

## **Britt Crum-Cano**

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**From:** Diane Stoddard  
**Sent:** Wednesday, January 20, 2016 11:04 AM  
**To:** Leslie Soden; Lisa Larsen; Matthew Herbert; Mike Amyx; Stuart Boley  
**Cc:** Britt Crum-Cano; Casey Toomay  
**Subject:** ED study session follow up  
**Attachments:** CC Direction Memo.doc

Commissioners, attached is a staff memo that attempts to capture the direction provided at last week's study session. Please advise if there is something that we missed, or if you have other comments. We would then like to visit with the Mayor regarding next steps on working on these revisions. Thanks!

Thanks, Diane



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# Memorandum

## City of Lawrence

### City Manager's Office

TO: City Commission  
FROM: Diane Stoddard, Interim City Manager  
Britt Crum-Cano, Economic Development Coordinator  
CC: Casey Toomay, Assistant City Manager  
DATE: January 19, 2016  
RE: Economic Development Policy Revisions: Direction for Staff

The City Commission held a second study session on 1-12-16 to continue their discussion on economic development. General direction given to Staff at that meeting on economic development policies and the use public assistance tools is outlined below:

#### Overall:

- No changes regarding support for primary job creation
- Application Fees: Examine application fees in all policies related to fees in other regional communities. *In progress.*

#### Tax Abatement:

- Look at language on health insurance requirement to see what other communities require. There was a specific question regarding the City tax abatement policy's ability to add a dollar premium to the wage floor to avoid health insurance requirement. *In progress checking with other communities.*

#### IRBs:

- Update application and/or other fees. *In progress.*
- Require "but-for" analysis related to projects requesting use of IRBs that are non-primary job creators or affordable housing projects (applicable to mixed-use, office/retail development, etc. For example, a manufacturing project seeking industrial revenue bond financing would not have to show the "but-for", but an office development would.)
- Affordable housing definition—Current definition in the policy is requirement that multi-family or senior housing projects have 35% of all housing units set aside for households making 80% of the Area Median Income, or less. *Suggest maintaining current language as per Policy Section 1-2112.*
- Add policy language that discusses PILOTs (payments in lieu of taxes). *In progress.*

#### NRA:

- Update application fee to new schedule, depending upon capital investment thresholds:

- Provides smaller application fee for smaller projects and larger application fee for larger projects.
- Application fees in other communities are typically applied to NRAs used in larger geographic areas. That is not how NRAs have been used in Lawrence, which has targeted individual-tract projects.

NRA Application Fees	
Project Capital Investment	Application Fee
\$1,000,000 and Under	\$1,000
\$1,000,000-\$10,000,000	\$3,500
Over \$10,000,000	\$5,000

- Change policy language to have the maximum rebate level for analysis set at a 50%, ten-year threshold. The City Commission could direct other analysis be done and the applicant could still request more in appropriate cases.

#### TDD:

- Update application and/or other fees. *In progress.*
- Require updated audit language.
- Require “but-for” analysis related to non-primary job creating or affordable housing projects.

#### CID:

- Update application and/or other fees. *In progress.*
- Require updated audit language.
- Require “but-for” analysis related to non-primary job creating or affordable housing projects.

#### TIF

- Update application and/or other fees. *In progress.*
- Require updated audit language.
- Note: TIF policy already includes “but-for” analysis requirement as part of the required feasibility analysis.