



REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
August 8, 2019

Department Finance

Director Approval Lacey Lies

AGENDA ITEM Consider approving the payment of a job creation incentive for Indy Brew Works.

SUMMARY RECOMMENDATION City Staff recommends approving the \$5,000 payment for a job creation incentive offered to Indy Brew Works in the Fall of 218.

BACKGROUND Over the past two years, the City and MCAC has developed a job creation incentive program that would incentivize both large and small businesses to open the business in the City of Independence. This program was based on a \$1,000/job that would be created as part of this new business opening in the City. The program would pay out this rate based on economic impact of a business (meaning total number of jobs created, wages, and type of business - targeted industries or businesses that are not currently in the community are incentivized at a higher rate.)

Since a Brewery business was one that was identified by the City, Chamber and Main Street based on the Roger Brooks Downtown growth strategy, the City Manager agreed that the City should incentivize Indy Brew Works at the “Targeted Industry Level” of \$1,000 per job created over the first 5 years of operation. This would pay out \$1,000 as jobs are created. In the application from Indy Brew Works for these programs they outline that 6 jobs would be created with the Brewery. At start-up they would have 5 employees, with the anticipation that they will hire an additional 1 job within the first 5 years.

At this time, we are requesting that the City provide the initial \$5,000 (\$1,000 per job created), with the understanding that Indy Brew Works will provide employment reports from the Kansas Department of Labor by June 2020 (enough time to have filed all 2019 reports to the Kansas Department of Labor), and that the additional 6th job when created will be paid out once that number is reflected in the Kansas Department of Labor quarterly report within the first 5 years of operation.

BUDGET IMPACT \$5,000 paid out of the economic development fund.

SUGGESTED MOTION I move to approve a \$5,000 payment to Indy Brew Works for the job creation incentive.

SUPPORTING DOCUMENTS

1. Application
2. MCAC Memo