



# City of Lawrence

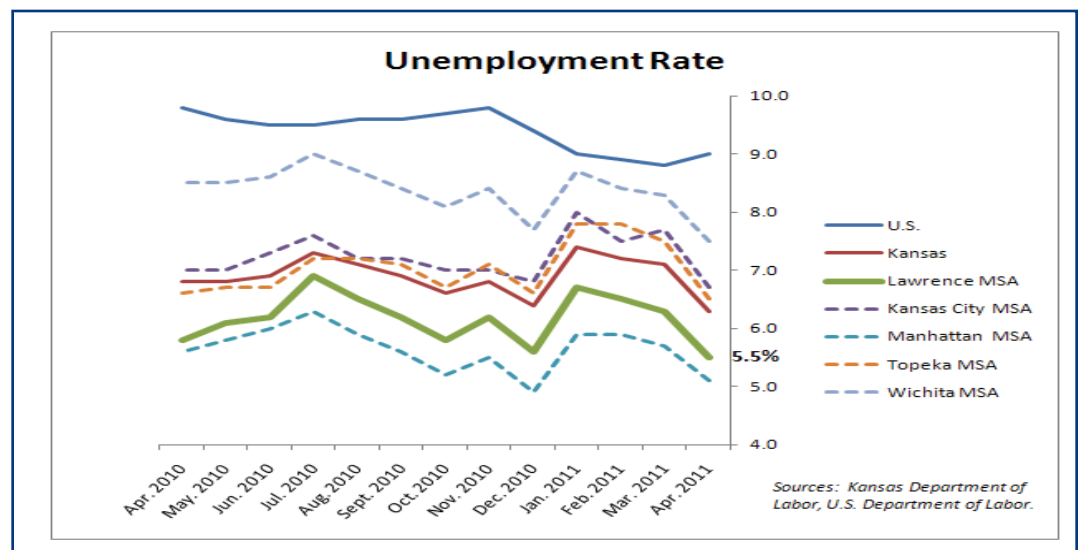
## Economic Barometer Report - June 2011

### Introduction & Purpose of the Report

The Economic Barometer Report is a quarterly publication of the City of Lawrence. The report provides a snapshot of economic indicators in Lawrence and Douglas County, as well as a sample of business success stories from around town. The city and its many partnering organizations welcome you to explore Lawrence, a center of economic vitality and quality of life, unparalleled in the state.

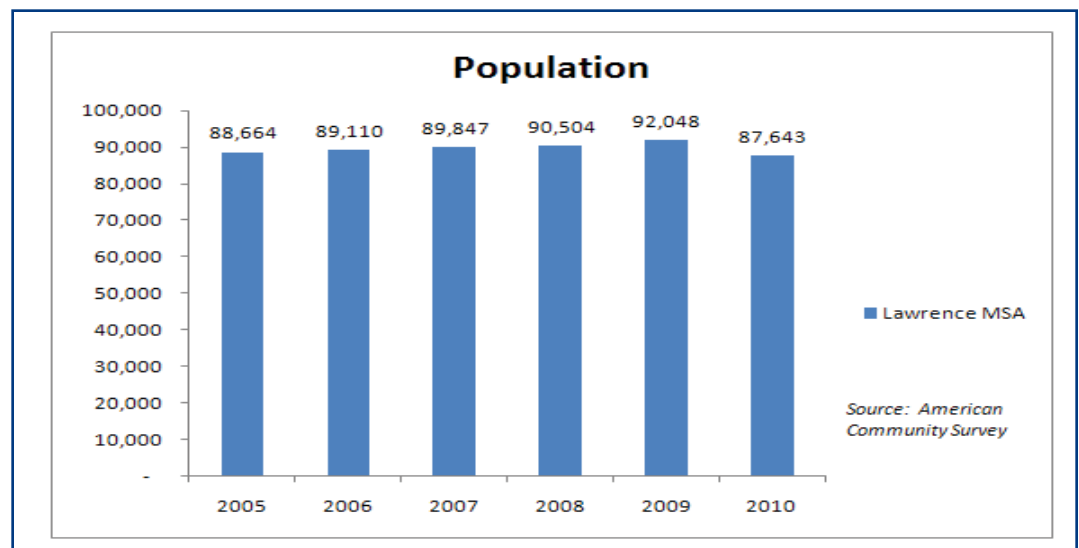
### Unemployment

The unemployment rate for the Lawrence Metropolitan Statistical Area (MSA) was 5.5% in April, the third consecutive monthly drop. This rate is lower than both U.S. and Kansas rates. Lawrence continues to compare favorably to the other MSAs in the state of Kansas.



### Population

Projections for population growth in the Lawrence MSA steadily increased between 2005 and 2009. 2010 Census figures put the Lawrence MSA below 2005 levels. The City of Lawrence may challenge the 2010 Census totals.



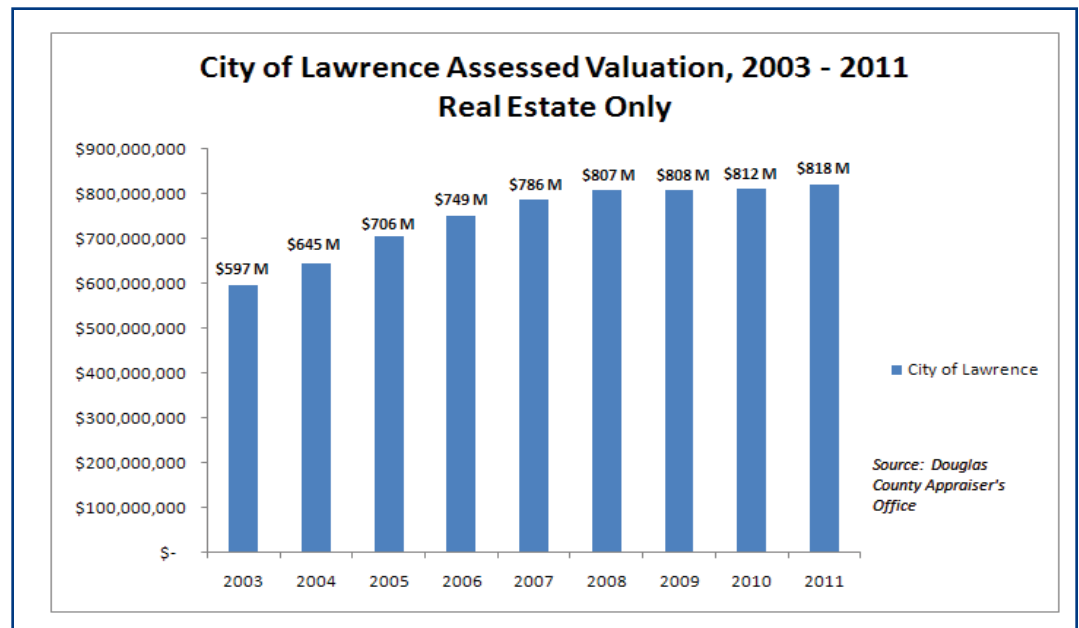


## Real Estate, Building & Valuation

Development and redevelopment projects allow the City of Lawrence to maintain a high quality of life by increasing funds used to support city services. Many projects have the added benefit of mitigating blighted conditions in neighborhoods and along heavily-traveled corridors. High levels of building activity signal a prosperous local economy.

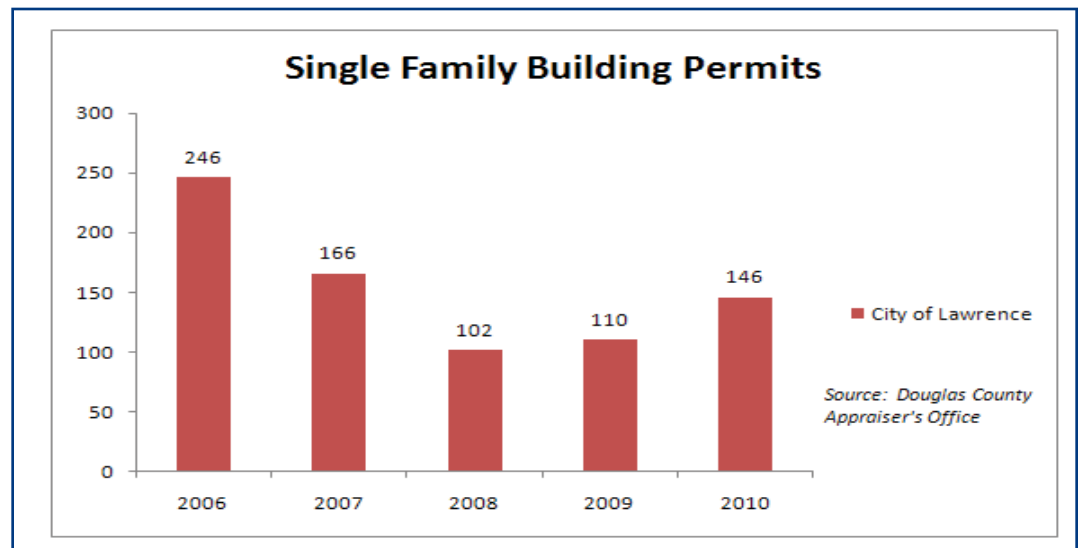
### Assessed Valuation

The assessed valuation of real property in the City has increased annually since 2003. After rapid growth from 2003 and 2008, the valuation of real property grew just over 1% since 2008. This compares to the City's total assessed valuation in 2010 (including personal property and state valuations) that stands at nearly \$853 million.



### Single-Family Building Permits

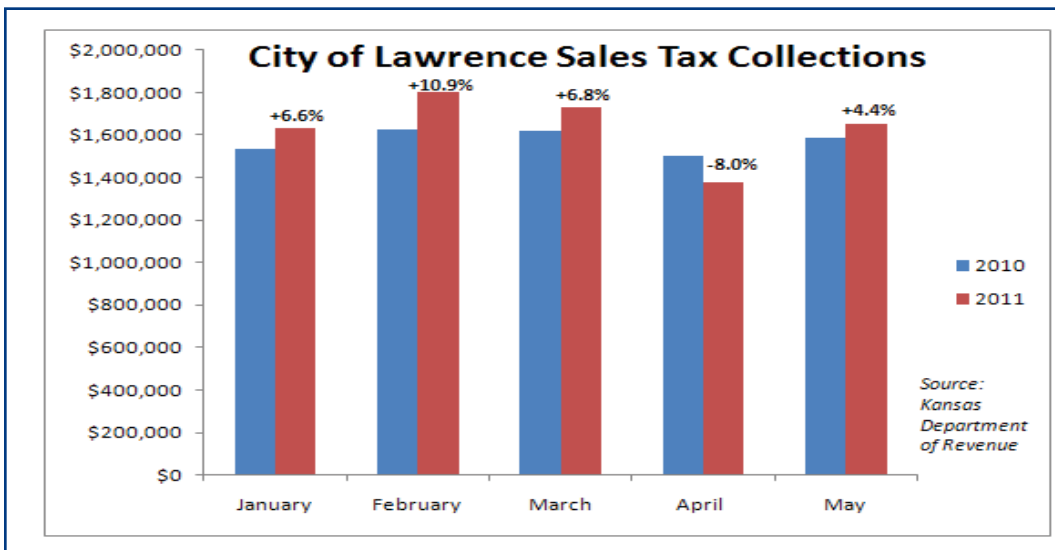
The City of Lawrence issued 146 single family building permits in 2010, an increase of 33% over 2009 issuances. After sharp declines in 2007 and 2008, issuances have increased for two consecutive years.





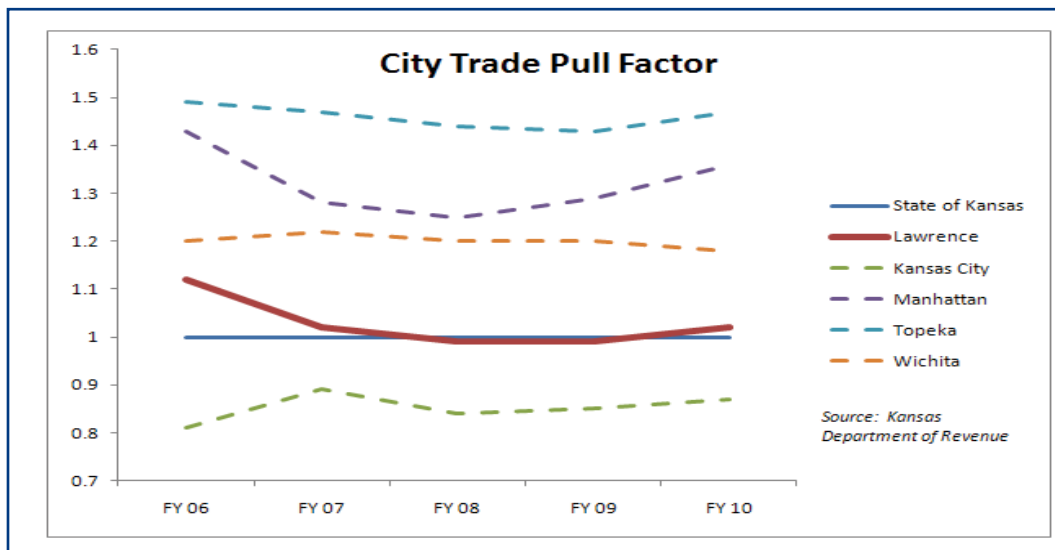
## Sales Tax & Retail

Sales tax collections make up a substantial percentage of the overall city budget stream. In particular, retail activity is a significant contributor to the City of Lawrence budget. Robust sales activity in the city indicates a thriving local economy and increases the likelihood of attracting sales of goods and services from those residing outside of town.



### Sales Tax Collections

Year-to-date sales tax collections are up 4.3% in 2011, the result of higher monthly collections in four of the first five months when compared to 2010 collections. City of Lawrence sales tax collections in May 2011 increased 4.4% compared to May 2010.



### Pull Factor

Trade pull factors measure the balance of retail trade within a municipality. Scores greater than 1.0 indicate businesses are pulling customers from outside of the municipality. Lawrence finished FY10 with a score of 1.02, ahead of Kansas City, KS but behind Manhattan, Topeka and Wichita.



## Business Success Stories

### Lawrence's Deciphera Pharmaceuticals research shows promise in the fight against Leukemia

Research from Deciphera Pharmaceuticals was published recently disclosing that a novel drug, DCC-2036, shows promise for treating chronic myelogenous leukemia (CML) patients who have few other options because their disease has developed resistance to standard treatments.

DCC-2036 fights CML in preclinical models of resistant disease and is effective against human leukemia cells, including leukemia cells resistant to all currently approved drugs. DCC-2036 was discovered and developed at Deciphera Pharmaceuticals utilizing its proprietary 'switch control' technology. DCC-2036 is currently being tested in a phase 1 clinical trial in patients who have failed therapy with two or more previous kinaseblocking drugs. The trial is actively enrolling patients at Tufts Medical Center, MD Anderson Cancer Center, University of Michigan Cancer Center, and the University of Kansas Cancer Center.



### BTBC lands fifth tenant

In May, the Bioscience and Technology Business Center (BTBC) at the University of Kansas announced it had secured its fifth tenant. 360 Energy Engineers, an engineering and energy management firm, has signed a lease at the center's main facility on west campus. The company will bring four employees to the incubator and plans to house eight employees there within two years.

360 Energy Engineers becomes the fifth company to lease space in the center since it opened last summer. Other tenants include Garmin, a global leader in navigation and communication devices; BrightEHR, an electronic health records company; Sunlite Science and Technology, a producer of specialty LED products; and Propylon, a producer of software systems for state legislatures. Once 360 Energy Engineers moves in, the 21,400-square-foot main facility will be 50 percent leased and house 40 employees.

### Lawrence City Commission approves tax incentive for Treanor Architects

In April, Lawrence City Commissioners agreed to provide a tax rebate to Treanor Architects for a project at the former Strong's Office Supply building at 1040 Vermont. Through this project, Treanor will relocate their headquarters from an existing Lawrence location to downtown, thereby increasing the employment levels in downtown Lawrence. The existing building was dilapidated and sits in the heart of downtown Lawrence. The city will use the Neighborhood Revitalization Act, which will allow Treanor to receive a rebate on a portion of the new property taxes that will be generated by the project. The city, county and school district will continue to receive all the taxes they currently receive from the property. But as the project is built and the tax bill rises, Treanor will receive a rebate for the next 10 years. The rebate will start at 95% in 2012 and gradually fall to 20% by 2021. After 2021, the project will not receive a rebate.