May 7, 2008

Ms. Diane Stoddard Assistant City Manager City of Lawrence, Kansas

Dear Ms. Stoddard,

The Sustainability Advisory Board wishes to comment on the City's pending adoption of policies related to the creation of Tax Increment Financing Districts and Transportation Development Districts (TIF/TDD). We request that our comments be made part of the public record regarding this issue.

Given the City's increasing focus on making Lawrence a more sustainable community, the new TIF/TDD policy provides an ideal opportunity to begin structuring public incentives to reflect sustainability goals. While the current document has merit, the lack of any provisions for environmental performance is a significant oversight. We are concerned that the current draft contains no language to encourage environmental performance nor does the draft ask applicants to address the environmental impacts of proposed projects.

In regard to resource consumption and pollution, less is generally better. Thus, as part of the TIF/TDD process, quantifiable environmental externalities should be considered. Appropriate assessment might include review of a project's proposed impacts to water, sewer, energy and land resources and those environmental impacts which resulting in increased infrastructure costs for the community. By failing to seek environmental information in advance, the City potentially risks assuming additional financial burdens related to fixing infrastructure limitations caused by projects receiving TIF/TDD abatements.

We believe that applicants should be invited to provide specific information about the environmental impacts of their project, including but not limited to waste management related to demolition and construction; proposed construction storm water management practices; and water, wastewater and energy impacts expected from new development or redevelopment. The resulting data might illuminate potential efficiencies for TIF/TDD recipients. Significant energy and water conservation opportunities may be available but would remain unrealized with the current proposed language. In light of ever-increasing energy and infrastructure costs, some conservation standard is reasonable. Further, projects should be required to comply with all state, federal and local environmental regulations.

The City must ensure that projects receiving public funding are consistent with the sustainability objectives of our community.

To that end, we propose the following four (4) specific modifications to the City's TIF/TDD process:

1. Those applicants which can demonstrate quantifiable pollution prevention, waste reduction, brownfields redevelopment, LEED or green building techniques or other conservation or efficiency efforts in their expansions should be given preference in abatement awards.

Applications can be scored on the aforementioned factors, and targeted when evidence is

shown that the application is complete and the proposal consistent with the overall development, planning and environmental goals of the community.

- 2. Disclosure of specific environmental information should be required by all Companies seeking TIF/TFF funding. Applications should include the following information: total estimated volume of water and waste water to be used and generated annually, and an estimate of annual energy consumption.
- 3. Applicants should be required to include specific information regarding past environmental performance and compliance, and also be required to disclose notices of non-compliance or violation issued by State or Federal agencies within the three years preceding the application.
- 4. An applicant's compliance with environmental regulations should be expected and considered as part of both awards and annual reviews.

Environmental accountability is desirable and may help the City promote the TIF/TDD process as one which is credible with taxpayers. Public support for projects can be strengthened by a process which honestly assesses and openly discloses environmental impacts and spurs innovation in conservation and building.

By accepting a TIF/TDD policy with no environmental language, the City abandons what could be a strong bargaining position to ensure regulatory compliance and inspire environmental excellence.

As we are witnessing in Greensburg, Kansas, growth, re-development and environmental excellence can and should be mutually reinforcing. As a tangible manifestation of the City's development goals and environmental values, our funding mechanisms should inspire innovation, confidence, and accountability while ensuring protection of our community's natural resource base.

We believe that being a sustainable City will help promote economic development. Our public incentive guidelines should reflect the Community's values regarding sustainability, and thus we should actively seek to attract sustainable business and redevelopment.

We appreciate your consideration of our comments regarding this proposal. Please do not hesitate to contact us if you have questions regarding this submittal.

Sincerely,

Laura Routh, Recording Secretary
On behalf of the Sustainability Advisory Board

(e)cc: Daniel Poull, Chair, Sustainability Advisory Board