



LEE'S SUMMIT MISSOURI

License Tax Review Committee Annual Report for FY2023

May 14, 2024

EXECUTIVE SUMMARY

City staff presented the FY2023 update to the License Tax Review Committee on March 15, 2024. This report presents the discussion and recommendations from the Committee.

Current Status

- The License Tax is assessed for development or re-development activities that increase traffic
- The City must spend funds received on transportation projects
- The SE Browning Street project is complete
- FY23 Revenue was \$963,000; Expenses were \$4,884,000
- The License Tax Fund balance was \$3.788 million as of June 30, 2023
- Maximum rate approved by voters in 1997 was \$2,116 per residential unit
- Current rates are: \$1,088 per Residential unit;
\$1,100 per trip for Manufacturing/Industrial; \$825 per trip for Commercial

Projections

- 357 residential building permits were issued in FY23; down from 837 units permitted in FY 22, and less than the peak of 1,498 units permitted in FY20
- 888,000 square feet of retail/office/industrial space was permitted in FY23; this was more than the 90,000 square feet and 725,00 square feet permitted in FY21 and FY22, respectively
- All categories for building permits are projected to show relatively flat growth rates through 2033, based on population growth forecasts
- Fund is projected to have a positive balance of \$4.658 million in FY 2033
- Future revenue would be about 12% commercial/industrial and 88% residential in FY33

Committee Guidance

- Projects funded by the License Tax should be limited to projects identified in the City's Thoroughfare Master Plan (TFMP)
- Projects should exclude site specific projects such as adding a turn lane or signal required by one developer or landowner to complete a project
- Projects that remove impediments to future commercial or industrial development are the preferred use of this fund
- The License Tax funds should continue to manage cash flow so that projects are funded on a pay as you go basis

Actions

- The Committee re-affirmed previous recommendations to use the license tax funds for the US 50 / M291 North Interchange improvements project
- The Committee recommended not changing the rates

Background

The license tax was adopted by voters in November 1997 and then adopted by Ordinance No. 4592 on March 17, 1998. The provisions of the license tax ordinance are found in Sections 28-175 through 28-183 of the City's Code of Ordinances. The tax is administered by City Staff subject to the oversight of the License Tax Committee. The ordinances established the Finance Director as the License Tax Administrator and designated the City Traffic Engineer and a Plans Examiner as part of the implementation team.

The license tax uses a formula based on the additional traffic created by development to calculate the tax for each project. The license tax helps to fund the expansion of the City's street system needed to support traffic generated by new development. Revenues collected by the License Tax can be spent on any road projects throughout the City.

Funding is not intended to benefit site specific improvements, but the overall street network in all areas of the community. The tax is paid when building permits are issued for residential construction or when the certificate of occupancy is issued for commercial and industrial development.

The tax has been used to fund road projects identified in the Thoroughfare Master Plan (TFMP). The master plan has been updated on a regular basis to adjust for changing development patterns, traffic conditions, and updated projections. The original projects proposed in 1997 were identified in the 1995 TFMP, and those projects were completed by 2011. The TFMP was updated in 2005 and 2017. TFMP updates, increasing License Tax fund balances, and increased traffic demands caused by new developments created a need to evaluate new projects to be funded from the License Tax program. New projects recommended by the License Tax Committee can be added as part of annual Capital Improvement Planning process so that projects can be vetted through the public hearing process at Planning Commission and funded through the City Council budgetary process. This was the process used to add SE Browning Street and US-50/M-291 North Interchange projects into the current Capital Improvement Plan. A detailed list of the projects that received funding from the License Tax program is presented in Appendix A.

The current tax rates are shown in Table 1. The current rates are below the \$2,116.00 rate that was authorized by voters when the tax was adopted in 1997, so rate adjustments below that amount do not require voter approval. The current rates include a 3% rate increase adopted in 2007, a 5% rate increase in 2015 for all categories, a 10% rate increase on non-residential development in 2016, a 5% rate increase on non-residential development in 2018, and a 10% rate increase on non-residential development starting on July 1, 2022. Starting the rate increases on July 1 coincides with the City's fiscal year and adopting an updated Fee Schedule as part of the City's annual budgeting process.

Table 1: License Tax Rates for from 1998 to Current Rates

Land Use Category	Original 1998 License Tax	FY24 (current) License Tax	% Change
Residential	\$1,001 per new trip	\$1,088 per new trip	+ 9%
Manufacturing / Industrial	\$ 801 per new trip	\$1,100 per new trip	+ 37%
Commercial	\$ 601 per new trip	\$ 825 per new trip	+37%

Current Status and Projections for Permitting Activity

The City issued 357 permits for residential living units in FY23, which was about 40% of the annual average over the past five years. The years 2019-2022 saw a significantly higher residential permitting due to several multi-family projects coupled with strong national and regional economies.

Going forward, projections are based on the population growth forecasts. So instead trying to differentiate among types of housing, and potential projects, City planning staff is basing future projections on population growth that would lead to an increase demand for housing units. Based on this methodology, approximately 550 residential permits per year were projected through 2033. This trend shows continued growth at a consistent rate through 2033. Figure 1 shows the building permit projections for residential units.

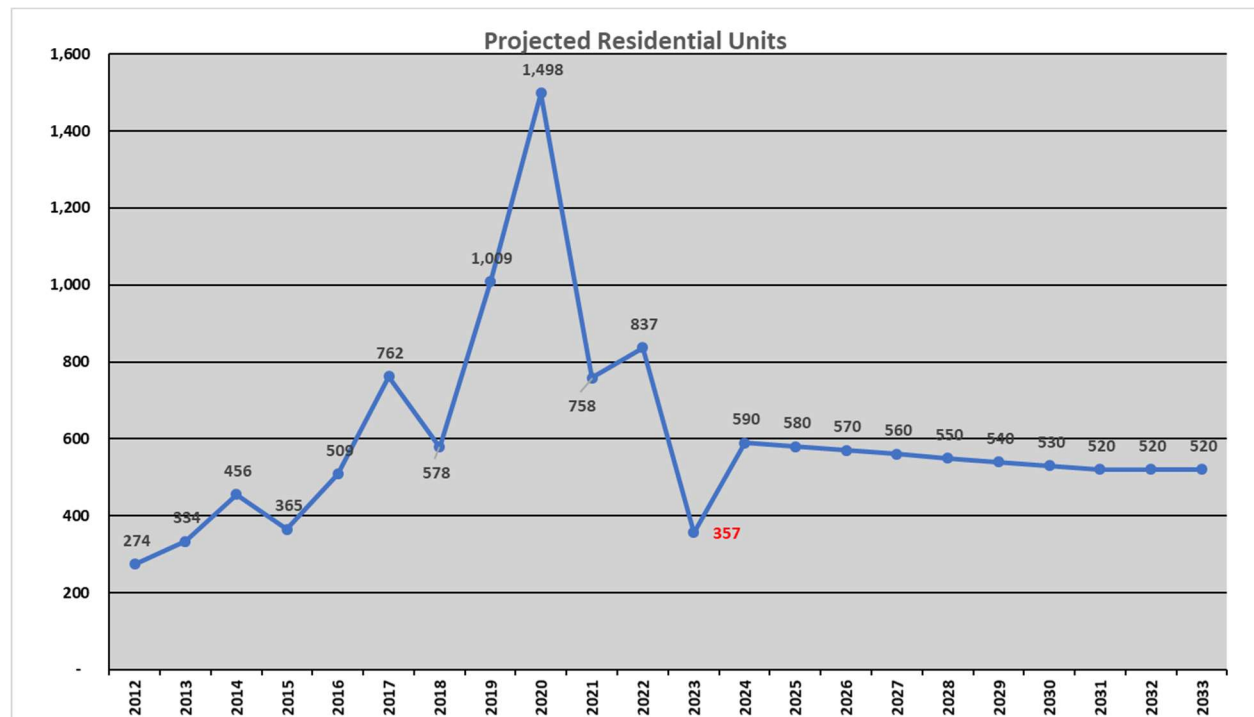


Figure 1: Projected Number of Residential Building Permits.

Commercial and industrial permitting is reported based on the square footage of buildings added to the City's existing inventory. 888,289 square feet were permitted in 2023, which was the most permitted in the last ten years. The total non-residential square footage permitted in FY2022 was composed of 328,247 square feet of commercial space and 560,042 square feet of industrial space.

The year-to-year volatility in non-residential permitting is typical. The annual building areas permitted fluctuates based on the timing of payments. The logistics center project currently under construction at NW Tudor Road and Main Street would permit over 400,000 square feet of industrial space from one project in FY23. However, if construction is completed after June 30, 2023, the license tax revenue would be delayed until FY24. The City still receives the revenue, but the timing may change. Averages are generally used for planning and forecasting. The City permitted an average of 530,000 square feet of building over the past five years. Longer term, the projected average permitting is closer to 155,000 square feet per year. The project non-residential permitting is shown in Figure 2.

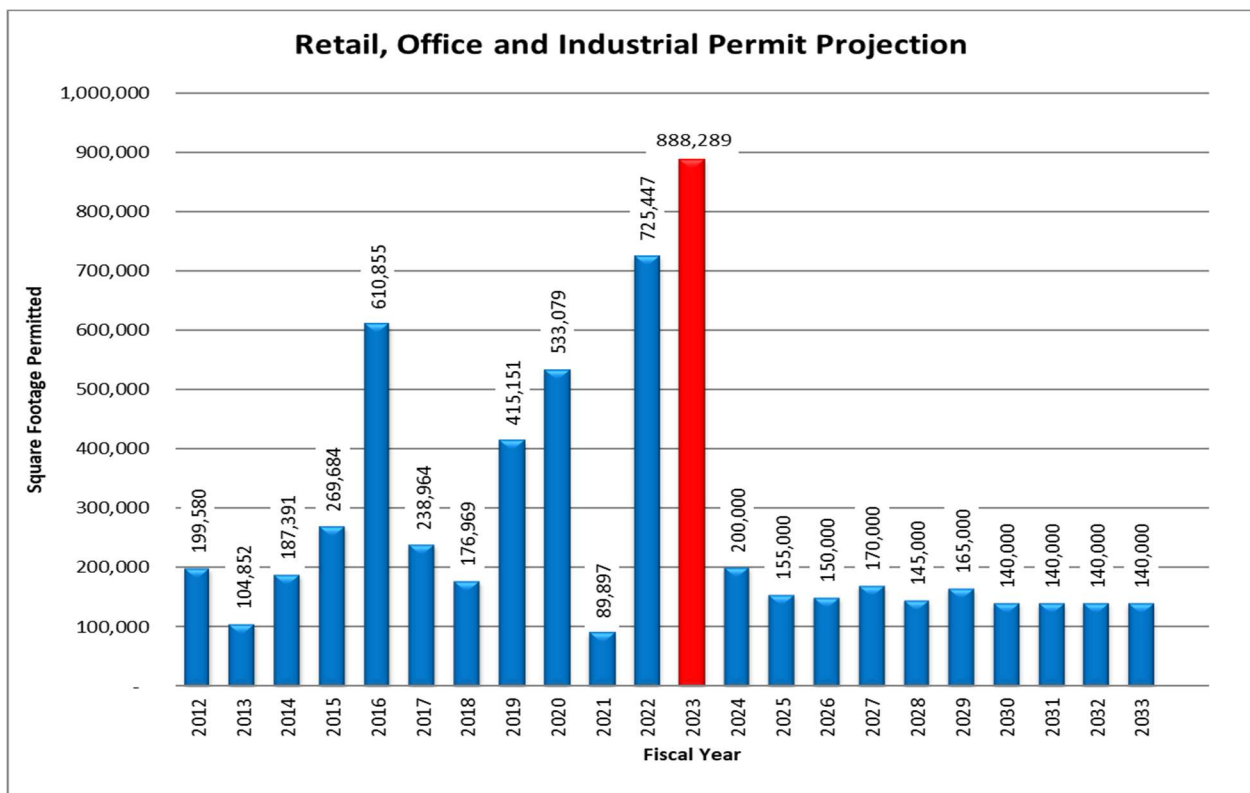


Figure 2: Projected Square Footage of Retail, Office and Industrial and Building Permits.

Current Status and Projections for License Tax Fund Balances

The excise taxes generated \$963,000 of revenue in FY23. Expenses in FY23 went towards the NW Main Street project, SE Browning Street project, and the US-50 and M-129 North Interchange projects. FY23 saw a net decrease in the License Tax Cash balance of \$3,921,600 that yielded a year-end cash balance of \$3,788,500. Capital projects in the FY23-24 CIP had programmed \$10,107,000 through the end of

FY26. This funding is committed to the SE Browning Street, NW Main Street, and the M-291 North Interchange projects.

Looking ahead, about \$750,000 could be added to the M129 Interchange project, if needed, to offset inflationary costs. With no other projects currently recommended by the Committee, the license tax fund should start to rebuild a balance that would be sufficient to support project in FY2030 and beyond. Detailed revenue tables can be found in Appendix B.

The NW Main Street and SE Browning projects are complete and open for use. The M291 North interchange project is still working through design and right of way acquisition. As part of the project, Missouri Highway Patrol Troop A will be relocated to state-owned property near the MoDOT district office on Colbern Road. Construction is expected to begin in the spring/summer of 2025.

Analysis

Based on conversation with the Committee in previous years, there was not a strong desire to fund projects that correct transportation issues caused by existing development. The Committee expressed a desire to prioritize spending to remove impediments to future development. SE Browning Street, NW Main Street, and the M291 North – US 50 Interchange are such projects that address roadway infrastructure that needs to be improved to facilitate development in commercial / industrial areas.

These projects were consistent with the committee's guidance to use this funding source to help remove impediments to development in areas that would benefit multiple sites. The committee also expressed the desire to focus in areas in which development and re-development would help generate new license tax revenues for the City, increase property tax base values, and potentially help increase sales tax revenues.

The fund itself does not generate enough annual revenue to complete a project every year. The Committee does not want to issue bonds backed by the license tax, so several years of funds should be accumulated to pay cash for eligible projects identified in the TFMP. Based on current tax rates and current project funding schedules, the license tax fund is projected to maintain a positive fund balance, with the lowest balance in FY2025 of \$662,000.

CIP funding for the M-291 North Interchange project was spread out over 4 years in the CIP. Currently the License Tax Fund contributions are programmed over 5 years from FY22 through FY26.

Contributing \$6.0M in License Tax funds towards the M-291 North interchange project will not impact the City's general operating budget. Spreading the contribution of several years will cash flow the fund, so these options would support the Committee's guidance for not using debt financing as part of the License Tax Fund.

The excise tax rate changes since 1997 have been relatively low, so the real value of funds collected has been declining due to inflation. However, the combined License Tax, sales taxes dedicated to transportation, bond issues, and special assessment districts have been sufficient to improve the City's road networks in accordance with adopted goals and policies.

Consumer inflation is based on annual adjustments to the Consumer Price Index (CPI) published by the Department of Labor. Construction inflation is based on annual adjustment to the 1913 Construction Cost Index (CCI) published by Engineering News Record.

Inflation, based on the CPI, averaged 6.6% from 2021 to 2023. Thus far, the CPI has increased 2.7% in the Kansas City/Midwest region in 2024 compared to a year ago. The CCI has followed a similar pattern. The CCI averaged 6.2% from 2021 to 2023. The 2024 CCI is 3.7% higher than a year ago.

The forecasts for 2024 are uncertain at this time. The CPI-U for the Midwest ranged from 2.4% to 3.2% over the year for the latter half of 2023. Construction cost inflation is still prevalent in bids received by the City. City staff is used 4.2% inflation factor for budget estimates over the next 5 years when developing the current Capital Improvement Plan. Most bids have aligned with the inflated estimates. The Construction industry is expected to see inflation further increased due to passage of the Infrastructure Investment and Jobs Act and increasing labor costs. The large amount of federal money pumped into the construction industry will consume large portions of the supply of labor, equipment and materials, so construction costs to the City are expected to increase. The Infrastructure bill also greatly expanded the number of items subject to the Buy America requirements. This will potentially further aggravate supply chain issues, and will increase the cost of roadway projects.

Table 2 shows the historical license tax rates compared to values adjusted for inflation.

Table 2: Comparison of Actual License Tax Rates to Original 1998 Rate Adjusted for Consumer Price Inflation and Construction Cost Inflation

Year	Current Residential License Tax Rate	Residential Rates Adjusted for CPI	Residential Rates Adjusted for CCI	Max. Rate Allowed by 1997 Election
2024	\$1,088.00	\$1,435.00	\$1,336.00	\$2,116.00

The current License Tax for residential rates lags 25% below the CPI and 19% below the CCI. Looking ahead, the Excise Tax rates could be adjusted annually by matching the CCI for about ten years before the rates meet or exceed the maximum amount approved by voters in 1997. This inflation scenario is illustrated in Figure 3 on the following page. Appendix C presents detailed license tax rates adjusted for CPI data and CCI data.

Based on recent comments by the Committee, they desired to raise rates as one-time events in 2015, 2018, 2020 and 2022 in efforts to capture revenue associated with new non-residential development without adversely affecting development activity. As seen in Figures 1 and 2, development activity increased significantly, which would indicate the license tax rate increases did not have a negative

impact on the overall development activity. Reduced rates in 2011 did not increase local development activity during the recession years. Based on those observations, City Staff's assessment is that (a) regional and national economies have a greater effect on development activity than the license tax rates, (b) small changes in those rates have not altered development activity, and (c) inflation could limit the City's ability to complete Capital Improvement projects over the next ten years.

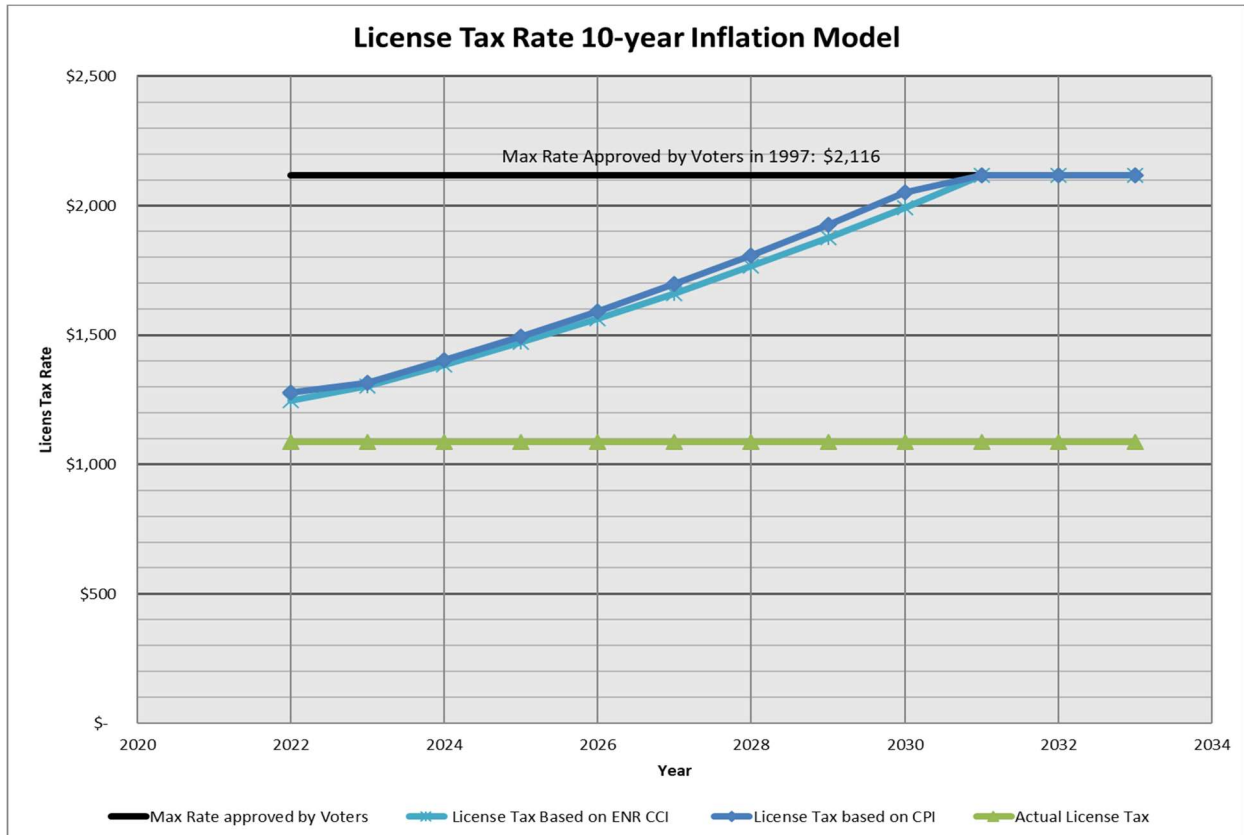


Figure 3: Future License Tax Rate Using a 5-year Average Inflation Rate

Lower Revenues per permit Due to Traffic Generation Standards

The nature of traffic has change from 1998 when the License Tax was first implemented. This has mostly been the result of changes in the volume of traffic at drive through windows, types of businesses using drive through windows, how people bank, etc. Many of the changes in banking have stemmed from the growth of online banking, so fewer people drive to the bank. Coffee and donut shop kiosks were rare in 1998, but now have become quite common, and popular. Sit down downing at fast food places is less frequent due to online ordering.

These changes in business types, business models, and consumer activity are regularly updated in the Institute of Traffic Engineers (ITE) Traffic Generation Manual. In 2023, the ITE manual has fewer trips

generated by a single home then in 1998. As a result of fewer trips, residential units currently generate a lower license taxes per permit in 2023 when compared to 1998, as shown in Figure 4. There have been no changes in the residential permit fees since 1998.

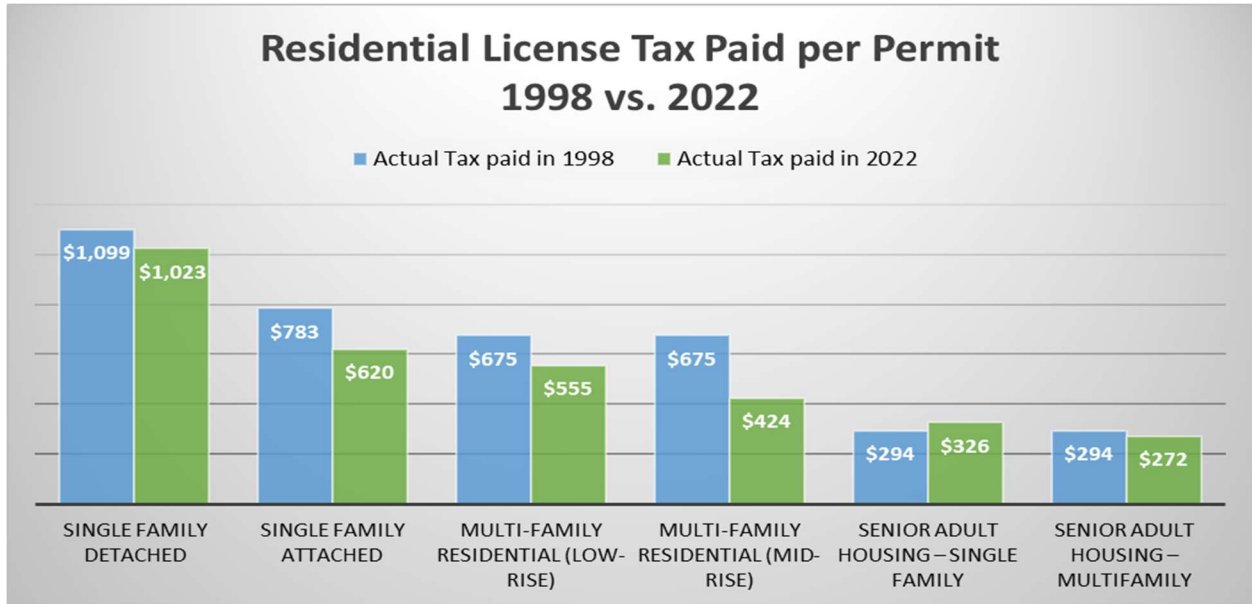


Figure 4: Less License Tax Paid Per Residential Permit in 2022 Compared to Initial License Tax in 1998

A similar pattern of lower fees per permit also shows in the industrial category. This lower cost per permit includes several increases in the industrial rate since 1998. This decline is shown in Figure 5.

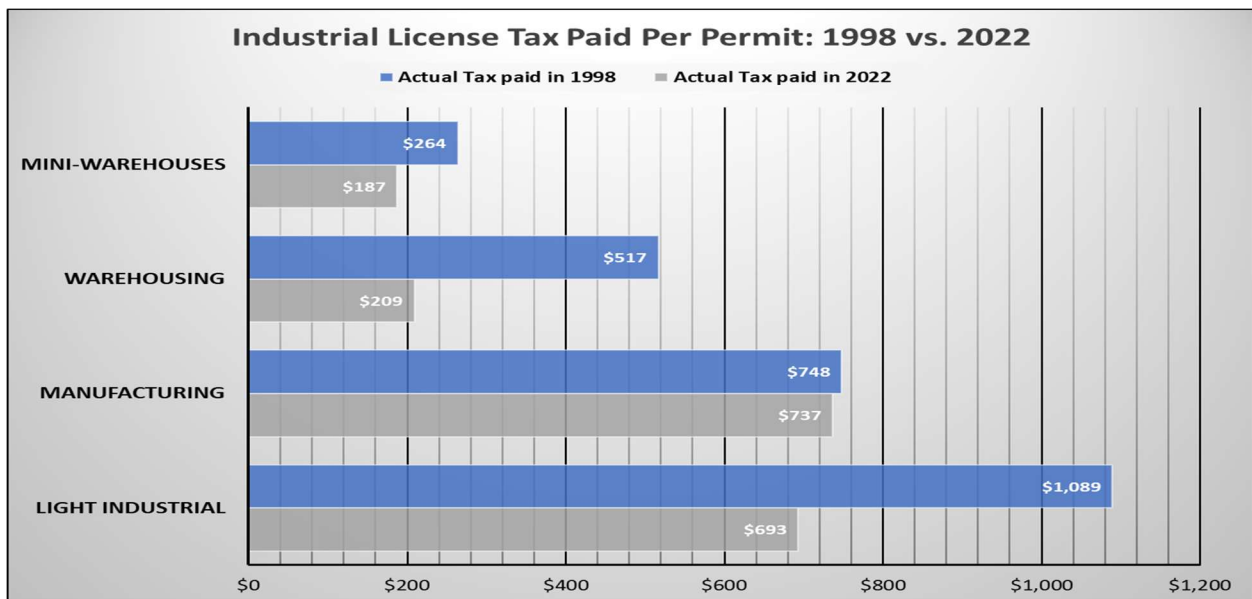


Figure 5: Less License Tax Paid Per Industrial Permit in 2022 Compared to Initial License Tax in 1998

Commercial license tax per permit in 2023 is higher than the 1998 levels. This includes several increases in the commercial fees. The main changes have come from significant increases in the number of trips generated by commercial activities. The ITE Manual also many types of businesses. As an example, banks were split into walk-in bank, drive through only bank, walk-in with drive through, etc. New types of commercial uses were added such as the “coffee/donut shop with drive through.” When looking at the commercial chart, it should be noted that some of the smaller businesses, such as the coffee shop or day care, generate a much larger license tax than the big box stores. These commercial comparisons are shown in Figure 6.

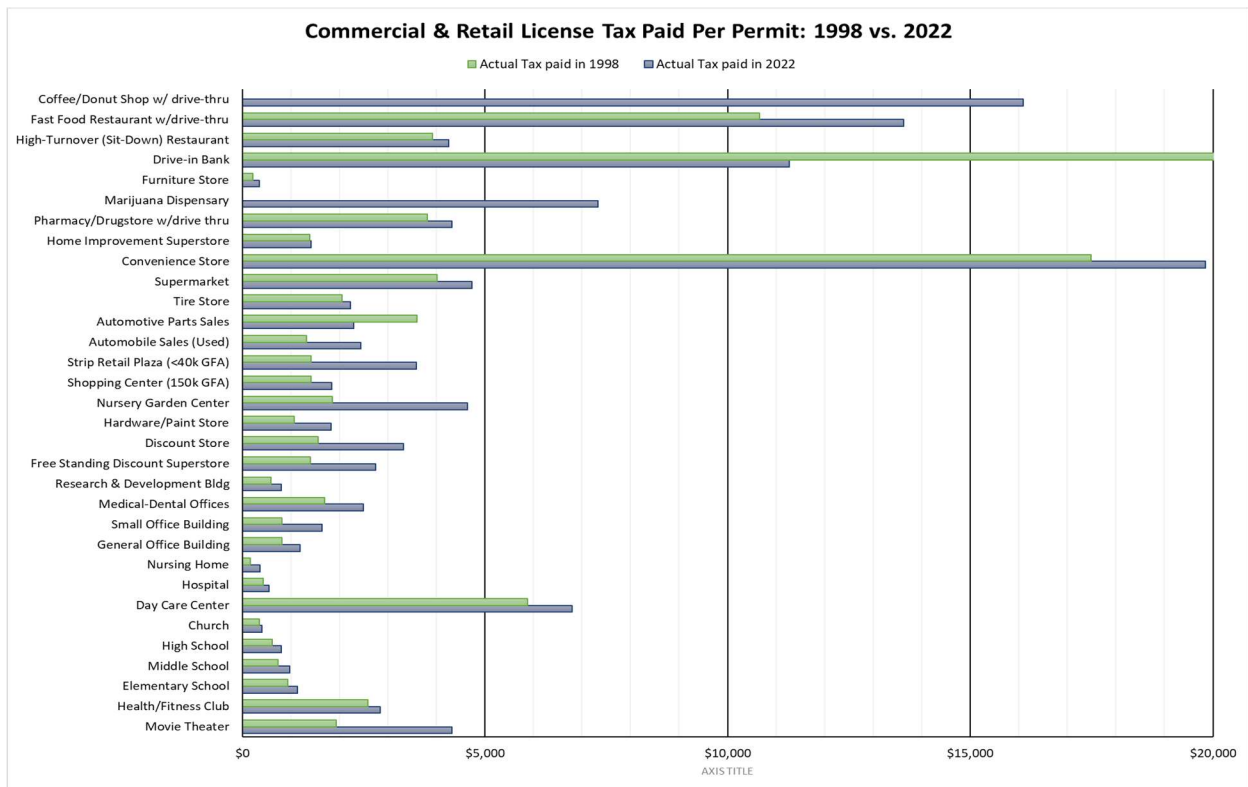


Figure 6: Commercial License Tax Showing Changes from 1998 to 2022

Status of Committee Recommendations from 2022 Report

The Committee recommended using License Tax funds to support the SE Browning Street, NW Main Street and the US-50/M-291 North Interchange projects.

SE Browning street and the NW Main Street projects are complete.

The initial \$6 million programmed for this project by the License Tax Committee has been leveraged to obtain \$16 million in state and federal grants for this project. The interchange project is currently in design. Right of way acquisition is underway after clearing the environmental permitting process and

state-caused delays in relocating the Highway patrol building. At this time, the design work is moving forward towards construction in 2025.

The committee did not recommend and changes in rates. The Committee recommended administrative changes in the terms and appointments of member to align with the City's Ordinance 9538 passed on December 12, 2022 that updated rules for boards and committees.

Summary of Committee Comments, Questions and Discussion for FY2023

The Committee's comments, discussion and action can be found in the meeting minutes attached to the Council packet as part of the presentation.

The Committee re-affirmed the following guidance for the License Tax Program:

- A. Projects eligible for license tax funding should be limited to projects identified in the City's Thoroughfare Master Plan (TFMP)
- B. License tax funding should be managed on a cash-flow basis, and not used for debt financing
- C. Projects should exclude site specific projects required by one developer or landowner to complete a project
- D. Projects funded from the license tax funds should be prioritized to support new roads that remove impediments to development for commercial, industrial, or manufacturing projects because they can generate new jobs, sales tax revenues, property tax revenues, and license tax revenues.
- E. The license tax committee members recommended no changes to current rates.

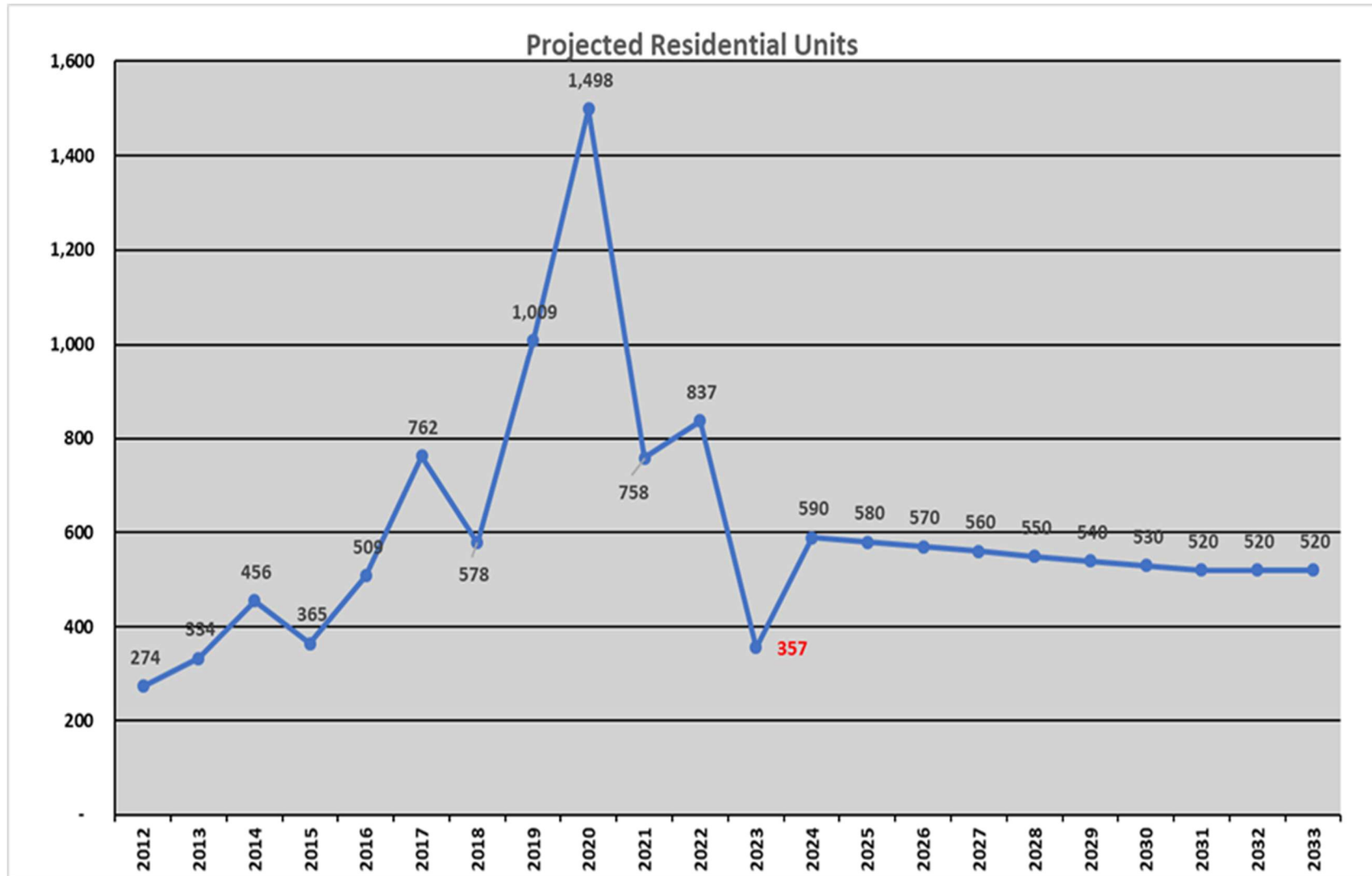
The Committee recommended no changes to the current rates.

APPENDIX A to FY2023 LICENSE TAX REPORT: Transportation Project Completed as Part of the License Tax Program Adopted in 1998

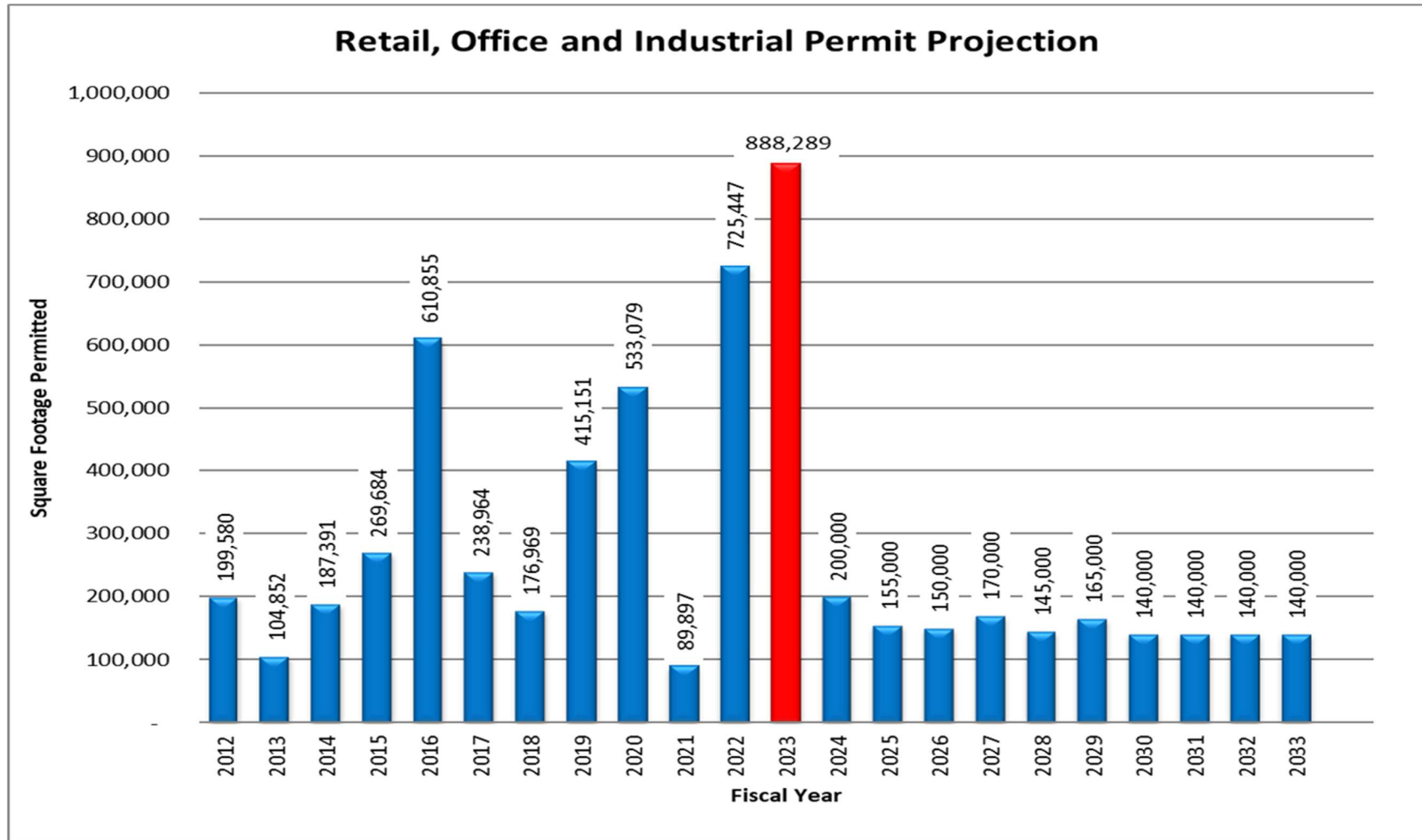
Transportation Projects Completed with Use of License Tax Funds	
Blackwell Pkwy (Langsford to Colbern	Pryor Rd (Longview to Chipman)
Chipman Rd (US 50 to M-291)	Scruggs Rd (M-291 to Blackwell)
Independence Ave (Tudor to Colbern)	Todd George Pkwy (McKee to Tudor)
Langsford Rd (Todd Geo. To Blackwell)	Ward Rd (M-150 to Scherer)
Longview Pkwy (Longview to 3 rd)	5 th Street (Grand to M-291)
Longview Rd (Sampson to Ward)	Woods Chapel Rd (1-470 to East City Limits)
NW Main Street (Chipman to Commerce)	SE Browning Street (Oldham to Hamblen)
License Tax Projects Currently Underway	
US-50 and M-291 North Interchange • Environmental permitting completed and approved; right of way acquisition underway • Highway Patrol Troop A relocation construction underway • CIP total project funding = \$22.5 million • Excise tax amount = \$6.0 million • Construction estimated to occur in 2025-2026	

Note: The License Tax Committee recommended the Chipman Road Phase III project (from M-291 to Birchwood) be removed from the program so License Tax funds can be used for other projects in the Thoroughfare Master Plan. Chipman Road project will remain in the master plan, but funded from other sources in the future if the project is deemed necessary in context of the Thoroughfare Master Plan.

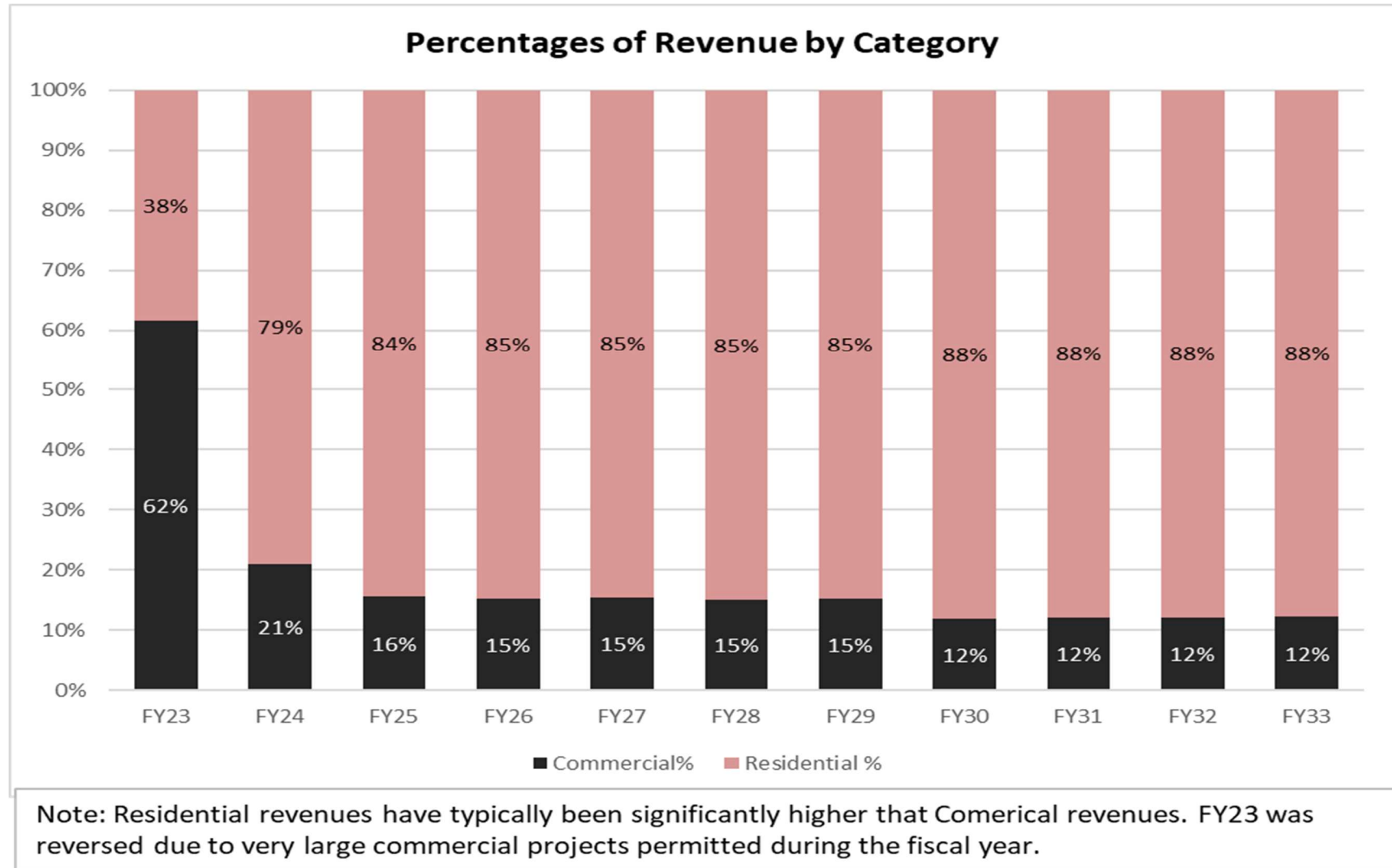
APPENDIX C to FY2023 LICENSE TAX REPORT: Projected Fund Balance, Annual Revenues, and Fees Compared to Other Agencies



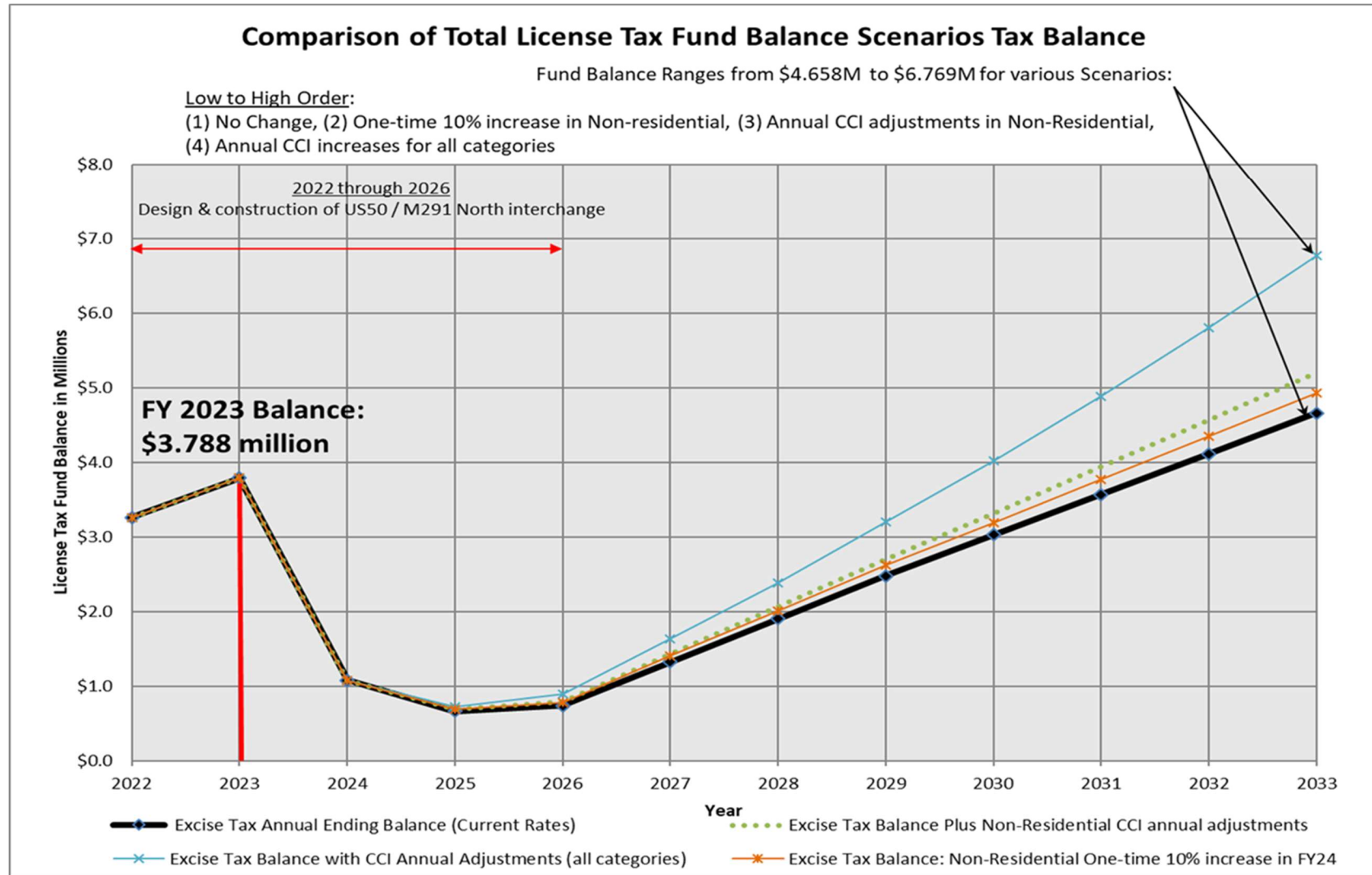
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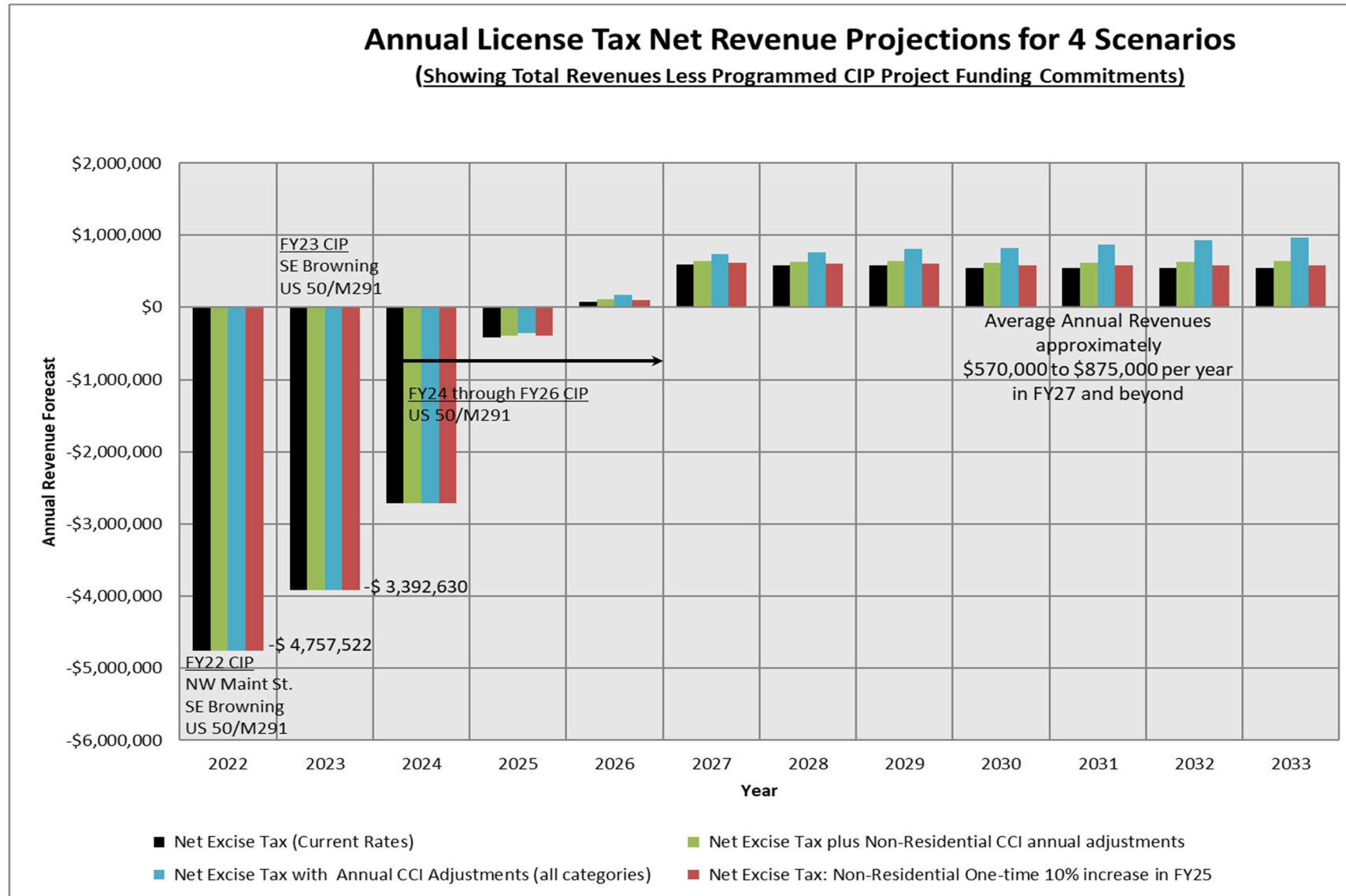
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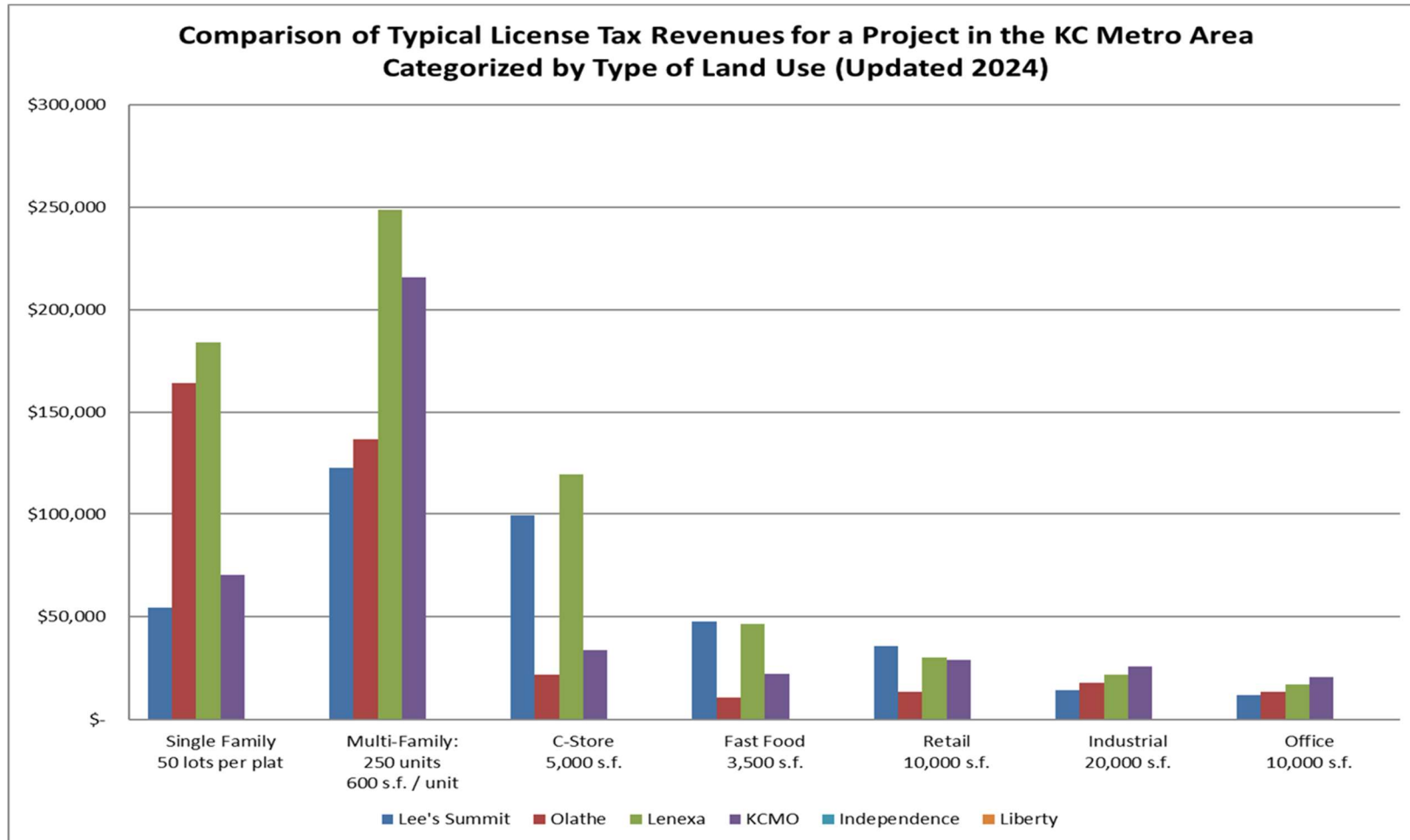
APPENDIX C to FY2023 LICENSE TAX REPORT: Projected Fund Balance, Annual Revenues, and Fees Compared to Other Agencies



APPENDIX C to FY2023 LICENSE TAX REPORT: Projected Fund Balance, Annual Revenues, and Fees Compared to Other Agencies



APPENDIX C to FY2023 LICENSE TAX REPORT: Projected Fund Balance, Annual Revenues, and Fees Compared to Other Agencies



Note: Independence suspended license tax collections in 2018.

Liberty's 2001 Roadway Development Tax expired and has not been renewed.

LICENSE TAX REVIEW COMMITTEE

Action Letter

December 15, 2021

3:00 pm

City Hall
Council Committee Room
220 SE Green Street
Lee's Summit, MO 64063

Present at meeting:

Members: Chairman DeMoro, Glen Jones, Karl Blumenhorst, Cynda Rader, Michael Park
Staff Support: George Binger, Mike Weisenborn, Jennifer Thompson, Victoria Nelson, Lisa Azimi

A. Call to Order

Chairman DeMoro called the meeting to order at 3:05 p.m.

B. Roll Call

1. Approval of Agenda

A motion was made by Karl Blumenhorst, seconded by Glen Jones, to approve the agenda.
The motion carried with a 4-0 vote, Michael Park absent until later in meeting.

2. Approval of Jan. 27, 2021 Action Letter

A motion was made by Cynda Rader, seconded by Glen Jones, to approve the action letter dated January 27, 2021. The motion carried with a 4-0 vote, Michael Park absent until later in meeting.

3. Public Comments

None

4. Items for Discussion

Presentation of FY2021 License Tax Report

Mr. Binger, Deputy Director of Public Works/City Engineer, introduced everyone present including City Staff. A Powerpoint was presented showing the license tax background and current status. This annual meeting is required by ordinance, which was adopted in 1997 with several amendments to the fees. In 2019 there was administrative cleanup in regards to how

APPENDIX D to FY2023 LICENSE TAX REPORT: License Tax Review Committee Meeting Minutes from meeting held on March 15, 2024

the trip generation is calculated. The tax is on new development activity when building permits are issued, based on the creation of additional traffic. This is a review of the annual report to discuss the planning perspective, give a public works status, then recommendations from the Committee regarding rates and potential projects.

A summary of the current tax rates for residential and non-residential was then given. The ordinance approved a rate of up to \$2,160 and the rate is well below that at \$1,088 per residential unit. The next slide presented was the building permits showing a steep peak the last couple of years, related to permits for multifamily housing units. In talking with the Planning staff this year since completion of the Comprehensive Ignite plan they were looking at the land use tied to population growth. The population growth will drive development of residential units. Even though the forecast is flat, there will be an additional 700 to 800 residential units permitted each year in the community. In the near term there are known projects that are coming in so staff feels very comfortable in the forecasts for FY22 and FY23 fiscal years. The forecast for 2024 or 2030 are based on projected population growth.

The retail, office, and industrial permits graph illustrates how the timing of permits can influence one particular year. The permitted square footage dropped down significantly in fiscal 2021. The big jump in FY22 is attributed to the logistic center near Tudor and Commerce, since it will be permitted that fiscal budget year. The overall amount of commercial, residential and industrial square footage permitted over several years should be close to the aggregate total forecast. The longer-range projections from 2024 to 2030 estimate about 150,000 to 200,000 square feet permitted each year based on the anticipated population growth.

Mr. Binger then presented the annual revenue estimates. The negative revenue numbers from 2021 to 2027 are reflective of when project expenses were programmed into the Capital Improvement Plan (CIP). Project expenses each year are expected to exceed the annual revenue per year, but the City is able to spend this money because of the \$7M positive balance 2021.

The next graph illustrated the actual balance of the fund showing this year's balance of \$4.5 M. That balance is trending down due to committing funding for capital projects. The graph from the FY20 report showed the fund balance could possibly go negative. However, the increase in permitting this year was more than forecasted so the License Tax fund should maintain a positive cash balance. When forecasting last year, staff compressed the M 291 North Interchange project, but based on the Committee's guidance funding for this project was spread out over 6 years, helping to keep the balance positive. The different lines are scenarios for possible changes to fees, with the top line representative if fees are changed in accordance with construction cost index. This illustrates there is not a small difference in overall revenues of about \$1M over ten years.

APPENDIX D to FY2023 LICENSE TAX REPORT: License Tax Review Committee Meeting Minutes from meeting held on March 15, 2024

Mr. Binger then discussed the projects currently funded through the program including SE Browning Street, NW Main Street, and the US-50 & M-291 North Interchange. The status of each project was given. SE Browning Street is still working right of acquisition with the Union Pacific Railroad. NW Main Street has complete design and awarded a construction contract to VF Anderson, with construction startup planned for March of 2022. The 50 Highway M291 North Interchange was discussed at length. Michael Park shared that the RFQ is being drafted for engineering services. He mentioned the different funding resources: TIF revenues, excise tax, land sales, CIP sales tax, school district, Quick Trip. This project should be under construction in 2023.

Mr. Blumenhorst asked about the PRI ground north on 291. Mr. Park stated there will be conversations with City Council to discuss a financing model to contemplate various options on how to fund infrastructure and handle development. Mr. Blumenhorst also asked how many currently platted residential lots are available right now to develop. Mr. Weisenborn responded that several plats are ready to come on line, listing several different locations and their time frames of construction. Mr. Binger mentioned both the Strategic and Ignite Comprehensive Plan and the how they help staff focus on those goals of infrastructure, quality of life, strong neighborhoods and other plan elements that help staff guide the development of the infrastructure master plans. When talking about PRI land, the Comprehensive Plan gives guidance of how that should be developed. Staff is committed to the projects identified in the thoroughfare master plan and those projects fit well within the overall City master plan.

Mr. Binger then showed a graph of inflation over the next ten years. Inflation has had more of an impact on construction costs. In 2021 the bids are now up 10% for the year. Several contractors, after construction starts, are being hit with shipping surcharges so the City is seeing that cost impact.

Mr. Binger then opened it up to questions, thoughts and guidance moving forward. Mr. Blumenhorst asked how inflation has affected the city. Mr. Binger stated that this is the first year this has affected the City. There are fewer bidders due to workload and demand, labor shortage, and companies going out of business. Mr. Blumenhorst commented that the inflation factor at some point will slow down activity. Mr. Weisenborn, Project Manager, advised the committee that raising the license tax will not have an effect on development and a 10% increase will not have a significant impact on the overall prices. Mr. Binger then explained how staff looks at budgeting and forecasting looking back three to five years with different scenarios of increase in fees and upon analysis changing the rates will not hurt the program.

Mr. Blumenhorst commented he was okay with changing the commercial rate since it will create jobs, more income, and that is needed to have more homes developed.

Ms. Rader asked to know on the commercial side what is healthy for the city that works together with what is needed. Mr. Park added that Lee's Summit has had healthy commercial growth but is lacking in the industrial sector. Chairman DeMoro stated Lee's Summit is behind the rest of the metro area in warehousing and is hopeful that once the first building is built it will open up that demand in the city.

License Tax Committee Recommendations

After lengthy discussion the Committee agreed that it would make sense to raise the rates on commercial and leave residential rates alone for a while. They also agreed that it would be adequate to look at it each year to make any needed adjustments. The Committee asked for staff's recommendation. Mr. Binger recommended to start looking at the inflation year in, and year out and increase fees to 10% as a one-time catch up. This increase in non-residential is consistent with factoring in the last 4 years of inflation. This is also in alignment with hearing the conversation and rationale for the commercials generating jobs and income, as well as the desire to have affordable housing options in Lee's Summit. Staff has heard that commentary from different bodies and different venues, Planning Commission, City Council, etc. Mr. Park mentioned that holding back on the residential helps our CEDC with their intentions of lowering entry home price points. Mr. Jones commented that next year we'll have more knowledge.

Increasing the non-residential rates by 10% would result in the following fees for FY2025: \$1,100 for Mfr./Ind., \$825 for Commercial, Residential unchanged at \$1,088.

Mr. Jones made a motion, seconded by Mr. Blumenhorst, to recommend to the City Council increasing the License Tax rates 10% for FY2025 for manufacturing/industrial and commercial categories. The motion failed with a 2-3 vote.

Mr. Jones made a motion, seconded by Mr. Blumenhorst, to recommend to the City Council no change to the License Tax rates for FY2025. The motion carried unanimously with a 5-0 vote.

5. Roundtable

No items discussed

6. Adjournment

Chairman DeMoro adjourned the meeting at 4:10 p.m.