



above the Jackson County median wage and one job above 80% of the County median wage. Kevin Higdon Construction anticipates a base year total new sales tax revenue of 180,000 with a 5% growth over the proposed 5 year abatement period. This equates to new sales tax revenues to the City of approximately \$8,146.00 over the 5 year period. In addition to new sales tax revenue, Kevin Higdon Construction would bring approximately \$200,000 of business /equipment (personal property) which would generate an estimated additional \$3,407 in personal property tax revenue to the City during the abatement period.

The proposed project is currently in the Final Development Plan (FDP) approval process and once approved administratively, construction permits may be issued for the project.

**Proposed City Council Motion:**

Should the Mayor and City Council wish to move forward with the LCRA recommendation of 100% abatement for a 5 year period, an ordinance has been placed on the agenda for first reading. If the ordinance is adopted, staff would work with the applicant to develop and bring forward the development agreement for consideration.

**Background:**

July 26, 2018 - Kevin Higdon presented a conceptual economic development incentive request to the City Council requesting 100% abatement for a 10 year period for the proposed project in accordance with the City's adopted Economic Development Incentive Policy. The Mayor and City Council provided direction to proceed with the request through the formal LCRA process.

August 22, 2018 - The LCRA held a meeting and considered the proposed Kevin Higdon Construction LCRA Redevelopment Application and is recommending 100% abatement on the incremental increase in value of the project for a 5 year period.

Mark Dunning, Assistant City Manager  
Kevin Higdon, Kevin Higdon Construction  
Donna Gordon, LCRA Chairperson

**Committee Recommendation:**

The Land Clearance for Redevelopment Authority unanimously recommended approval of a 100% real property tax abatement on the incremental increase in value of the project for a 5 year period subject to performance standards.