

# ECONOMIC DEVELOPMENT INCENTIVES 2023

5/9/2023





# Framework



- Proposed Resolution Delegating Administrative Authority
- Existing Incentives
- History of Use of the Incentives
- Proposed Changes Including Justifications
- Review Summary



# Proposed Resolution

- Delegates authority to Economic Vitality Director or designee and City Attorney or designee to adapt incentives as necessary.
- Streamlines ability to allow for administrative changes to all incentives to make them more effective for businesses.



# Incentive History and Changes

- Res. 2020-07: Adaptive Reuse
- \$25,000 total budget
- \$5,000 per business for development fees
- Current balance is \$17,104.97
  
- Proposed requirement that funds be used within 12 months, and funds may reimburse design fees after project completion.



# Incentive History and Changes

- Res. 2020-28: Business Retention and Expansion Incentive
- Funded five businesses so far creating 70 jobs
- Proposed change to increase weight of workforce development in Direct Community Benefit element, and require that funds are used within 12 months.



# Incentive History and Changes

- Res. 2020-43: Sustainable Automotive Sales Tax Rebate (SASTR)
- Has assisted over 40 applicants with their purchases of electric, hybrid, and highly fuel efficient vehicles.
- Proposed change to allow dealerships to directly supply the rebate to purchasers. The City would then provide the rebate amount to the dealership.



# Incentive History and Changes

- Res. 2021-19: Job Creation Incentive
- Awarded to UACJ Whitehall Industries and Katalyst Space Technologies. Created 130+ jobs to date.
- No proposed changes.



# Incentive History and Changes

- Res. 2021-20: Development Reinvestment Incentive
- Allows for a portion of construction sales tax to be made available for various uses including job training, public infrastructure enhancements, etc.
- No proposed changes.



# Summary



- Resolution delegates authority
- Enhancements are made as needed
- Local economy is fostered and bolstered by these efforts.



# Community Investment

Questions?



**CHOOSE  
FLAGSTAFF**

**THANK YOU!**