**City of Lawrence, Kansas**

**Economic Development Application Package**

*Information provided in an application package will be used by the City to consider your request for support and may 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.*

**All requests for economic development assistance must include the below in an application package:**

1. Request letter, public benefits, incentives requested
2. Project Data Sheet
3. As-Built Valuation (from Douglas County Appraiser’s Office)
4. Executed NDC Agreement and Underwriting Checklist
5. Disclosures and notarized affidavits for company/project owners
6. Applicable fees
7. Certification & signature of the Application Package Form

If available, project renderings and graphics are encouraged to be included along with submission materials.

**Application Package: Instructions & Submission Form**

*All application materials are to be submitted to the City’s Economic Development Coordinator. For questions on application or submission: 785-832-3472 or* *bcano@lawarenceks.org*

1. **Request Letter, Public Benefits, & Incentives Requested**

**Request Letter:**

When seeking economic development assistance, please provide a request letter describing the project, background information on the company and ownership, details on the economic development assistance requested and why this assistance is needed for the project to proceed.

Address to: Lawrence City Commission and City Manager

 City of Lawrence, Kansas

 6 East 6th Street

 Lawrence, KS 66044

**Public Benefits:**

The City of Lawrence considers support for economic or community development projects that will provide local public benefits. Please indicate and describe which public benefits your project will bring to the local community.

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| --- |
| **Project's Public Benefits** |
|  *(please check all that apply & describe)* |
| **Economic Enhancement** | **Benefit** | **Description** |
|   | Retention/expansion of existing business |   |
|   | Tax base growth |   |
|   | Primary employment creation *(e.g. Project provides jobs that produce goods/services sold predominantly outside the community, infusing "external" dollars into the local economy.)* |   |
|   | In-fill development |   |
|   | Promotion of downtown density |   |
|   | Other |   |
| **Quality Job Creation** | **Benefit** | **Description** |
|   | Supports higher than average community wages |   |
|   | Company provided healthcare insurance *(Describe % of premium paid by company and for what % of full-time employees)* |  |
|   | Company provided job training/education |   |
|   | Other |   |
| **Environmental Sustainability** | **Benefit** | **Description** |
|   | Project will meet Energy Star criteria |   |
|   | Project will be built to LEED equivalent level *(Indicate LEED level e.g. certification, silver, gold, platinum)* |  |
|   | Project provides environmentally friendly features |   |
|   | Other  |   |
| **Quality of Life Enhancement** | **Benefit** | **Description** |
|   | Supports affordable housing |   |
|   | Revitalizes dilapidated, unsafe, underutilized, or historic property |   |
|  | Enhances childcare options in the community |  |
|   | Provides additional community/civic support |   |
|   | Other  |   |

**Incentives Requested:**

Please Indicate the type of Incentive(s), amount or %, and duration being requested.

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| **Incentive(s) Requested** |
| **Property Tax Abatement** | **Amount Requested** | **% Requested** | **Duration (# Years)** |
| Real Property Tax Abatement (EDX) | -- |   |   |
| **Industrial Revenue Bonds (IRB):** | **Amount Requested** | **% Requested** | **Duration (# Years)** |
| IRB-Sales Tax Exemption | -- |   | -- |
| IRB-Property tax abatement | -- |   |   |
| **Tax Increment Financing (TIF):** | **Amount Requested** | **% Requested** | **Duration (# Years)** |
| TIF-Sales Tax | -- |   |   |
| TIF-Property Tax | -- |   |   |
| **Community Improvement District (CID)** | **Amount Requested** | **% Requested** | **Duration (# Years)** |
| CID-Special assessments |   |   |   |
| CID-Sales tax | -- |   |   |
| **Neighborhood Revitalization Area (NRA)** | **Amount Requested** | **% Requested** | **Duration (# Years)** |
| NRA | -- |  |  |
| **Transportation Development District (TDD)** | **Amount Requested** | **% Requested** | **Duration (# Years)** |
| TDD | -- |   |   |

*Guide to incentive period maximum duration:*

|  |  |
| --- | --- |
| ***Incentive Type*** | ***Maximum Period*** |
| *Property Tax Abatement (EDX or IRB)* | *10 years*  |
| *TIF* | *20 years* |
| *CID* | *22 years or bond maturity* |
| *NRA* | *10-15 years typ.* |
| *TDD* | *22 years* |

1. **Project Data Sheet**

1. **As-Built Valuation**

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Only applicable for requests seeking assistance through Property Tax Abatement (EDX or IRB), Neighborhood Revitalization Area (NRA), or Tax Increment Financing (TIF) incentives.

Please provide an as-built valuation of the proposed development, produced by the Douglas County Appraiser’s Office. Contact Brad Eldridge @ beldridge@douglascountyks.org or (785) 832-5197 for more information.

1. **Executed NDC Agreement and Underwriting Checklist**

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For incentive applications that require a “but-for” analysis under the City of Lawrence Economic Development Policy, please provide a copy of an executed agreement between the applicant and the National Development Council (NDC) for Development Underwriting Services.

Please also provide a signed copy of the Underwriting Checklist below, evidencing that all documents have either been prepared or already provided to NDC for analysis after acceptance of the application by the Lawrence City Commission. (Please note – these documents do not need to be provided to the City, only guarantee of their readiness for NDC review.)

Contact Sheldon Bartel (SBartel@ndconline.org) for more information.

**Checklist for Financial Underwriting**

🞏 Request letter detailing how the project is compatible with the:

\_\_\_ City’s Strategic Plan

\_\_\_ Lawrence Economic Development Policies

\_\_\_ Requirements of the NRA/TIF/CID/TDD district in which it is located

\_\_\_ Project Description

\_\_\_ Why city subsidy is required

🞏 Documentation of Site Control – Resubmit if:

\_\_\_ Changed or modified since Application Part 1

\_\_\_ Ownership or ownership structure has changed

🞏 Applicant Contact Information

🞏 Economic Development Support Requested and rationale for the request

🞏 Project Information including:

\_\_\_ Development Team and Development Team Narrative

\_\_\_ Projected Operations Start Date

\_\_\_ Company Plans Narrative

 \_\_\_ Detailed Development Budget in unlocked Excel format

🞏 Capital Investment Information – Update all information including but not limited to:

\_\_\_ Revised Cost Narrative

\_\_\_ Sources and Uses in unlocked Excel format - update with numbers generated in the more expansive pro-forma required as part of this Gap Analysis Application

\_\_\_ Updated independent third-party appraisal supporting acquisition costs

\_\_\_ Updated Debt, Equity and Other Sources (grants, tax credits etc.) commitment letters

\_\_\_ Changes to Developer Fee payments

🞏 Operating Expenditures and Operating Revenues in unlocked Excel format– update with numbers generated in the more expansive pro forma required as part of this Financial Underwriting Application

\_\_\_ Regulatory Review Status

🞏 Environmental Information, including updated narrative descriptions of environmentally-friendly features and both positive and negative environmental impacts

🞏 Additional Community Benefits

🞏 Employment Information and Employee Benefits

\_\_\_ Disclosure Form – Update the disclosure and note any changes in the Request Letter

🞏 Independent third-party market study

🞏 Last three years financial statements for the applicant and anyone with 20% or more ownership interest in the project

**The above information is completed and has been provided to NDC for underwriting analysis:**

Applicant/Representative:

 *(Please Print)*

Signature: Date:

1. **Disclosures & Affidavits**

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| **Disclosures** |
| **Ownership** |
| List the full name(s) of each principal (partner or member) who owns (or will own) 5% or more capital in the company/project. *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.*  | Is principal currently delinquent or in default on any debts, responsibilities, or other obligations owed to the City? |
| **Principal(s)/Owner(s) Name** | **Y/N\*** |
|   |   |
|   |   |
|   |   |
|   |   |
|   |   |
|   |   |
|   |   |
| *\* If delinquent or in default, include a separate sheet with details on principal owner name, property address, current property tax status, special assessment status, outstanding obligations owed to the City, and why delinquent or in default.* |
| **Subsidiaries** |
| List all subsidiaries or affiliates and details of ownership: |
| **Subsidiary** | **Principals** |
|   |   |
|   |   |
|   |   |
|   |   |
|   |   |
| **Other** | **Y/N\*\*** |
| Has Company or any of its Directors/Officers been involved in or is the Company presently involved in any type of litigation? |   |
| Has the Company, developer or any affiliated party declared bankruptcy? |   |
| Has the Company, developer or any affiliated party defaulted on a real estate obligation? |   |
| Has the Company, developer or any affiliated party been the defendant in any legal suit or action?  |   |
| Has the Company, developer or any affiliated party had judgments recorded against them? |   |
| *\*\*If the answer to any of the above question is yes, please explain:* |
| *Note: Applicant may be required to provide additional financial information for the project and company.* |

Please submit an Affidavit for each principal (partner or member) who owns (or will own) 5% or more capital in the company or project.

**AFFIDAVIT**

THE STATE OF \_\_\_\_\_\_\_\_\_\_\_\_\_ )

 ) ss:

THE COUNTY OF \_\_\_\_\_\_\_\_\_\_\_ )

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

 1. I am a resident of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_\_\_\_\_.

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 \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 201\_.

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Notary Public

My Appointment Expires:

1. **Economic Development Fees**

|  |
| --- |
| **Application & Administrative Fees** |
| **Incentive** | **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  | Pay-as-you-go projects: Negotiated between City & petitioner |
| Other projects: 0.5% of the funds reimbursed |
| Transportation Development District (TDD) | $2,500  | 0.5% of annual TDD revenues generated  |
| Tax Increment Financing (TIF) | $1,000  | For reimbursement of the property tax increment, 0.5% of the annual increment  |
| In all other cases, 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 if the project is or is not approved.

**Industrial Revenue Bond (IRB) Origination Fee:**

For IRBs issued only to obtain a sales tax exemption (not used for 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.

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| **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

1. **Certification & Signature**

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

Applicant/Representative:

 *(Please Print)*

Signature: Date:

1. **Application Package Submission**

Send completed application package and fee(s) to:

**Submit Application Materials To:** City of Lawrence, Kansas

 Attn: Economic Development Coordinator

 6 East 6th Street

 Lawrence, KS 66044

**Electronic Submission:** *bcano@lawrenceks.org*

***Note: All economic development incentive fees are due when the application package***

***is submitted to the City. No application will be accepted until fees have been paid.***