

2012 Measurement Report

Hamilton County Industrial Development Authority

One measurement of effectiveness is the ratio of operational expenses to the dollars loaned to businesses (see the 2012 Audit). This ratio is low because staff salaries and benefits are covered by Hamilton County.

Until this year, the IDA worked primarily as a small business lender, working to sustain and create jobs. A Microenterprise grant program that the IDA administers for the county through a sub-recipient agreement saw the IDA make grants to create two new businesses, and sustain eight other businesses. In addition to the two new businesses, at least two new jobs are being created as the result of the program. In a county of 4,800 permanent residents, sustaining small businesses and creating two jobs is good news. Further grants will be awarded in 2013.

The sale of an asset, the communications tower at the summit of Oak Mountain and its leases, allowed the IDA to eliminate its indebtedness related to the operation of Oak Mountain Ski area. The IDA itself now carries no debt.

An RFP for the sale of Oak Mountain Ski Area resulted in a single interested party, and the IDA has entered into an installment sale agreement that has Kevin and Elizabeth O'Brien, Oak Mountain LLC, making capital improvements to the ski area, hiring 40 full and part-time employees and expanding recreational operations to three seasons. After two years of successful operation, Oak Mountain LLC will be given the option to buy the ski area at a price that takes into consideration their cash and sweat equity. Oak Mountain has traditionally been the county's largest winter employer, in a tourist economy that is over-balanced with summer seasonal jobs.

In a rural county such as Hamilton, the fact that only one loan is in default and that other businesses receiving IDA financing are making regular payments is a measurement of success. Sustaining existing businesses is a priority for the IDA.