

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:	William N. Fleming, Esq.
Title:	General Counsel
Organization:	Treanor Architects, P.A.
Address 1:	1040 Vermont
Address 2:	Lawrence, Kansas
Phone:	785-764-6600
Email:	wfleming@treanorarchitects.com
Fax:	785-842-7536

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)	\$9 million	N/A
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):	800 New Hampshire, LLC, (to be formed)
Project Type (check one):	Expansion: <input checked="" type="checkbox"/>
	New Facility: <input type="checkbox"/>
Company Type (check one):	Existing Local Company: <input checked="" type="checkbox"/>
	Out-of-Area Company Locating Locally: <input type="checkbox"/>
Current Company Address:	C/o First Management, LLC, 901 New Hampshire, Suite 201, Lawrence, Ks 66044
Location of Proposed New Facility/Expansion Project:	800 New Hampshire (Pachamamas building)
Describe the Company's Plans to Develop or Expand in the Community: Company intends to construct 55 market rate apartments on existing Pachamama's building HRC has approved plans to add four additional floors on top of building	
Operations Start Date at the Expansion or New Facility:	July 2016
Industry NAICS # for the New or Expanded Facility (6-digit code):	6519
Describe the Primary Industry the New or Expanded Facility Will Support: Retail restaurant operation on first floor; market rate apartments on floors 2-5 (55 units)	

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):	52,290 (apts. only)		
Estimated Size of Land for New Facility (acres):	20,000 sq. feet (approx.)		
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	\$7,737,963.00	0	\$7,737,963.00
2			
3			
4			
5			
6			
7			
8			
9			
10			
Total			
Will land be leased from the City or County (Y/N):	NO		
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	0	3200.00
Electricity	0	3800.00
Phone	0	200.00
Cable	0	850.00
Operating Expenditures		
For Expansion Projects, Current Annual Operating Expenses at Existing Facility:		N/A – restaurant now closed
Annual Operating Expenses after Expansion/Relocation:		\$327,343
% 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.		N/A – some out of town people will eat restaurant but difficult to measure \$
Anticipated Annual Gross Profits:		\$957,566 (including rent from restaurant)

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: 800 New Hampshire, LLC	
Will your firm be leasing the building or the land in your expansion or newly constructed facility? (Y/N)	No.
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:	\$7,737,963
Estimated Cost of Construction Materials for <u>Initial</u> Construction (including installation labor):	\$6,997,963

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)		Y
<i>If yes, please indicate level:</i>	Certification	Certified
	Silver	
	Gold	
	Platinum	
<p>Please describe environmentally friendly features of the project:</p> <p>Adding to density of core downtown district without sprawl; utilization of existing city infrastructure including utilities and streets</p>		
<p>Please describe anticipated positive environmental impacts resulting from the project:</p> <p>More pedestrian friendly housing in downtown</p>		
<p>Please describe anticipated negative environmental impacts and planned remediation efforts:</p> <p>Streets may need to be closed temporarily to permit construction.</p>		

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.

Additional Community Benefits

Describe Other Local Economic Benefits Resulting From Project:

Construction jobs and creation of permanent building management and maintenance positions;

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:

Increased density for downtown; pedestrian-friendly; cool design that will enhance downtown and increase urban vibe.

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: FTEs								115	
Average Annual Salary for Full-Time, Construction Workers (during construction period):								\$35,000	
Construction Period (months): 14 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	3	\$35,000						
	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:								0	
# of Net New Full-Time Employees Anticipated to be Relocated from Outside of Lawrence/Douglas County:								0	
# 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	100%
% of Health Care Premium Covered by Company	70%
% of Employees with Company Provided Retirement Program	100%
Will You Provide Job Training for Employees? (Y/N)	Y
If Yes, Please Describe: Marketing, accounting and property management for apartments	
What is the Lowest Hourly Wage Offered to New Employees?	\$16.82 per hour
What Percentage of Your New Employees Will Receive this Wage?	33.33%
Will You Provide Additional Benefits to Employees? (Y/N)	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:

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: William N. Fleming, Esq.
(Please Print)

Signature: William N. Fleming Date: May 12, 2015