

LEGISLATIVE FISCAL NOTE

LEGISLATION
NUMBER:

220701

LEGISLATION IN BRIEF:

Establishing processes for awarding standard incentive packages to residential, office, and industrial developments that meet certain criteria and directing the City Manager to take certain acts to implement the standard incentive packages.

What is the purpose of this legislation?

ECONOMIC DEVELOPMENT

For the purpose of entering an agreement between the city and third party for the attraction or retention of economic activity for the purpose of economic development.

Does this legislation spend money appropriated in the current fiscal year?

NO

Yes/No

What is the city's obligation in future fiscal Years (See Section 04)

Does this Legislation estimate new revenue in the current Fiscal Year?

NO

Yes/No

What is the city's gross new revenue in future Fiscal Years? (See Section 01)

Section 00: Notes:

A fiscal impact cannot be determined at this time. However, future fiscal impacts will be realized with approval of qualified projects based on the following categories:

- 1) Residential - tiered structure with a maximum of 100% abatement of real property taxes for 10 years and 50% for 15 years thereafter, plus Sales Tax Exemption on Construction Materials (STECM);*
- 2) Office - 75% abatement of real and personal property taxes for 15 years, plus STECM, with a possible impact bonus redirection of 50% of Economic Activity Taxes (EATs) for 15 years;*
- 3) Industrial - tiered structure with a maximum of 75% abatement of real and personal property taxes for 15 years, plus STECM and redirection of 50% of EATs for 15 years, or 75% abatement of real and personal property taxes, plus STECM, with a possible impact bonus redirection of 50% of EATs for 15 years. These incentives will remain in effect until the goals as stated in this ordinance related to affordable housing, employment and industrial capacity are met.*

FINANCIAL IMPACT OF LEGISLATION

Section 01: If applicable, where are funds appropriated in the current budget?

FUND	DEPTID	ACCOUNT	PROJECT	FY 22-23 BUD	FY 23-24 EST

Section 02: If applicable, where will new revenues be estimated?

FUND	DEPTID	ACCOUNT	PROJECT	FY 22-23 BUD	FY 23-24 EST

Section 03: If applicable, where will appropriations be increased?

FUND	DEPTID	ACCOUNT	PROJECT	FY 22-23 BUD	FY 23-24 EST

NET IMPACT ON OPERATIONAL BUDGET

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RESERVE STATUS:

SECTION 04: FIVE-YEAR FISCAL IMPACT (Direct and indirect)

FUND	FUND NAME	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	All Outyears

TOTAL REV

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FUND	FUND NAME	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	All Outyears

TOTAL EXP

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NET Per-YEAR IMPACT

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NET IMPACT (SIX YEARS)

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REVIEWED BY

Sean Carroll

DATE

10/11/2022