The Effective Use of Economic Development Incentives in the City of Lee's Summit, MO

EMGT Field Project Report

Spring 2019

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LEE'S SUMMIT
MISSOURI

September 9, 2020 CEDC presentation

Agenda

- Why research incentives?

- What was researched?

- Did the research find anything?

- Was anything produced?

Image Courtesy of:
https://www.bizjournals.com/bizjournals/news/2017/03/08/value-of-giving-incentives-to-lure-companies.html

Why?

- Divisive topic
- Opinions vary
- Increasing use
- Transparency

Image Courtesy of: http://hdclarity.com/wp-content/uploads/2018/07/conflict-large.jpg
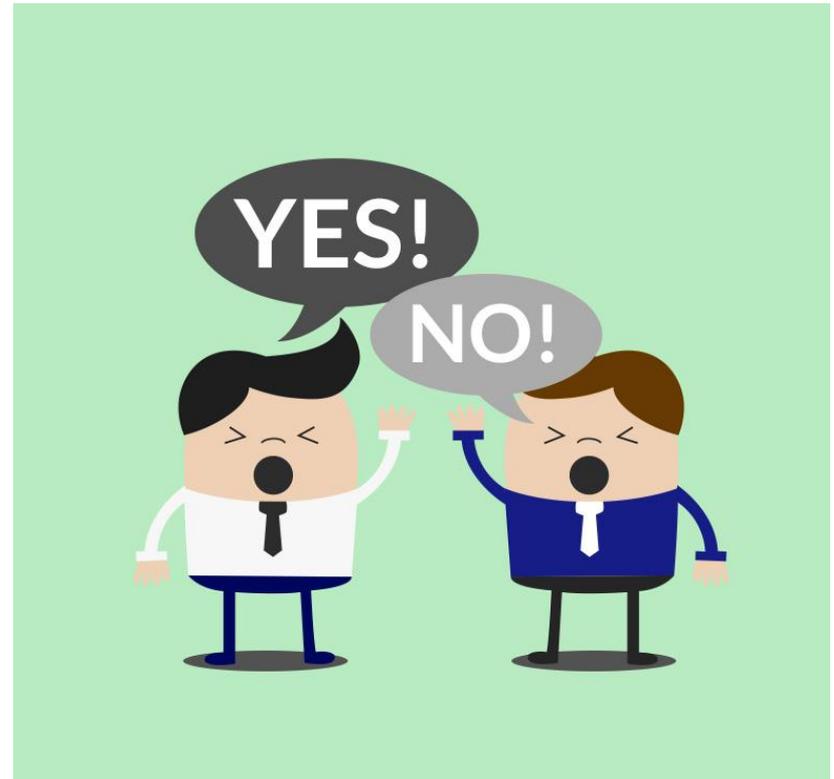
What?

- COLS Incentive Process
- Available Tools
- Evaluation Procedures
- History

Image Courtesy of:
https://www.roundsconsulting.com/2017/02/13/need-economic-development-tools-az/

COLS Incentive Process
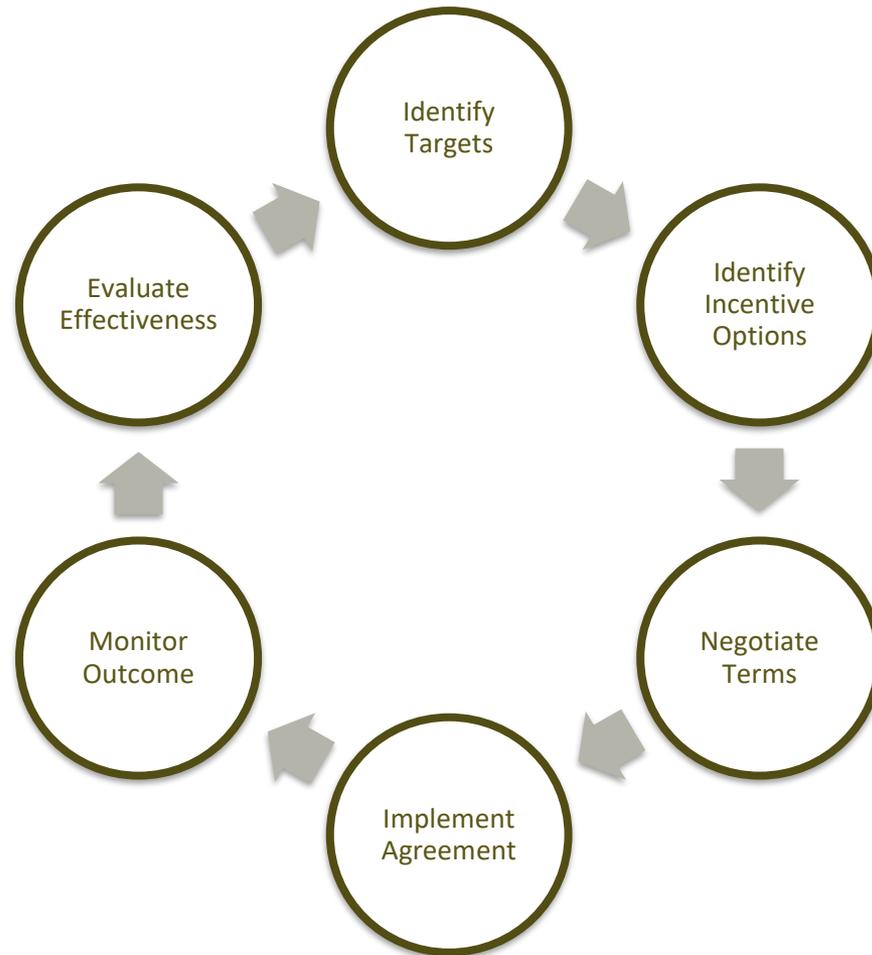
Tools

Tax Abatement	Tax Redirection	Special Taxing Districts
• LCRA • Ch. 100 • Ch. 353	• TIF • STR • DA	• TDD • CID • NID

Evaluation

- Interviews
  - 6 Key stakeholders
  - Standard questions
  - What's important
 - What does success look like
  - What does failure look like

Image Courtesy of:
https://careerconfidential.com/ultimate-guide-to-job-interview-prep/

Evaluation - Themes

- Identify
  - What is being solved for
  - What is the public benefit

- Success
  - Partnerships with multiple benefits
  - Sustainable without public risk

- Failure
  - No public benefit
  - Primarily private costs

Incentive Count by Type

Type	Count
CH. 100	13
CH. 353	9
CID	17
LCRA	12
STA	7
TDD	9
TIF	14

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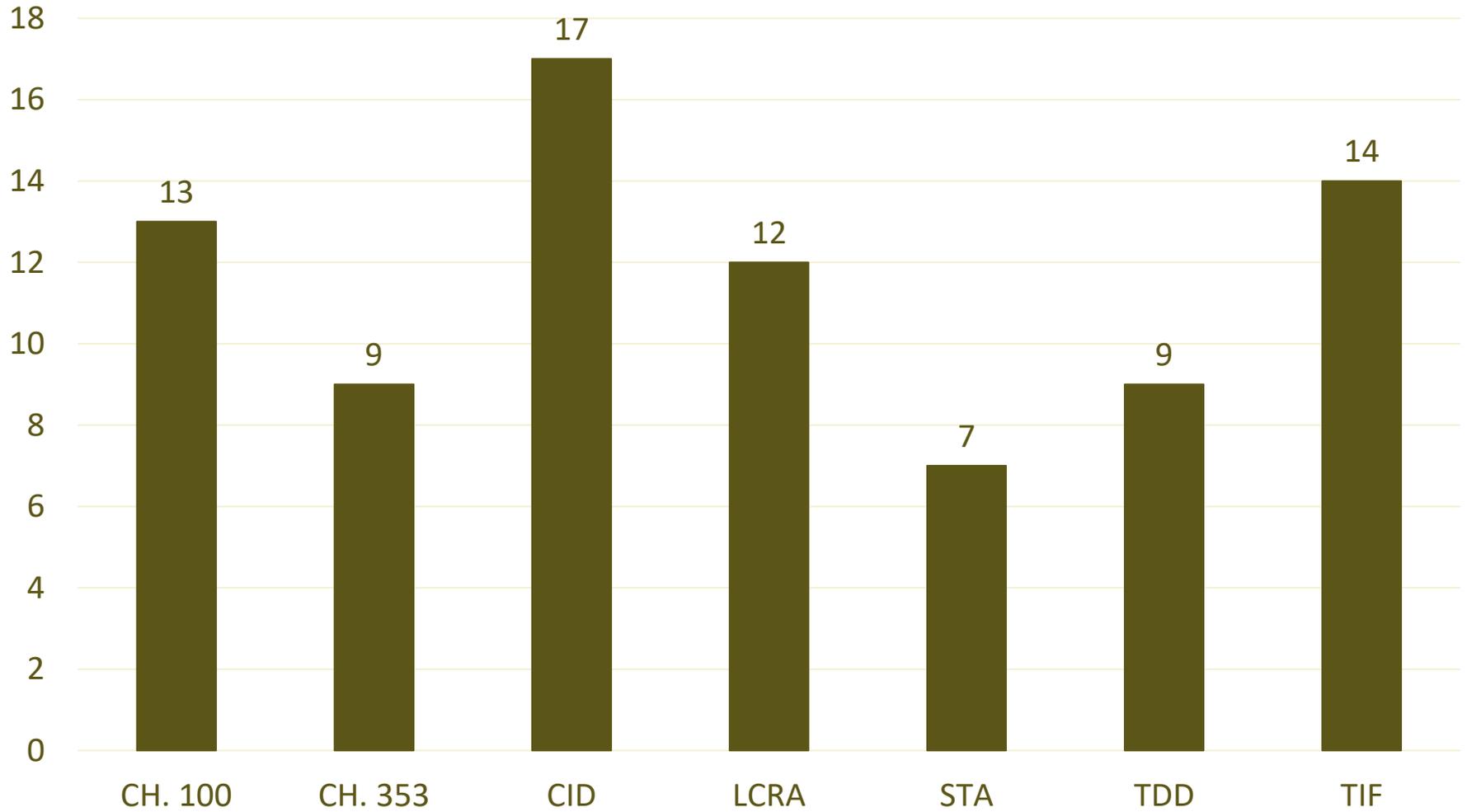
Incentive Count by Year
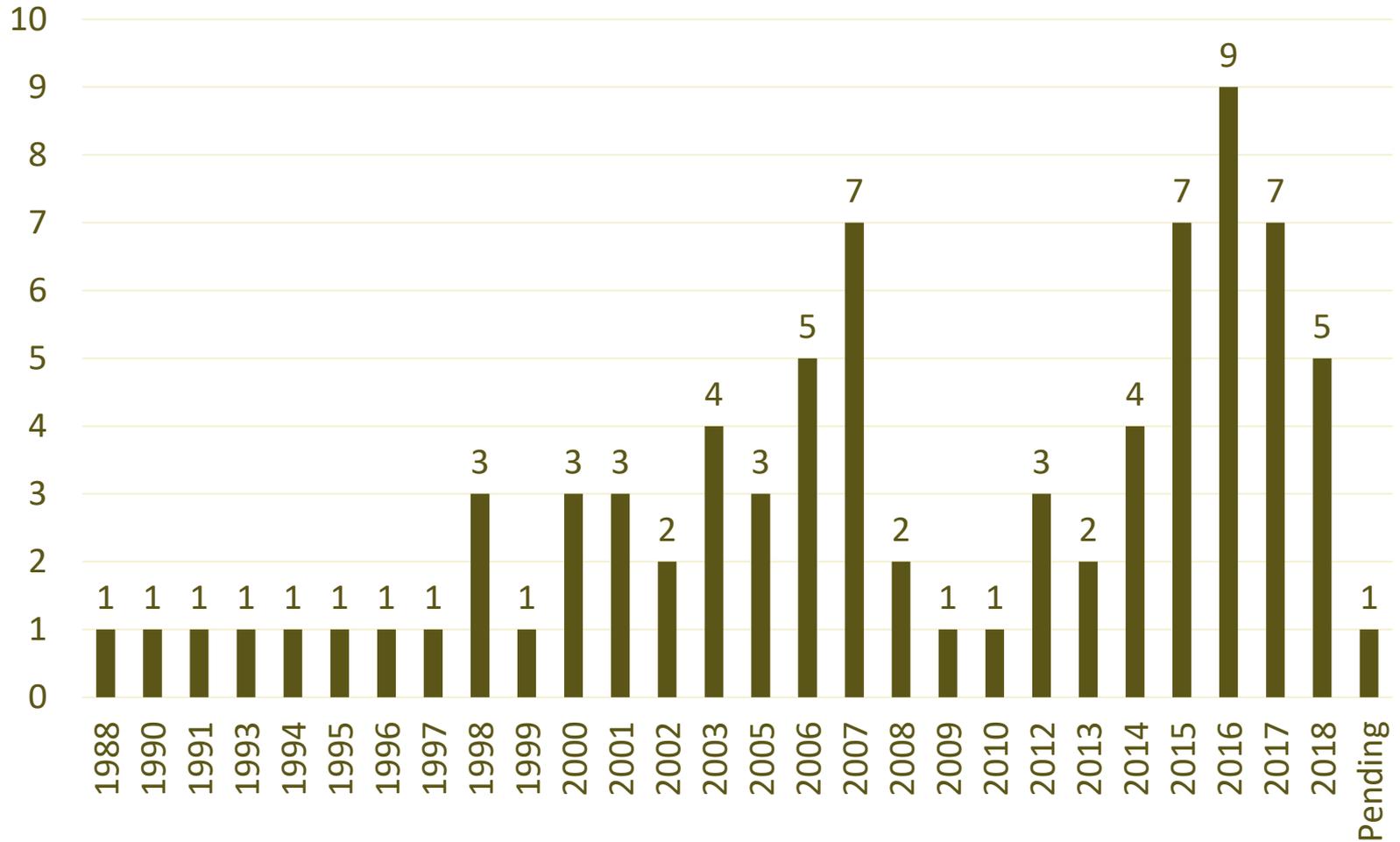
Results

- 3 out of 81 projects partially performed
- 78 out of 81 projects are performing
- Comprehensive reporting is inconsistent
- Public benefit needs to be illustrated for each project

Recommendations

- Project Goals Sheet
  - Single page
  - Outline key project data
  - Outline key metrics
  - Organizational tool
  - Communication tool

Thank you!