

DRAFT City of Lawrence
Public Incentives Review Committee
April 24, 2012 meeting minutes

MEMBERS PRESENT: Mayor Bob Schumm, Vice Mayor Mike Dever, School Board Member Shannon Kimball, County Commissioner Mike Gaughan, Jeff Morrison, and Rob Chestnut

MEMBERS ABSENT: Boog Highberger, Cindy Yulich

STAFF PRESENT: David L. Corliss, Diane Stoddard, and Britt Crum-Cano

PUBLIC PRESENT: Nancy Kelly, Amarr Garage Doors, and John Ross and Hank Booth, Lawrence Chamber of Commerce

Mayor Bob Schumm called the meeting to order.

Vice Mayor Dever moved to approve the September minutes. The motion was seconded by Shannon Kimball. Motion unanimously approved.

Britt Crum-Cano provided the staff report on the annual report highlights.

Commissioner Gaughan asked about the level of detail for the report. Crum-Cano indicated it will grow in the future. Shannon Kimball asked about what happens with this report from this point. Crum-Cano indicated that this would go to the City Commission. If there were compliance issues, Corliss clarified, this group's role is to make a recommendation to the City Commission. However, there are no compliance issues identified with this report. Vice Mayor Dever added that past reports covered more companies because there were more companies with abatements. It was also clarified that the economic development annual reports are available online.

Morrison asked about trends with clawbacks. Corliss said that clawbacks relate to performance and the state has clawbacks as well. Generally, larger clawbacks are required for larger incentives. Morrison asked if there have been actions on clawbacks. Corliss said that some communities have taken action on these when there were performance issues. Stoddard said that most of the agreements are now structured so that the companies don't get to take advantage of the incentive until after they have performed and this reduces compliance issues.

Rob Chestnut asked about the tax increment finance (TIF) districts and asked about how the Oread project has performed related to their projections. Corliss indicated that is being finalized at this point, but that staff had been working on that. Chestnut also commented that on the Seriologicals building that there was a related penalty since they had to pay the full tax bill on the building for several years after leaving the community. Chestnut asked about the Grandstand building and whether its value would be diminished from its prior valuation with Sauer Danfoss. Corliss responded that was not known at this time.

Mayor Schumm asked about the TIF on the Oread project. Corliss provided details on that district. Chestnut requested information on those details once it is together. Corliss said that staff will finalize analysis and then it will be a City Manager's report item in the future. Corliss will send the members of the Public Incentive Review Committee a link on this once completed. The committee commented that they liked inclusion of all incentives in the report. Vice Mayor Dever suggested that the report be enhanced to add the supporting documents in a link to the report so that people could have more detail if they want that. Corliss added that this report is helpful in tracking these commitments over time. Morrison also commented that including a projected versus actual graph may be helpful.

Commissioner Gaughan made a motion to approve the report and pass the report on to the City Commission. The motion was seconded by Rob Chestnut. The motion was approved unanimously.

The meeting was adjourned at approximately 3:50 pm.