

Bobbie Walthall

From: Diane Stoddard
Sent: Tuesday, May 02, 2017 4:12 PM
To: Bobbie Walthall
Subject: FW: Email on tonight's City Commission request

From: Sandy Dixon [<mailto:sdixon@plastikon.com>]
Sent: Tuesday, May 02, 2017 4:08 PM
To: Diane Stoddard; Britt Crum-Cano
Cc: Bobbie Walthall
Subject: RE: Email on tonight's City Commission request

Diane and Britt,

Thank you for forwarding the e-mail and allowing Plastikon Healthcare, LLC ("Plastikon") to respond.

The City and Plastikon entered into a Performance Agreement in June 2011. The agreement was conditioned on Plastikon investing \$7 million to purchase, renovate, equip, and commence operations in its current home in East Hills Business Park, which it did. In turn, the City agreed to provide incentives for Plastikon to hire and train employees. The Agreement did not obligate Plastikon to hire a certain number of employees, rather it provided that if Plastikon met certain hiring benchmarks, the City would provide incentives, valued at \$500 per employee. The City only made payments to the extent Plastikon satisfied the benchmarks.

Plastikon is planning a multi-phase expansion of its operations in Lawrence, and believes that it will ultimately need this tract. Because of the City's ongoing agreement with the County to defer special assessments, the City's approval of the waiver this evening will not have a cash impact on the current fiscal budget.

Plastikon presently has 22 full time employees. We appreciate the City's consideration of Plastikon's request, which will help accommodate its long term plans in Lawrence.

Regards,

Sandy Dixon | General Manager

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Dear Commissioners:

I would like to express my reservations regarding the request by Plastikon Healthcare for a tax waiver on land they are attempting to acquire. Plastikon does not not have a favorable history of following through on its promises. In 2010, Plastikon entered into an agreement with the city to create 126 jobs by 2015 (<https://assets.lawrenceks.org/assets/agendas/>). It is now 2017 and Plastikon still only has 22 full time employees. In addition, the land for which the waiver is requested is not even needed for the planned expansion. \$40,000 may not seem like much for the city, but neither is it much for a company with millions of dollars. Let them show they mean what they say this time. Then, if they wish to expand onto new land, review the requests at that time.

Sincerely,

Brian Van Schmus