



December 15, 2015

To: The Lawrence City Commission

From: Larry K. McElwain, President/CEO

Dear City Commissioners:

The Chamber and the Economic Development Corporation of Lawrence & Douglas County have had a successful 2015. This year, our organizations worked diligently to bring three companies to our community: Integrated Animal Health, USA800, and Midwest Manufacturing, a division of Menard, Inc. These three projects are creating over 480 jobs with a combined \$19.86 million annual payroll. The three companies are also making a combined capital investment of \$28.64 million in Lawrence. There is an additional project, Stason Pharmaceuticals, which is housed at the BTBC as well as their counterpart, which is housed at the BTBC at the KU Medical Center. Two other companies, DM Bruce and Iowa EPS Products, announced this year that they are relocating to Lawrence with an additional 38 jobs. We are thrilled with the concerted effort and cooperation between our partner organizations, the City of Lawrence, Douglas County, and other entities to secure these great opportunities.

You will soon see a video that was recently shown at an EDC Investor Update that provides an economic review of 2015. We've compiled information from the City, the County, the Kansas City Area Development Council, the Kansas Department of Labor, and numbers provided by the U.S. Bureau of Labor Statistics and the U.S. Bureau of Economic Analysis to show that Lawrence and Douglas County are improving economically as a result of our combined efforts. The Chamber and the EDC hope to continue moving in the right direction as we start 2016.

However, the staff at The Chamber and the EDC could not do what we do, or accomplish what we've accomplished, without the support of the City of Lawrence and its commissioners. The Midwest Manufacturing project will be coming in front of you early next month, with an incentive package that would make Menard, Inc. the anchor tenant at Lawrence VenturePark. We believe this project is the perfect start to give us momentum to continue filling VenturePark.

We know that there is currently discussion by both commissions to review our local incentive package. As the vendor of economic development services for this community we do hope to have a seat at the table when it comes to discussion of incentives and incentive policy. We believe incentives and effective incentive policy are essential tools for providing economic development services.

After you see our 2015 year in review video, I will be available to answer any questions you may have in regards to our activities this year or what we envision for the future of Lawrence and Douglas County. Again, thank you for your hard work and dedication to our community. We hope to continue our positive relationship with you so we can all make Lawrence and Douglas County the best it can be.

Sincerely,

A handwritten signature in blue ink that reads "Larry K. McElwain". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Larry K. McElwain, President/CEO