



BOYS & GIRLS CLUB OF LAWRENCE

November 2nd, 2017

Lawrence City Commission
City Hall
6 East 6th St
Lawrence, KS 66044

Mayor Soden and Commissioners,

The Boys & Girls Club of Lawrence is requesting Industrial Revenue Bonds to obtain a Project Exemption Certificate so that we are spared the cost of sales tax on the materials we purchase to construct the new Center for Great Futures. As you know, we are building the Center for Great Futures to reach five times as many middle school and high school youth than we are currently serving at our small, outdated Teen Center at 1520 Haskell Ave. Currently, we have a wait list for our Teen Center and we are only able to provide after school and summer programs for 60 middle school and high school students daily. With over 1,400 elementary school students attending the Club everyday, it's critical that we provide the opportunity for more middle school and high school students to stay involved with the Club after 5th grade. Middle school and high school students are facing pressures and decisions that could potentially affect the rest of their lives. This a time when mentorship and participation in the Boys & Girls Club is critical to help teens make good decisions about drugs, alcohol and relationships, as well as expose them to career and college programs. Expanding our services to more middle school and high school students will result in the following economic development outcomes:

- Increased earning power
 - 200-250 more working parents and families will be able to work after school and during summer knowing that their kids are involved in a safe, positive program.
 - The Center for Great Futures will be attached to the Lawrence College and Career Center and on the same campus as the Peaslee Technical Training Center. These partnerships and programs will result in more young people graduating high school career ready and ultimately earning more money.
- Savings in societal cost
 - Providing Boys & Girls Clubs programs to more Teens will help them become productive, caring, responsible citizens. More productive citizens means less societal costs for health care, public assistance, incarceration, etc.
- More jobs
 - When completed, the Center for Great Futures will support three additional full-time and four part-time positions adding jobs to the community.

GREAT FUTURES START HERE.

1520 Haskell Ave. • P.O. Box 748 • Lawrence, KS 66044
785-841-5672 • bgclk.org



**BOYS & GIRLS CLUB
OF LAWRENCE**

Construction on the Center for Great Futures is beginning this month and we hope to have the facility completed in August 2018. The cost of construction is \$4,520,000 (including \$195,000 for sales tax on materials) for 17,433 square feet of new space. Adding soft costs (\$249,000) and FFE costs (\$223,250) the total project cost is \$4,992,250. The spaces being built include an arts and makerspace, audio and video production rooms, a gymnasium, a performing arts center, rooftop gardens, and offices. Add these new spaces to the existing education and career exploration space in the College and Career Center, and Boys & Girls Club members will have access to over 50,000 square feet of program space after school and during summer.

We have exhausted our efforts at the state level to obtain a Project Exemption Certificate (PEC). Statewide, Boys & Girls Clubs are designated as nonsectarian comprehensive multidiscipline youth development organizations. Unfortunately, this designation is not one of the 14 designations (schools, hospitals, religious organizations, zoos, etc.) that are eligible for a PEC. To become eligible would require a change in the law voted on by our state representatives.

We thank the Commission for considering this request and we are available to answer any questions you might have.

Sincerely,

Colby Wilson
Chief Executive Officer
Boys & Girls Club of Lawrence

GREAT FUTURES START [HERE.](#)

1520 Haskell Ave. • P.O. Box 748 • Lawrence, KS 66044
785-841-5672 • bgclk.org

City of Lawrence, Kansas
Economic & Community Development
Application for Economic Development Assistance



The City of Lawrence considers support for economic or community development projects that will provide local public benefits. When requesting assistance for projects, please provide a request letter to the City Commission describing the project, details on the local public benefits it provides, a description of the assistance requested, and why this assistance is needed for the project to proceed. If available, project renderings and graphics are encouraged to be included along with your submission materials. Submit request letter along with the below, completed application for assistance, supporting materials, and applicable fees to:

Lawrence City Commission
Attn: City of Lawrence, Economic Development Coordinator
6 East 6th Street
Lawrence, KS 66044

*Request materials can be submitted electronically to the Economic Development Coordinator: at:
bcano@lawrenceks.org*

Please indicate which public benefits your project brings to the local community. *(Mark all that go above and beyond normal City requirements. Please explain in detail the project's public benefits in the request letter.)*

- Affordable Housing
- Sustainability
- Primary job creation:
 - Primary businesses typically serve customers outside of the immediate area, therefore importing dollars into the community through its sales.
 - Non-primary businesses provide goods and services to the local business and consumers, thereby circulating dollars within the community.
- Above average wages
- Jobs with employee benefits including healthcare insurance
- In-fill development
- Revitalization of dilapidated, unsafe, underutilized, or historic property
- Promotion of downtown density
- Retention or expansion of existing business
- Tax base growth
- Other (please explain):
 - Increased earning power
 - 200-250 more working parents and families will be able to work after school and summer knowing that their kids are involved in a safe, positive program.
 - The Center for Great Futures will be attached the Lawrence College and Career Center and on the same campus as the Peaslee Technical Training Center. These partnerships and programs will result more young people graduating high school career ready and ultimately earning more money.
 - Savings in societal cost

- Providing Boys & Girls Clubs programs to more Teens will help them become productive, caring, responsible citizens. More productive citizens means less societal costs for health care, public assistance, incarceration, etc.
- More jobs in the community
 - When completed, the Center for Great Futures will support 3 additional full-time and 4 part-time positions adding jobs to the community.

The information on this form will be used by the City to consider your request for development support and may also be used to prepare a cost-benefit or other analysis of the project. Information provided on this form will be available for public viewing and will be part of compliance benchmarks, if approved for assistance. Prior to submission, applicant may wish to seek technical assistance from City Staff, the Chamber of Commerce, the Small Business Development Center, or others to address questions and ensure the application is complete.

Please provide data in the cells below. Applicant is encouraged to attach additional pages as necessary to fully explain and support the answers to each question. Note anything additional you wish the City to take into consideration for your request and provide supporting documentation.

Applicant Contact Information	
Name:	Colby Wilson
Title:	Executive Director
Organization:	Boys & Girls Club of Lawrence
Address 1:	1423 Haskell Ave.
Address 2:	PO Box 748
Phone:	785-841-5672
Email:	cwilson@bgclk.org
Fax:	785-841-3911

Economic Development Support Requested		
City Incentives	Amount	Term (in years)
Tax Increment Financing District (TIF)		
Transportation Development District (TDD)		
Neighborhood Revitalization Area (NRA)		
Tax Abatement (TA)		
Industrial Revenue Bonds (IRBs)	*	n/a
Community Improvement District (CID)		
<i>Other (Please Describe):</i> *Seeking Industrial Revenue Bonds (IRBs) for a sales tax exemption on construction materials. The project total cost is approximately \$4.52 million of which we estimate a potential tax cost of \$195,000.		

Project Information		
Name of Company Seeking Incentive(s):	Boys & Girls Club of Lawrence	
Project Type <i>(check one)</i> :	Expansion:	X
	New Facility:	
Company Type <i>(check one)</i> :	Existing Local Company:	X
	Out-of-Area Company Locating Locally:	
Current Company Address:	1423 Haskell Ave/PO Box 748 Lawrence, KS 66044	
Location of Proposed New Facility/Expansion Project:	2910 Haskell Ave Lawrence, KS 66046	
Describe the Company's Plans to Develop or Expand in the Community:		
<p>As an expansion to the current USD 497 College & Career Center, we are building the Center for Great Futures to reach 5 times as many middle school and high school youth than we are currently serving at our small, outdated Teen Center at 1520 Haskell. Currently, we have a wait list for our Teen Center and we are only able to provide after school and summer programs for 60 middle school and high school students daily. With over 1400 elementary school students attending the Club everyday, it's critical that we provide the opportunity for more middle school and high school students to stay involved with Club after 5th grade. Middle School and High School students are facing pressures and decisions that could potentially affect the rest of their lives. This a time when mentorship and participation in the Boys & Girls Club is critical to help teens make good decisions about drugs and alcohol, relationships, as well as expose them to career and college programs. Once the Center is complete, we will increase from 6,000 square feet at our current Teen Center to close to 50,000 square feet.</p>		
Operations Start Date at the Expansion or New Facility:	October 2017	
Industry NAICS # for the New or Expanded Facility (6-digit code):	610000	
Describe the Primary Industry the New or Expanded Facility Will Support:		
Youth Development, Economic Development, Workforce Development		

Capital Investment Information for New Facility or Expansion			
Estimated Size of New Facility <i>(square feet)</i> :	17,433 sq ft		
Estimated Size of Land for New Facility <i>(acres)</i> :	1 acre		
For the new or expanded facility, enter the amount the company anticipates spending for initial and subsequent investments in land, buildings and improvements (do not include machinery or equipment):			
Year	Buildings & Other Real Property Improvements	Land	Total
1	\$4.52 million		\$4.52 million
2			
3			
4			

5			
6			
7			
8			
9			
10			
Total	\$4.52 million		\$4.52 million
Will land be leased from the City or County (Y/N):		N	
If yes, Monthly Lease Rate for Land:		n/a	

Local Utility Expenses		
Utility	Current Local Monthly Expenses	Projected Local Monthly Expenses at New Facility
Gas	\$500	\$0 (cost to be covered by USD 497)
Electricity	\$50	\$0 (cost to be covered by USD 497)
Phone	\$200	\$250
Cable	\$0	\$0 (cost to be covered by USD 497)
Operating Expenditures		
For Expansion Projects, Current Annual Operating Expenses at Existing Facility:		\$165,000
Annual Operating Expenses after Expansion/Relocation:		\$300,000
% of Additional Operating Expenses Anticipated to be Spent Locally:		100%
Revenues		
% of Revenues at the new Lawrence Facility Anticipated to Come from Non-Local Sources.		
Anticipated Annual Gross Profits:		As a non-profit, we will rely primarily on private and governments grants as well as contributions from individuals and businesses in the community to operate the Center for Great Futures.
Anticipated Annual Net Operating Income (at stabilization):		
Anticipated Annual Net Operating Expenses (at stabilization):		

IRB and Tax Abatement Request Information
If you are seeking an IRB, please list the firm that will be receiving the IRB: Boys & Girls Club of Lawrence

Will your firm be leasing the building or the land in your expansion or newly constructed facility? (Y/N)	Y
If you are leasing the building or land, and you are seeking a tax abatement <u>without</u> an IRB, please list the tenant and owner and the financial relationship between tenant and owner. n/a	
Total Cost of <u>Initial</u> Construction for the Project:	\$4.52 million
Estimated Cost of Construction Materials for <u>Initial</u> Construction:	\$2 million

Note: Applicant may be required to provide additional financial information for the project and company.

Environmental Information		
Will the new facility meet Energy STAR criteria? (Y/N)	Y	
Will the project seek or be designed to LEED certification standards? (Y/N)	N	
<i>If yes, please indicate level:</i>	Certification	n/a
	Silver	n/a
	Gold	n/a
	Platinum	n/a
Please describe environmentally friendly features of the project: Project will be designed and built to exceed current Mechanical, Electrical and Energy conservations codes. With these attributes, this translates to a mechanical and electrical system that will meet LEED baseline for certification standards. The building is not seeking LEED certification.		
Please describe anticipated positive environmental impacts resulting from the project: The project is being connected to an existing building rather than being developed in a greenfield site / property.		

Please describe anticipated negative environmental impacts and planned remediation efforts:

No negative impacts are noted.

Additional Community Benefits

Describe Other Local Economic Benefits Resulting From Project:

- Increased earning power
 - 200-250 more working parents and families will be able to work after school and summer knowing that their kids are involved in a safe, positive program.
 - The Center for Great Futures will be attached the Lawrence College and Career Center and on the same campus as the Peaslee Technical Training Center. These partnerships and programs will result more young people graduating high school career ready, dropping rates for under employed and unemployed citizens in Lawrence.
- Savings in societal cost
 - Providing Boys & Girls Clubs programs to more Teens will help them become productive, caring, responsible citizens. More productive citizens means less societal costs for health care, public assistance, incarceration, etc.
- More jobs
 - When completed, the Center for Great Futures will support 3 additional full-time and 4 part-time positions adding jobs to the community.

Describe Other Quality of Life Benefits Resulting From Project:

n/a

Employment Information									
Construction Employment for New Facility or Expansion									
# Full-Time, Construction Jobs:								60	
Average Annual Salary for Full-Time, Construction Workers (during construction period):								\$65,000	
Construction Period (months): 10 months									
For Expansion, # of Full-Time Employees Currently Working in Lawrence: 1									
New Employment Resulting from Project									
Net New Jobs (full-time, permanent)	Year	# Jobs	Avg Annual Salary	# Jobs	Avg Annual Salary	# Jobs	Avg Annual Salary	# Jobs	Avg Annual Salary
	1	4	\$40,000						
	2								
	3								
	4								
	5								
	6								
	7								
	8								
	9								
	10								
Total		4	\$40,000						
Anticipated # of Employees to Be Relocated Locally as a Result of the Project									
# of Net New Full-Time Employees Anticipated to be Relocated From Outside of Kansas:								0	
# of Net New Full-Time Employees Anticipated to be Relocated from Outside of Lawrence/Douglas County:								1-2	
# of Local, Full-Time Jobs Anticipated At End of Incentives Period: 5									

Employee Benefits	
Description	After Expansion or Relocation
% of Employees with Company Provided Health Care Insurance	100%
% of Health Care Premium Covered by Company	50%
% of Employees with Company Provided Retirement Program	100%
Will You Provide Job Training for Employees? (Y/N)	Y
<i>If Yes, Please Describe:</i>	
Youth development best practices, CPR/first aid, Praesidium risk management (to include sexual harassment, bloodborne pathogens, mandated reporting, etc), safety and supervision, regional and national youth development conferences, diversity and inclusion, behavior management	
What is the Lowest Hourly Wage Offered to New Employees?	\$14.42/hr.
What Percentage of Your New Employees Will Receive this Wage?	50%
Will You Provide Additional Benefits to Employees? (Y/N)	Y

If Yes, Please Describe:

Full time employees are eligible for insurance coverage, IRA retirement plans, and PTO

NRA Eligibility Statement

If applying for an NRA, please describe how your project meets one of the following state statute requirements for eligibility:

(1) Project is in an area in which there is a predominance of buildings or improvements which by reason of dilapidation, deterioration, obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, the existence of conditions which endanger life or property by fire and other causes or a combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime and which is detrimental to the public health, safety or welfare:

n/a

(2) Project is in an area which by reason of the presence of a substantial number of deteriorated or deteriorating structures, defective or inadequate streets, incompatible land use relationships, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the actual value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or a combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is detrimental to the public health, safety or welfare in its present condition and use:

n/a

(3) Project is in an area in which there is a predominance of buildings or improvements which by reason of age, history, architecture or significance should be preserved or restored to productive use:

n/a

Disclosures

Company Form of Organization:

It is the policy of the City that no economic development incentive will be granted to any applicant or petitioner who owns any financial interest in any real property, anywhere within the state of Kansas, with delinquent special assessments, delinquent ad valorem taxes, or federal or state tax liens, or who is currently delinquent or in default on any debts, responsibilities, or other obligations owed to the City.

List the full name(s) of each principal (partner or member) who owns (or will own) 5% or more capital of the company. In the case of businesses owning another business (such as an umbrella LLC that is the owner of several other LLC's), the actual partners' names need to be listed, not just the registrant's name with the Secretary of State.

As a non-profit, the Boys & Girls Club of Lawrence is governed by a volunteer Board of Directors, responsible for setting the direction and vision of the organization. Current Board of Directors is as follows:

Al Hack (Past President), Amy Kelly, Andy Pitts (Secretary), Anna Stubblefield, Anne Koprince, Bryan Culver (Treasurer), Chris Dodds, Doug Dawson, Duane LaFrenz (Past President), Erica Hill (Vice President), Gale Lantis, Julius Leary, Kevan Vick, Matt Eichman, Matt Llewellyn, Mike Bourneuf (President), Ranelle Fischer, Pat McCandless

Are all above listed principles currently delinquent or in default on any debts, responsibilities, or other obligations owed to the City? If delinquent or in default, provide details on property owner name, property address, current property tax status, special assessment status, and outstanding obligations owed to the City, and why delinquent or in default.

As a non-profit, The Boys & Girls Club of Lawrence is exempt from property taxes and sales on operational goods and materials. We hire an outside firm annually to audit our financial statements and file our 990 document that details all revenue and expense. Our 2016 audit

List all subsidiaries or affiliates and details of ownership:

Subsidiary :

Principals:

Has Company or any of its Directors/Officers been involved in or is the Company presently involved in any type of litigation?	N
Has the Company, developer or any affiliated party declared bankruptcy?	N
Has the Company, developer or any affiliated party defaulted on a real estate obligation?	N
Has the Company, developer or any affiliated party been the defendant in any legal suit or action?	N
Has the Company, developer or any affiliated party had judgments recorded against them?	N

If the answer to any of the above question is yes, please explain:

n/a

Note: Applicant may be required to provide additional financial information for the project and company.

Economic Development Fees

Application & Administrative Fees: The City charges the below application and administrative fees.

Application Fees		Administrative Services Fees
Tax Abatement	\$500	\$200/year
Industrial Revenue Bonds (IRB)	\$1,000	Origination Fee for sales tax only IRBs
Community Improvement District (CID)	\$2,500	For all projects involving “pay-as-you-go” financing and reimbursement through the assessment of CID sales tax collected with the CID sales tax district, it is the policy of the City to negotiate any annual administrative fee between the City and the petitioner to cover the City’s administrative costs.
		For all other projects, the petitioner shall pay 0.5% of the funds reimbursed to the petitioner, or any successor in interest, each year for the life of the CID to cover the City’s administrative costs.
Transportation Development District (TDD)	\$2,500	0.5% of the annual TDD revenues generated
Tax Increment Financing (TIF)	\$1,000	Where the applicant only seeks reimbursement of the property tax increment, the administrative service fee shall be 0.5% of the annual increment;
		In all other cases, the administrative service fee shall be 2.5% of the annual increment.
Neighborhood Revitalization Area (NRA)	\$500	None

If the request is not considered, half (1/2) of the application fee will be returned to the Applicant. If the request is considered, application fees are not refunded, regardless of if the project is approved.

Industrial Revenue Bond (IRB) Origination Fee:

For IRBs issued just to obtain a sales tax exemption (not a property tax abatement), Applicant, at the time of bond closing, shall pay the City an IRB origination fee of the par amount of bonds being issued on behalf of a for-profit company, unless the project will create primary jobs or add affordable housing to the community.

IRB Origination Fee	
Rate	Amounts*
0.004	First \$10M or up to \$10M

\$40,000 + 0.002	2nd \$10M
\$60,000 + 0.001	Over \$20M

*Maximum fee is \$100,000

For IRBs issued on behalf of not-for-profit organizations, the City will not charge an origination fee.

Other Fees:

Applicant is responsible for paying all expenses incurred by the City for professional services pertaining to the project, regardless of if the project is approved. This may include costs associated with research and analytical services, legal publication notices, application fees to the state Board of Tax Appeals, bond counsel and other miscellaneous costs, including but not limited to, the City reasonable costs to process any modifications. If the request proceeds the Applicant may be asked to enter into a funding agreement to cover all costs associated with processing approval for the requested assistance.

Application Submission:

When you have completed this form to your satisfaction, please sign and send, along with applicable application fee(s) to:

City of Lawrence
Attn: Economic Development Coordinator
6 East 6th Street
Lawrence, KS 66044
Fax: 785-832-3405
Email: bcano@lawrenceks.org

Note: All economic development incentive fees are due when the application for economic development support is filed with the City. No application will be accepted until fees have been paid.

I hereby certify that the foregoing and attached information contained is true and correct, to the best of my knowledge:

Applicant/Representative: Colby Wilson, Boys & Girls Club of Lawrence
(Please Print)

Signature: 

Date: 11-3-17

AFFIDAVIT

THE STATE OF KS)
THE COUNTY OF Douglas) ss:

I, COLBY WILSON, being of lawful age, and having been first duly sworn upon my oath, do hereby state:

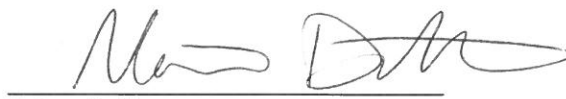
1. I am a resident of Lawrence, Kansas.

2. As of the date set forth below, I have no financial interest and no entity in which I have any interest has any financial interest in any real property, located anywhere in the state of Kansas, that is delinquent on any special assessments, delinquent on any *ad valorem* taxes, or the subject of any federal, state, or local tax lien.

3. As of the date set forth below, I am not currently delinquent or in default and no entity in which I have any interest is currently delinquent or in default on any debts, responsibilities, or other obligations owed to the City of Lawrence, Kansas.



SUBSCRIBED AND SWORN before the undersigned on this 3rd day of November, 2017.


Notary Public

My Appointment Expires:

