

City of Lawrence, Kansas Application for Economic Development Support/Incentives



The information on this form will be used by the City to consider your request for economic 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 economic development support. 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: | Hugh Carter |
| Title: | VP, External Affairs |
| Organization: | The Chamber of Lawrence, Kansas |
| Address 1: | 646 Vermont Street |
| Address 2: | Suite 200 |
| Phone: | (785) 865-4411 |
| Email: | hcarte@lawrencechamber.com |
| Fax: | |

Application Tips:

Enter contact information for the company representative completing this application.

| 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) | \$3,200,000 | NA |
| Community Improvement District (CID) | | |
| Other (Please Describe): | | |
| | | |

Application Tips:

Applicable Terms:

- TIF: Up to 20 years*
- TDD: Up to 22 years*
- TA: Up to 10 years*
- CID: Up to 22 years*

IRBs: If applying for IRBs, please enter the amount that will cover all construction costs for the project. Enter "n/a" for term.

Examples: City provided water main along ABC Street from 1st Street to 2nd Street, employee training grant for 5 years at \$500/new employee, etc.

| Project Information | | |
|---|--|--------|
| Name of Company Seeking Incentive(s): | The Dwayne Peaslee Technical Training Center, Inc. | |
| Project Type (check one): | Expansion: | Hybrid |
| | New Facility: | |
| Company Type (check one): | Existing Local Company: | X |
| | Out-of-Area Company Locating Locally: | |
| Current Company Address: | 646 Vermont Street, Suite 200 | |
| Location of Proposed New Facility/Expansion Project: | 2920 Haskell Avenue, 66044 | |
| <p>The mission of the Dwayne Peaslee Technical Training Center (Peaslee Center) is to be a catalyst for economic growth providing access to technical training to a diverse community of learners to meet the current and emerging needs of our community and its employers. The Economic Development Corporation of Lawrence and Douglas County (EDC) purchased a 77,000 SF industrial building on December 20, 2013 to help fill a long-identified gap in our community's economic development efforts – technical training. After investing \$1,200,000 on the purchase, maintenance and renovations of the building, the EDC is transferring the deed to the property to the Peaslee Center.</p> <p>The facility has been named after Dwayne Peaslee. Mr. Peaslee was a long-time union representative, Chamber board member, community leader, and technical training advocate.</p> <p>The building has one tenant which occupies approximately 20% of the space. The remainder is vacant. Recently, the Lawrence Workforce Center committed to relocate operations to the Peaslee Center. Approximately 5,600 sf of the facility is being renovated to house the Lawrence Workforce Center and they are scheduled to move into the Peaslee Center in mid-April, 2015. This tenant is a perfect complement to the services provided at the Peaslee Center as the Lawrence Workforce Center administers funds from the federal Workforce Investment Act to assist adults in training or re-training to secure employment or improve their employment.</p> <p>Phase I renovations costs for the workforce center space, technical training labs, and classrooms are estimated to be \$1,600,000. The Peaslee Center will open in August of 2015 with training in Construction Sciences, Advanced Manufacturing, and HVAC (limited to electrical aspects), Technical Math, Computer Literacy, and supportive areas such as employability skills, conflict resolution, and problem solving. Peaslee Center leadership is working to secure additional funds to build training space for Automotive Technology and a full HVAC program, among other things. Estimates to build out the remaining space at the Peaslee Center have not been developed yet but the total amount of the IRB's requested includes an additional \$1,600,000 for Phase II renovations that are expected to be made as soon as additional funding is secured. The Peaslee Center will continue to apply for grants, both individually and in collaboration with other educational institutions, as well as pursuing funds through corporate/industry contributions, private donors, and potential campus naming rights.</p> | | |
| Operations Start Date at the Expansion or New Facility: | Fall 2015 | |
| Industry NAICS # for the New or Expanded Facility (6-digit code): | 611519 | |
| Describe the Primary Industry the New or Expanded Facility Will Support: Education/Technical Training | | |

Application Tips:

Company's Plans: e.g. ABC manufacturing is the nation's largest processors of wind turbine components. The company plans to construct a new 250,000 sf manufacturing plant in Commerce Park, initially employing 150 with an average annual salary of \$35,000 each. Another 50 employees will be hired in Year 5 and 40 in year 7. The firm expects to initially invest \$5 million in land and buildings and anticipates a 50,000 sf, \$2 million expansion in Year 5 and another 50,000 sf expansion in Year 7.

Link for NAICS code lookup:
<http://www.naics.com/search.htm>

| Capital Investment Information for New Facility or Expansion | | | |
|--|--|------------|-------|
| Estimated Size of New Facility (square feet): | | 77,000 sf | |
| Estimated Size of Land for New Facility (acres): | | 6.84 acres | |
| 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 | \$1,600,000 | | |
| 2 | Potentially \$1,600,000 | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| 8 | | | |
| 9 | | | |
| 10 | | | |
| Total | \$3,200,000 | | |
| Will land be leased from the City or County (Y/N): | | N | |
| If yes, Monthly Lease Rate for Land: | | | |

Application Tips:

If expansion, only include information on size and values of the new facility, not existing facility.

If land is currently owned, enter current land value from Douglas County property tax records. Otherwise, enter the market value amount the company will pay for land.

| Local Utility Expenses | | |
|--|--------------------------------|--|
| Utility | Current Local Monthly Expenses | Projected Local Monthly Expenses at New Facility |
| Gas | 5000 | 5000 |
| Electricity | 14,000 | 17500 |
| Phone | 200 | 1500 |
| Cable | 200 | 500 |
| Operating Expenditures | | |
| For Expansion Projects, Current Annual Operating Expenses at Existing Facility: | | 360,000 |
| Annual Operating Expenses after Expansion/Relocation: | | 550,000 |
| % 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. | | 10% |
| Anticipated Annual Gross Profits: | | Non-profit |

Application Tips:

Current Local Monthly Expenses: Enter 0 for an out-of-area relocation or if project involves a separate, new facility.

Projected Local Monthly Expenses: Enter expense amounts anticipated at the new facility.

Existing Facility Annual Operating Expenses: Enter 0 if project is being relocated from out-of-area or if project involves a separate, new facility.

% Additional Operating Expenses Spent Locally: Enter % of operating expenses anticipated to be spent in Lawrence/Douglas County as a result of the project.

Exports: Enter % of revenues (from the sale of goods or services) anticipated to be generated from sources outside of Lawrence/Douglas County.

Anticipated Annual Gross Profits: Please provide an estimate of anticipated Annual Gross Profits (\$). Note: For expansions, please enter anticipated gross annual profits from expansion.

IRB and Tax Abatement Request Information

| | |
|---|-------------|
| If you are seeking an IRB, please list the firm that will be receiving the IRB: The Dwayne Peaslee Technical Training Center, Inc. | |
| Will your firm be leasing the building or the land in your expansion or newly constructed facility? (Y/N) | N |
| 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. | |
| Total Cost of <u>Initial</u> Construction for the Project: | \$3,200,000 |
| Estimated Cost of Construction Materials for <u>Initial</u> Construction: | \$1,280,000 |

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) | |
| Will the project seek or be designed to LEED certification standards? (Y/N) | |
| <i>If yes, please indicate level:</i> | Certification |
| | Silver |
| | Gold |
| | Platinum |
| Please describe environmentally friendly features of the project: | |
| Please describe anticipated positive environmental impacts resulting from the project: | |

Application Tips:

Environmentally Friendly Features: e.g. Low-energy, led lighting used throughout, pedestrian friendly elements including green space, bike paths, water saving native plantings used in landscapes, etc.

Please describe anticipated negative environmental impacts and planned remediation efforts:

Additional Community Benefits

Describe Other Local Economic Benefits Resulting From Project:

The Peaslee Center is an economic development and workforce development initiative. Douglas County has been void of technical skills training and the new campus should fill that gap. The Peaslee Center's mission is to be a catalyst for economic growth providing access to technical training to a diverse community of learners to meet the current and emerging needs of our communities and employers.

Application Tips:

Local Economic Benefits: Include additional benefits not directly related to project capital investment and direct employment (e.g. Project attracting overnight visitors that will spend on lodging, entertainment, food and beverages, shopping, etc.)

Describe Other Quality of Life Benefits Resulting From Project:

The Peaslee Center is a non-profit entity, dedicated to providing training and resources to community members to enable them to better themselves by securing employment or advancing in their current employment. The Peaslee Center will also provide customized training to existing companies as well as potential new employers who require a skilled workforce.

Quality of Life Benefits: Include tangible and intangible benefits; such as how company is/will be a good corporate citizen, community involvement, local philanthropy efforts, and how project /company will contribute to local well being of citizens.

| Employment Information | | | | | | | | | |
|---|------|--------|-------------------|--------|-------------------|--------|-------------------|------------|-------------------|
| Construction Employment for New Facility or Expansion | | | | | | | | | |
| # Full-Time, Construction Jobs: | | | | | | | | App. 45 | |
| Average Annual Salary for Full-Time, Construction Workers (during construction period): | | | | | | | | App. \$40K | |
| Construction Period (months): 3 months | | | | | | | | | |
| For Expansion, # of Full-Time Employees Currently Working in Lawrence: | | | | | | | | | |
| 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 | | | | | | | | |
| | 2 | | | | | | | | |
| | 3 | | | | | | | | |
| | 4 | | | | | | | | |
| | 5 | | | | | | | | |
| | 6 | | | | | | | | |
| | 7 | | | | | | | | |
| | 8 | | | | | | | | |
| | 9 | | | | | | | | |
| | 10 | | | | | | | | |
| Total | | | | | | | | | |
| 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: | | | | | | | | | |
| # of Net New Full-Time Employees Anticipated to be Relocated from Outside of Lawrence/Douglas County: | | | | | | | | | |
| # of Local, Full-Time Jobs Anticipated At End of Incentives Period: | | | | | | | | | |

Application Tips:

Enter 0 if project is new or relocation.

Enter information by major job category (e.g. administrative, support, professional, executive, production, etc.)

For a local expansion, *Net New Jobs* = number of additional employees to be hired each year, excluding employees that are already employed in Lawrence.)

Average Annual Salary: Only provide wage information. Do not include the value of non-wage benefits such as insurance and time off.

Jobs at End of Incentives Period: Enter total number of full-time employees (existing & new) anticipated to be employed at the new facility over the term of incentives (e.g. if applying for a 10-year tax abatement, this would be the total number of local Existing (if expanding) + Net New full-time jobs anticipated at the end of that 10-year period.)

| Employee Benefits | |
|---|-------------------------------|
| Description | After Expansion or Relocation |
| % of Employees with Company Provided Health Care Insurance | |
| % of Health Care Premium Covered by Company | |
| % of Employees with Company Provided Retirement Program | |
| Will You Provide Job Training for Employees? (Y/N) | |
| If Yes, Please Describe: | |
| | |
| What is the Lowest Hourly Wage Offered to New Employees? | |
| What Percentage of Your New Employees Will Receive this Wage? | |
| Will You Provide Additional Benefits to Employees? (Y/N) | |
| If Yes, Please Describe: | |
| | |

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:

(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:

(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:

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

| Application Fees | |
|---|---------|
| Tax Abatement | \$500 |
| Industrial Revenue Bonds (IRB) | \$1,000 |
| Community improvement District (CID) | \$2,500 |
| Neighborhood Revitalization Area (NRA) | n/a |
| Transportation Development District (TDD) | n/a |
| Tax Increment Financing (TIF) | n/a |
| Other | n/a |

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

Applicant/Representative: HUGH CARTER
(Please Print)

Signature:  Date: 3/24/15