strategy for replacing their lost revenues by selling pills in China, Latin America and Africa, using a lot of the same tactics they used here.

The opioid crisis "reveals so much that's broken in our system and so many failures," Brown said. "Failures in regulatory law, failures in our response, failures in regulating doctors and pharmaceutical companies. There isn't one corner of society that is immune." CN