



## Incentive Program for Industrial Development City of Lawrence, Kansas

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For new spec development or full build-out industrial development in Lawrence, Kansas, the City provides the Catalyst incentive program—a special assistance package offering expedited approval for projects meeting minimum eligibility criteria.

<b>Catalyst Assistance Package</b>
10-Year real property tax abatement: 50%; 70% if project built to LEED Silver equivalent*
IRB sales tax exemption on project construction materials
City/County owned business park land provided at no cost for projects located in Lawrence Venture Park or East Hills Business Park.
State provided personal property tax exemption (machinery/equipment)
City application fees and City IRB bond origination fees waived.

*\*Certification not required*

Since this is a special, temporary program, regular provisions and processes associated with the City of Lawrence’s Economic Development Policy will not apply. Instead, project participation in the Catalyst program is granted directly through the City Commission.

***\*\*\*The Catalyst program is limited in duration and will sunset April 1, 2022, unless extended by the City Commission. \*\*\****

### **Catalyst Eligibility Requirements:**

<b>Catalyst Construction &amp; Investment Requirements</b>			
Construction Type/Use	Location	Min. Building Size (sf)	Min. Building Capital Investment
New Building/Industrial	Lawrence VenturePark	75,000	\$5,000,000
New Building/Industrial	East Hill Business Park	25,000	\$1,600,000
Building Expansion/Industrial*		15,000	\$1,000,000
New Building/Industrial	IG zoned land within the City	25,000	\$1,600,000

*\*Abatement will apply only to the expansion portion of existing building.*



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### General Program Requirements

Applicant must be a taxable entity and the project must be a taxable use.

Applicant must complete a brief application describing parameters of the project. Applications are available on the City website at <https://lawrenceks.org/ed> or by contacting the City Manager's Office at 785-832-3400.

Applicant must provide sufficient evidence to the City of its financial and marketing capacity to complete a successful project. Additionally, the City reserves the right to work with the applicant regarding the property that would best meet the proposed use and prioritize work with applicants that the City believes would best meet the goals of adding tax base and employment.

Applicant must be current on all property tax, special assessments or any obligations to the City of Lawrence.

Applicant pays special assessments (if applicable) on land provided as part of The Catalyst assistance package.

County-owned land provided as part of assistance package will be subject to Douglas County approval.

Project participation in the Catalyst program to be approved by the City Commission.

If City-owned land is provided as part of the assistance package, applicant must execute a land transfer agreement with the City within the two-year period following approval by City Commission of project Catalyst program participation. Agreement is to outline terms of land transfer and other program eligibility requirements.

City-owned land is not transferred to applicant until a building permit is issued for the project.

Building permit must be issued within 18 months of execution of land transfer agreement.

Project must break ground within 12 months of building permit being issued or the land will revert to the City.

Project must meet applicable zoning and building codes, compliance with City regulations, and eligibility requirements for the duration of the incentive period in order to maintain program benefits.

Building must be constructed, maintained and operated in accordance with applicable federal, state and local laws.

Benefits under this program are subject to applicant remaining in compliance with all eligibility requirements.

### **Additional Program Information:**

- Property tax abatements are subject to final approval by the Kansas Board of Tax Appeals.

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- Lawrence VenturePark property is a brownfield site, the former site of Farmland Industries, and is subject to a Kansas Department of Health and Environment consent order for which the City will retain ongoing remediation responsibility. Each lot has been significantly environmentally characterized. Records and additional information can be obtained upon request. The brownfield site location may also be advantageous toward LEED certification equivalency.
- Catalyst package includes Industrial Revenue Bond (IRB) financing (including a sales tax exemption on construction materials) with a base 50% 10-year property tax abatement. An additional 20% 10-year property tax abatement above the base award will apply for projects that are built to LEED Silver equivalent standards as certified in writing by a licensed architect at time of permit issuance. A project may also qualify for additional property tax abatement enhancements above the 50% abatement base if the project will generate significant job creation at wages above the community average, however the applicant will have to adhere to the City's adopted economic development policy, process and performance requirements in order to access these enhancements.
- Payments in Lieu of Taxes (PILOT payments) may be negotiated with the applicant on a case by case basis.
- Applicant will be responsible for paying all bond counsel and bond issuance costs associated with the IRB issuance, if applicable.