



PEABODY ECONOMIC DEVELOPMENT COUNCIL
300 N. Walnut Peabody, Ks 66866 P: 620-983-2174

Business Incentives Policy

The City of Peabody recognizes the need for encouraging appropriate commercial growth in our community. The City of Peabody may provide incentives to individual projects which demonstrate long term commitment to the City through the provision of jobs, revitalization of underutilized properties and expansion of existing business.

General Purpose and Objectives

- To identify and assist developers to commit, invest and build new high quality sales and ad valorem tax generating projects in Peabody
- To assist landowners in the sale and development of potential retail sites
- To recruit new and expand existing Peabody retailers, restaurants and other sales and ad valorem tax generating businesses

Within the context of these goals, the City of Peabody will give consideration to providing reasonable incentives as a stimulus for new development and redevelopment on a case-by-case basis. Nothing herein implies or suggests that the City of Peabody is under obligation to provide any incentive to any applicant.

Definitions

Definition of an existing business:

- A business that currently has been in operation within the city limits of Peabody for a minimum of one year

Definition of a new business:

- Any business that has not been in operation within the city limits of Peabody for a minimum of one year

Definition of a non-profit:

- A group, often a corporation, organized for purposes other than generating profits; for example, a charitable, educational, religious, or scientific organization. Certification by the IRS or Franchise Tax Board is a common attribute.

Criteria

Any request for incentives shall be reviewed by the Peabody Economic Development Council who will in turn make their recommendation to approve or not approve the application to the Peabody City Council. Non-profit businesses will make application to the PEDC in the same fashion as any for profit business. Their decision shall be based in

part upon an evaluation of the following criteria, which each applicant will address in the application process:

Economic Impact

- Total number of jobs created in Peabody
- Types of jobs created
- Total annual payroll
- Total real and personal property value to be added to the tax rolls
- Anticipated direct sales tax generated
- Other revenues generated for the city: franchise payments, occupancy taxes, utility revenues, etc
- City infrastructure construction and project related costs to the City of Peabody
- Projected total annual operating budget of the business

Community Impact

- The expected effect the project has on the local housing market
- The expected environmental impact, if any, created by the project
- The compatibility of the project with the City's comprehensive plan
- The expected effect the project has on the Peabody Historic District, if applicable to the project
- Demand on local resources and infrastructure

Competitive Impact

- The effect the project would have on existing businesses in Peabody
- A list of the types of products or services to be sold by the applicant which are currently offered by existing Peabody merchants
- A list of specific businesses seen as direct competitors to the applicant

Types of Incentives

It is the stated policy of the City of Peabody to customize the provisions of economic development incentives on a case-by-case basis. This individualized design of a total incentive package is intended to allow maximum flexibility in addressing the unique concerns of each applicant while enabling the City of Peabody to better respond to the changing needs of the community. The following list is examples of possible use of incentives or funds; it is in no way exclusive

- Land acquisition
- Demolition
- Street construction and related improvements
- Building rehabilitation
- Relocation expenses of expanding businesses
- Expansion of existing business
- Payments to offset rents
- Partial abatement of water and/or sewer expenses

- Reduction or abatement of City of Peabody building permit fees and/or business licensing fees

Value of Incentives

Following an assessment of the application, the Peabody Economic Development Board shall determine whether it is in the best interests of the City of Peabody that economic development incentives be offered to the applicant. Additional consideration, beyond the criteria, will include such items as the degree to which the project/applicant furthers the goals and objectives of the community or meets or complements a special need identified by the Peabody Economic Development Board.

Recapture

In the event a business receiving incentives from the City of Peabody fails to perform under the agreement executed between the City of Peabody and the applicant/business, the incentive obligation on the part of the City of Peabody will be voided. Any incentive paid to the business up to the point of failure shall be returned to the City of Peabody in full with interest paid at the rate of 5% APR calculated from the date of the first payment to the applicant.

Application Process

- Applicant shall complete an “Application for Business Development Incentive” as provided by the Peabody Economic Development Council
- Applicant shall provide a description of the proposed project, including the type of assistance being requested, location of the project, general description of the project, project timeline, estimated annual sales separated by taxable and non-taxable, number of jobs being created or retained, etc.
- Applicant shall provide a detailed description and documentation of project ownership and management, including ownership, management, principals, and experience in the business activity for which assistance is being requested
- Applicant shall provide a description of the community goals that would be met by the project
- Applicant shall provide a detailed description of the applicants financial and business capability to accomplish and sustain the project
- Any additional information applicable to the proposed project as requested by the Peabody Economic Development Council

Applicant shall complete all forms and information outlined, as applicable, and submit them to the Peabody Economic Development Council, City of Peabody, 300 N. Walnut, Peabody, Kansas, 66866.

Application Review Procedure

All information in the application package detailed above will be reviewed for completeness and accuracy. Additional information may be requested as needed

- The application will be distributed to the Peabody Economic Development Council for review and comment. Additional information may be requested as needed

Consideration of Application

The Peabody Economic Development Council will consider the application at a regular, recess or special called meeting(s). Additional information may be requested as needed.

Evaluation of the Project

To be eligible for incentives, a project must meet the following criteria which have been established by the City of Peabody

- increase the local tax base
- create and/or retain jobs within the City of Peabody
- represent a long term partnership with the City of Peabody

In addition to the listed criteria, other elements may be considered in the evaluation process:

- Strategic value to the community
- Demonstrated need for assistance
- Additional investments needed by the City of Peabody to accommodate the development
- Conformance to zoning regulations
- Amount of assistance required – cost/benefit analysis
- Duration of project construction phase
- Experience and resources of applicant
- Ability to commit to the site for the long term
- Long range impacts on city infrastructure
- Impact, if any, on the Peabody Historic district

Provision for Recovery of Losses by the City

In the event the conditions of the agreement are not fulfilled with respect to capital investment, employment estimates, personal property estimates and all other provisions of the agreement, recovery by the City of Peabody of cost incurred including legal expenses or any other associated costs shall be required from the applicant. All parties to any legal proceedings agree that venue shall be held in a court of competent jurisdiction in the State of Kansas and that the laws of the State of Kansas will be applicable.

Expiration and Modification

This business incentive policy shall be reviewed annually by the Peabody Economic Development Council. At that time the policy may be modified, renewed or eliminated. Active projects will also be reviewed on an annual basis to determine if the recipient is fulfilling their obligations to the agreement.



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Application For Business Development Incentives
All information provided shall be kept strictly confidential

Application Date: _____
Business Name: _____ FEIN: _____
Primary Contact Person: _____
Mailing Address: _____

Telephone: () _____
Fax Number: () _____
Email Address: _____

Location of proposed project: _____

Business is a (please check one)

- Corporation
- Partnership
- Sole Proprietorship
- Non-profit corporation
- Other (Please explain)

Please check which type of incentive you are applying for:

- Existing Business Incentive
- New Business Incentive

General description of project (attach additional sheets as needed):

Estimated project timeline: _____

Number of jobs effected:

- Created _____ Type _____
- Retained _____

Estimated annual payroll _____

Estimated annual operating budget of business: _____

Estimated annual sales created by project:

- Taxable _____
- Non-taxable _____

Other revenues generated to the City of Peabody:

Types of products or services to be sold by the applicant which are currently offered by existing Peabody merchants:

Existing Peabody merchants seen as direct competitors:

Detailed description of project ownership and management:

Experience in business activity for which assistance is being requested:

Community goals that would be met by the project:

Is the project compatible with the City's comprehensive plan? Yes/No

Will a zoning change be necessary to accommodate the project? Yes/No

Does the project effect the Peabody Historic District? Yes/No

Detailed description of applicants financial and business capability to accomplish and sustain the project:

Demonstrated need for assistance:

Declaration of Applicant

I, _____ solemnly declare that all the above statements contained within this application are true.

Dated: _____ Signature: _____



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**Application For Business Development Incentives
Credit Report Release Authorization**

Credit Report Release and Information Form

The Undersigned hereby authorizes the Peabody Economic Development Council (PEDC) to disclose pertinent information as requested below to other agencies or firms, as may be necessary, for the sole purpose of obtaining a standard credit report on the undersigned, including investigations of personal credit history, employment and other financial situations.

The Undersigned understands that the information obtained will be treated as totally confidential and that NO information on the report will be accessible to any party not directly involved.

Applicant Signature

Date



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FOR OFFICE USE ONLY

Date application received: _____

Attachments included: (i.e. business plan, marketing plan, letters of support, etc):

Approved

Comments: _____

Rejected or delayed

Reasons specified: _____

Referred to Planning & Zoning Committee

Reasons specified: _____

Date application finalized: _____

Additional Comments:

Notification will be forwarded in letter format to applicant upon approval or rejection.