



# City of Lawrence

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## CITY COMMISSION

**MAYOR**  
SUE HACK

**COMMISSIONERS**  
MICHAEL H. DEVER  
ROBERT CHESTNUT  
DENNIS "BOOG" HIGHBERGER  
MIKE AMYX

April 1, 2008

The Board of Commissioners of the City of Lawrence met in regular session at 6:35 p.m., in the City Commission Chambers in City Hall with Mayor Hack presiding and members Amyx, Dever, Chestnut and Highberger present.

### **STATE OF THE CITY ADDRESS:**

Mayor Hack said, "Over the past several years it has become traditional for the outgoing Mayor to reflect on the past year, its ups and downs, and talk about hopes for the future. I appreciate the opportunity to address the citizens of Lawrence and discuss these things as I end my second term as Mayor.

First of all I would like to thank the hardest working staff that anyone could have the pleasure of working with. I wish that all of the citizens of this community would have the chance to see first hand

...the hard work and professionalism of our administrative staff,

...the hard work of our public works staff...10,500 hours of work to keep our streets cleared during this past winter,

...the passion of our parks and recreation department,

...the devotion to this community and to each other of our police and fire and medical departments,

...the expertise of our planning staff,

...and technical knowledge of our utilities department.



These people are the backbone of this community and day after day, year after year, are committed to providing the excellent services that Lawrence citizens have every right to expect.

I would also like to recognize the hard work of my fellow commissioners. Each of us brings something different to the table, but we have managed to conduct the business of this city in a respectful manner and one that I am proud of. I am not sure if there is a clear understanding of the time involved in this job and how difficult it can be at times.

Last and most important, I want to thank my family and friends. You have been my support during difficult times, my sounding board, and the most important people in my life.

Being the Mayor of Lawrence can be both rewarding and challenging. I would have to say that the favorite times I have had as Mayor were the chances to interact with young people in Lawrence and to represent the city at a variety of events. I will not forget the time of reading my favorite story, "The Polar Express", to the kids at Broken Arrow, or the group of 60 children from Kennedy who came to City Hall to learn about being mayor. They were surprised that I didn't live in a mansion, have a limo and secret service.

As I was introduced to the third grade class at Deerfield, I was told by my 10 year old host for the day that I could talk about that "WalMart Thing" if I wanted to. The thank you notes from that day indicated surprise that I actually had known Quantrill..perhaps it is time to do something about my gray hair.

And just last Friday I had the opportunity to present the Mayor's Excellence in Education award to Derrick Huff at Lawrence High School who said that his pod-cast work gave a voice to those who don't usually have one, and to Justine Ahle, from Free State High School, who said she volunteers because she wants to give back to the community that has given her so much. These are truly inspiring young people.

In preparing my remarks for this evening, I spent some time looking at the speech that I gave one year ago, as I took office. My comments then and my comments now will have many similarities. As a city, we have accomplished a number of good things.

We have made progress on implementation of the Matrix report whose task was to look at our planning and development process to see how it could be streamlined while maintaining our high standards. Scott McCullough was hired as Planning and Development Director and he has had a full plate since the day he arrived. Implementation of the Matrix Report, continued work on the Development Codes, completion of the Transportation 2030 revisions, and moving the Smart Code through the planning process have been just a few of the items where incredible progress has been made.

After the departure of our Assistant City Manager, our City Manager Dave Corliss was pretty much a one man show. I would imagine there were times when he had to reintroduce himself to his wonderful wife and daughters.

We are fortunate to have added two terrific new Assistant City Managers in Cynthia Boecker and Diane Stoddard who along with Jonathan Douglas continue to show how valuable they are. Toni Wheeler was hired as our director of Legal Services and her first time out she successfully defended the City's smoking ban in front of the Kansas Supreme Court.

We have hired a City Auditor, Michael Eglinski who certainly has hit the ground running. Dave Wagner was hired as our Director of Utilities and brings a tremendous amount of expertise to the job, and Ernie Shaw has done a terrific job in filling the very large shoes of Fred DeVictor as Interim Director of Parks and Recreation. We are lucky to have you all.

The Coalition for Homeless Concerns has developed a strategic plan and vision for the issue of homelessness in Lawrence, bringing together a large number of social service agencies and individuals. As this work continues we hope to see a comprehensive plan for aiding those less fortunate in our community.

Probably the most difficult time during the last year was the need to reduce the 2007 budget and to prepare the 2008 budget. We certainly didn't give the new Commissioners much time to get acclimated to this job in public service before they were plunged into this responsibility.

We have had continuing conversations with the University of Kansas regarding the merger of our transit system with KU on Wheels. I thank Vice Mayor Dever for his efforts in working with our staff and Kansas University personnel to move this effort forward.

I am pleased with the continuing relationship with the University of Kansas. We have partnered in some wonderful facilities for KU athletes with First Serve, a terrific tennis facility, and most recently the KU Boathouse, which will serve the university's rowing team for years and years to come. It will be a tremendous addition to the community and a beautiful focal point on the river.

In addition to these relationships, we continue to work with the University regarding economic development in the bio-science field and with alumni connections. We must not fail to recognize the millions of dollars that flow into this community due to the efforts of the research done at KU. Encouraging individuals who called Lawrence home for their college careers to come back and invest in this community will be an added benefit of our positive relationship with the University.

There has been an increased effort on the part of the city to recognize the many contributions of existing businesses both large and small. Mike Dever and I, along with members of our administrative staff and the chamber have met weekly for the past several months with representatives of so many of our local businesses. We have talked about their dreams and challenges and how the city and the chamber can help them realize the dreams and deal with the challenges. We continue to recognize that approximately 80% of new jobs come from existing businesses. We have also had monthly meetings with our partners in economic development to provide an update on the status of various projects.

These are but a few of the accomplishments of this City Commission and staff during this past year. We can be very proud of what has been done, but we know that there are challenges ahead and some will be very difficult. It is those challenges that I would like to focus on now.

The largest challenge that we will face as a Commission this year will be the 2009 budget. We know that if we are lucky, our revenues from sales tax and property tax will be equal to what they were last year, but there is a strong possibility that they will be less. It will be difficult to maintain the same level of city service that we have become accustomed to with less resources. That brings me to the need for Economic Development.

I believe that there is a disconnect in much of the community between the city services that we have come to expect and how those are maintained. It is possible for a city to just do the basics...put out fires, arrest the bad guys, clean the water and pick up the trash. In my view, that is more of an institution than a community. Lawrence has always prided itself on being a community that enjoys its parks, its bike paths, its arts, its cultural heritage, and its downtown...just to name a few. Maintaining these important pieces of our community takes money and when the bulk of that money comes from residential property taxes, we are putting ourselves in a perilous position.

This Commission and this City Staff have been neither lazy nor complacent when it comes to economic development. We have worked diligently with existing businesses to make sure that the city is doing all it can to help these businesses continue to grow and provide jobs for Lawrence citizens. We continue to navigate the choppy waters of Farmland and work to pursue that as a site for an employment center. However, if by some magic wand, the Farmland site became cleaned up and available tomorrow for industrial use, that would not solve all of our problems with economic development.

We must look for additional sites, for sites that have rail access, for sites that have access to I-70. None of these decisions are easy and none come without a fair amount of angst on the part of many citizens, but unless Lawrence wants to drop further and further into the bedroom community situation, we simply have to find a way to present to companies additional industrial sites. These decisions mean taking risks, but without taking any risks there will be no rewards.

When I ran the first time for City Commission in 2001 and the second time in 2005, one of my main campaign themes was raising the level of discourse in this community and working on being civil to one another. As I think back on my lack of success in this area, I am reminded of a former student that I taught. He decided to run away from home and he felt that going to Canada would be his best plan. However, he was picked up in Oklahoma.....and I was his geography teacher!

I have had just about as much impact on the civility in this community as I did teaching geography for that child.

I am very concerned about how we treat each other and the tone of conversation here in the Commission room, in other community meetings, and on the internet. It is difficult to sit back and watch the slings and arrows that are thrown at candidates and those in public office at the national and state level, but Lawrence had always been above that. Lately our local campaigns have taken on some of that same "go negative" approach and that is so terribly discouraging. We should be able to be the ones who rise above that. We should be the ones who, while we thrive on controversy and process, should be the ones to set the example for others to follow. Unfortunately, that has not been the case.

I am particularly troubled by the lack of civility and level of nastiness that occurs on our local blogs. We are all grown ups, we can handle being the topic of conversation, but the conversation has sunk to new lows of discourse and has taken on children and others not able to defend themselves. I would challenge those who feel the need to communicate in this manner to step out from behind the cowardice of anonymity, get their facts straight and have a decent conversation about topics that are critical to the future of Lawrence and Douglas County. Contribute to the solution rather than being a part of the problem.

That is probably enough of a sermon for the evening, but these are things that I feel so strongly about that I just could not let this opportunity pass by without talking about it.

Again, it has been my privilege and honor to serve as the Mayor of Lawrence and to work with such fine people as my fellow commissioners and our city staff.”

Thank you for that opportunity.”

#### **RECOGNITION/PROCLAMATION/PRESENTATION:**

With Commission approval Mayor Hack proclaimed April 2008 as “Mathematics Awareness Month” and “Fair Housing Month.”

#### **CONSENT AGENDA**

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to approve the City Commission meeting minutes of March 11, 2008. Motion carried unanimously.

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to receive the Board of Plumbers and Pipe Fitters meeting minutes of September 19, 2007; the Sustainability Advisory Board meeting minutes of January 9, 2008 and February 13, 2008; the Convention & Visitors Bureau Advisory Board meeting minutes of February 26, 2008; and the Mental Health Board meeting minutes of February 26, 2008. Motion carried unanimously.

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to approve claims to 580 vendors in the amount of \$1,698,597.65 and payroll from March 16, 2008 to March 29, 2008 in the amount of \$1,759,445.23. Motion carried unanimously.

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to approve Drinking Establishment License for the Pool Room, 925 Iowa; and the Class A Club License for Columbus Club Association. Motion carried unanimously.

The City Commission reviewed the bids for mowing services for the Parks and Recreation Department. The bids were:

<b>DISTRICT #1</b>	
Vernon's Lawn Mowing	\$3,060.00
Cut-N-Edge, Inc	\$5,304.00
Oasis Lawn Care	\$6,698.00
Picture Perfect Lawns	\$8,160.00
Dupree Landscape	\$8,670.00

Tom's Mowing Service	\$8,840.00
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<b>DISTRICT #1, AREA #2, RIGHT-OF-WAY</b>	
Oasis Lawn Care	\$9,600.00
Tom's Mowing Service	\$13,880.00
Dupree Landscape	\$16,520.00
Picture Perfect Lawns	\$18,000.00
Elite Lawn Management	\$24,000.00

<b>DISTRICT #1, AREA #3, RIGHT-OF-WAY</b>	
Oasis Lawn Care	\$10,933.00
City Wide Lawn	\$13,580.00
Tom's Mowing Service	\$13,930.00
Dupree Landscape	\$15,820.00
Picture Perfect Lawns	\$24,880.00

<b>DISTRICT #2</b>	
Vernon's Lawn Mowing	\$8,500.00
Tom's Mowing Service	\$10,000.00
City Wide Lawn	\$11,640.00
Rockn'C Lawn & Landscape	\$11,900.00
Oasis Lawn Care	\$16,720.00
Picture Perfect Lawns	\$18,800.00
Dupree Landscape	\$19,000.00
Cut-N-Edge, Inc	\$25,120.00

<b>DISTRICT #3</b>	
Rockn'C Lawn & Landscape	\$5,400.00
Vernon's Lawn Mowing	\$5,500.00
City Wide Lawn	\$6,980.00
Picture Perfect Lawns	\$8,400.00
Tom's Mowing Service	\$8,500.00
Oasis Lawn Care	\$8,700.00
Elite Lawn Management	\$10,900.00
Dupree Landscape	\$11,700.00
Cut-N-Edge, Inc	\$16,360.00

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to award the bid for mowing services for District No. 1 to Vernon's Lawn Mowing, in the amount of \$3,060; District No. 2 to Vernon's Lawn Mowing, in the amount of \$8,500; District No. 3 to Rockn'C Lawn & Landscape, in the amount of \$5,400; District No. 1, Area 2 to Oasis Lawn Care, in the amount of \$9,600; and District 1, Area 3 to Oasis Lawn Care, in the amount of \$10,993. Total amount for all areas was \$37,493. Motion carried unanimously. **(1)**



The City Commission reviewed the bids for mowing service for mowing service for the Utilities Department. The bids were:

<b>VENDOR</b>	<b>TOTAL BID</b>
<b>WASTEWATER TREATMENT PLANT</b>	
Dupree Landscape	\$22,882.00
Harrell Lawn Care	\$53,125.00
Picture Perfect Lawns	\$88,400.00

<b>Lift Stations</b>	
Rockn'C Lawn & Landscape	\$24,140.00
Oasis Lawn Care	\$24,648.00
Harrell Lawn Care	\$25,787.30
Dupree Landscape	\$26,690.00
Picture Perfect Lawns	\$57,120.00

<b>KAW WATER TREATMENT PLANT</b>	
Dupree Landscape	\$12,636.00
Picture Perfect Lawns	\$30,800.00

<b>CLINTON WATER TREATMENT PLANT</b>	
Harrell Lawn Care	\$7,990.00
Dupree Landscape	\$9,724.00
Picture Perfect Lawns	\$20,400.00

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to award the bids for mowing services for the Wastewater Treatment Plant to Dupree Landscaping to Dupree Landscaping, in the amount of \$22,882; the Lift Stations to Rockn'C Lawn & Landscape, in the amount of \$24,140; the Kaw Water Treatment Plant to Dupree Landscaping for \$12,636; and the Clinton Water Treatment Plant to Harrell Lawn Care for \$7,990. Total amount for all areas was \$67,648. Motion carried unanimously. **(2)**

The City Commission reviewed the bids for one (1) heavy duty crew cab and chassis with optional crane for the Utilities Department. The bids were:

BIDDER	BID AMOUNT
Olathe Ford Sales, Inc.	\$83,999
Laird Noller Automotive	\$85,437
Shawnee Mission Ford	\$85,832

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to award the bid to Olathe Ford Sales Inc., in the amount of \$83,999. Motion carried unanimously.

(3)

The City Commission reviewed the bids for Comprehensive Housing Rehabilitation as indicated below. The bids were:

CONTRACTOR	956 LAWRENCE AVE	1729 LOUISIANA ST	2225 BARKER AVE
Keating Mud Jacking	\$17,500.00	No bid	No bid
Comet Corporation	\$ 23,100.00	<b>\$ 23,650.00</b>	\$ 46,795.00
T & J Holdings	<b>\$ 10,600.00</b>	No bid	No bid
<b>Staff Estimate</b>	\$ 18,200.00	\$ 17,041.59	\$ 27,252.00

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to award the bid for 956 Lawrence Avenue to T & J Holdings, in the amount of \$10,600; 1729 Louisiana to Comet Corporation, in the amount of \$23,650; and the bids were rejected for 2225 Barker Avenue because the bids exceeded the program limits of \$25,000. Motion carried unanimously.

(4)

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to authorize the City Manager to execute a contract agreement and purchase order with Duke's Root Control, Inc., for \$99,281.82 to complete the 2008 Chemical Root Control Program. Motion carried unanimously.

(5)

The City Commission reviewed the bids for Overland Drive from Queens Road to Stoneridge Drive and Stoneridge Drive from Overland Drive to 6<sup>th</sup> Street for street, storm sewer, and waterline improvements for the Public Works Department. The bids were:

<b>BIDDER</b>	<b>BID AMOUNT</b>
Engineer's Estimate	\$2,138,582.88
R.D. Johnson Excavating	\$1,690,649.46
King's Construction Co., Inc.	\$1,751,937.65
LRM Industries, Inc.	\$1,857,312.10
Linaweaver Construction, Inc.	\$2,103,964.21
Larkin Excavating, Inc.	\$2,261,693.60

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to award the bid to R.D. Johnson Excavating, in the amount of \$1,690,649.46. Motion carried unanimously. **(6)**

The City Commission reviewed the bids for the 2008 Crack Seal Program for the Public Works Department. The bids were:

<b>BIDDER</b>	<b>BID AMOUNT</b>
Engineer's Estimate	\$272,500
Missouri Pavement Maintenance, Inc.	\$226,500
LRM Industries, Inc.	\$264,500
Vance Brothers, Inc.	\$274,500

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to award the bid to Missouri Pavement Maintenance, in the amount of \$226,500. Motion carried unanimously. **(7)**

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to authorize a purchase order to ESRI for Geographic Information Systems software for

\$34,684.38 to continue the City's use of ESRI software maintenance for the period of April 12, 2008 to April 11, 2009. Motion carried unanimously. (8)

Ordinance No. 8233, rezoning (Z-10-26-07) approximately 15.171 acres from RSO (Single Dwelling Residential Office) to RM15 (Multi-dwelling Residential), located at 4000 West 24<sup>th</sup> Place, Inverness Park Addition, west of Crossgate Drive and south of Clinton Parkway, was read a second time. As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to adopt the ordinance. Aye: Amyx, Dever, Chestnut, Hack, and Highberger. Nay: None. Motion carried unanimously. (9)

Ordinance No. 8242, approving a Special Use Permit at 714 Vermont, for a cabinet shot, which is "Limited Manufacturing & Production Business", was read a second time. As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to adopt the ordinance. Aye: Amyx, Dever, Chestnut, Hack, and Highberger. Nay: None. Motion carried unanimously. (10)

Ordinance No. 8248, designating Ohio Street, 6<sup>th</sup> Street to 9<sup>th</sup> Street, as a main trafficway connecting link, was read a second time. As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to adopt the ordinance. Aye: Amyx, Dever, Chestnut, Hack, and Highberger. Nay: None. Motion carried unanimously. (11)

Joint City Ordinance No. 8243/County Resolution No. \_\_\_\_\_, regarding CPA-2007-8, CPA-2007-9, and CPA-2007-10, was read a second time. As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to adopt the ordinance. Aye: Amyx, Dever, Chestnut, Hack, and Highberger. Nay: None. Motion carried unanimously. (12)

Ordinance No. 8244, amending Section 20-601 of the Development Code to revise setbacks for the IG District when abutting residential zoning districts, was read a second time. As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to adopt the

ordinance. Aye: Amyx, Dever, Chestnut, Hack, and Highberger. Nay: None. Motion carried unanimously. (13)

Ordinance No. 8241, authorizing the City Manager to enter into an agreement with Aquila, Inc., to assign its franchise to Black Hills/Kansas Gas Company, LLC, was read a second time. As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx,** to adopt the ordinance. Aye: Amyx, Dever, Chestnut, Hack, and Highberger. Nay: None. Motion carried unanimously. (14)

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx,** to adopt Resolution No. 6761, authorizing the issuance of General Obligation Bonds in the amount of \$150,000 for the brick street reconstruction of Ohio Street, 6<sup>th</sup> Street to 8<sup>th</sup> Street. Motion carried unanimously. (15)

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx,** to approve the Special Event Permit (SE-03-08-08) for Jim Clark Motors auto tent sale to be held at 2727 Iowa Street from 9:00 a.m. to 7:00 p.m. from April 17<sup>th</sup> through April 19<sup>th</sup>. Motion carried unanimously. (16)

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx,** to approve Text Amendment (TA-12-25-07) to various sections of Chapter 20 Development Code related to the definition of family in RS Districts; and place on first reading Ordinance No. 8249, an ordinance providing for the amendment to various sections of Chapter 20 Development Code related to the definition of family in RS Districts. Motion carried unanimously. (17)

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx,** to authorize staff to pursue the Assistance to a Firefighters Grant (AFG) for personal protective equipment and an aerial ladder and authorize funding for twenty percent (20%) of the total cost (\$56,420 for personal protective equipment and \$300,000 for aerial ladder). The City's

commitment for funding is not required until after notification of grant awards if the City is successful. Motion carried unanimously. (18)

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to authorize the City Manager to enter into an agreement with First Management, Inc., for a community grant for the purpose of the Fire Medical Department's Safety House residing. Motion carried unanimously. (19)

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to authorize the City Manager to enter into a lease agreement with Daily Angus Farm, LLP, for \$175.50/acre/year, payable to the City for the lease of City property. Motion carried unanimously. (20)

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to receive correspondence from the Lawrence Arts Commission requesting modifications to Resolution No. 5966 and Resolution No. 5015. Motion carried unanimously. (21)

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to approve as "signs of community interest" a request from the Friends of the Lawrence Public Library to place signs advertising the used book sale between 6<sup>th</sup> and 9<sup>th</sup> Streets, between Massachusetts and Tennessee Streets on Friday, April 4 – Saturday, April 12. Motion carried unanimously. (22)

As part of the consent agenda, **it was moved by Chestnut, seconded by Amyx**, to approve as "signs of community interest" a request from the Lawrence Region Antique Automobile Club of America to temporarily erect directional and notification signs along 23<sup>rd</sup> Street in the area of the Douglas County Fairgrounds. Motion carried unanimously. (22)

## **CITY MANAGER'S REPORT:**

During the City Manager's Report, David Corliss said staff worked hard to provide the City Commission and the public an annual report on City's staff's accomplishments.

Also, the City's Fire/Medical Department was very actively involved in a number of rescues at Clinton Lake; the Police Department provided substantial support to a barricaded individual incident in Franklin County; and Sunday, a festivity required support from the Police Department and a number of other departments in the downtown area. He said City Departments in cooperation with the University of Kansas and other entities were making sure the City could celebrate safely. (23)

## **REGULAR AGENDA ITEMS:**

### **Conduct Election of Mayor**

Mayor Hack called for nominations for the office of Mayor.

**Moved by Hack, seconded by Chestnut,** to nominate Vice Mayor Dever as Mayor.  
Motion carried unanimously.

**Moved by Highberger, seconded by Amyx,** to close the nominations for Mayor.  
Motion carried unanimously.

**Moved by Highberger, seconded by Amyx,** to elect Vice Mayor Dever as Mayor.  
Aye: Amyx, Hack, Chestnut, and Highberger. Nay: None. Abstain: Dever. Motion carried.

(24)

Mayor Dever said he was honored to be elected as Mayor of the City of Lawrence. It was important to mention the tremendous support from his family; his wife and two daughters. He said his family had been very supportive from the minute he chose to run as City Commissioner. He also thanked his extended family which included friends and supporters who had always given incredible advice. He thanked the City staff and fellow Commissioners in being very supportive as he learned the responsibility of the job and more specifically the City

Manager, David Corliss, and former Mayor Sue Hack who always provided instruction and guidance when he needed it the most.

He cared very deeply about the City of Lawrence, his home for 20 years, and was committed to being a strong leader. He hoped to provide the guidance and leadership along with his fellow Commissioners to making Lawrence one of the best places to live and work.

The City was faced with a variety of challenges ahead as they provided the best possible City services for the community with a struggling economy. He had faith that they would continue to weather the storm but realized their jobs as City Commissioners would require many unpopular and difficult decisions as they did their best to do more with fewer resources.

The City had a very hard winter and the City infrastructure had suffered from the endless freeze/thaw cycle which reeked havoc on the roads. Thankfully, the previous City Commissioners had foresight in being invested in the infrastructure and the current situation the City was facing now, the City Commission would need to do more to prevent further deterioration to City streets, sidewalks and City property.

He said one of his goals was to increase the focus on the infrastructure and create an aggressive long term plan for the maintenance and upkeep of the streets. The City of Lawrence also needed to continue to focus on providing the best services available in the most efficient and cost effective manner.

The community needed to be one that was fair, consistent and caring, but they needed to look at their services with a constant sense of urgency and understand the community needed to have thoughtful growth if they were going to afford all the amenities that they had come to expect.

He said part of his desire to lead this community came from his many travels to other places. He had seen many mistakes made by other towns and municipalities and was glad Lawrence could thrive and maintain its individuality as a community, but he also saw many success stories in other places and believed this community could learn from those stories and



implement those in the City. This routine exposure to other places allowed him to provide some unique insight to help make Lawrence a better place. This was a great community and he hoped to make it better.

It was important to recognize there were many different opinions on what was wanted for this community. He said his desire was to create an open invitation to the citizens and other interested parties to meet on a regular basis. When new opportunities arose, they needed to discuss their differences and try to come to a common ground that would provide the best possible solution for the general public.

He said everyone understood the City needed to grow its tax base and could not afford to misstep. He said he would make it a priority to initiate meetings between individuals and groups who needed more clarification on topics and try to carefully educate all parties on the cost and the benefits of economic opportunities, City initiatives, and private investment in this community. The taxpayers of the communities deserved to know the details and he wanted to make sure they did the best possible job in providing those details on a timely basis well before any of the Commissioners were required to vote on an issue.

In conclusion, he wanted to thank his fellow Commissioners for this opportunity and the community for intrusting him with this position. He said he was committed to being fair, unbiased, considerate, and available to anyone who wanted to discuss and provide information. He said he thought he was speaking for all the Commissioners, in that they all stood ready to provide the leadership the community needed and the courage to do the things to make Lawrence the best City possible.

### **Conduct Election of Vice Mayor**

Mayor Dever called for nominations for the office of Vice Mayor.

**Moved by Highberger, seconded by Hack,** to nominate Commissioner Chestnut as Vice Mayor. Motion carried unanimously.

**Moved by Highberger, seconded by Hack,** to close the nominations for Vice Mayor.

Motion carried unanimously.

**Moved by Highberger, seconded by Hack,** to elect Commissioner Chestnut as Vice Mayor. Aye: Amyx, Dever, Hack, and Highberger. Nay: None. Abstain: Chestnut. Motion carried. (26)

**Comments of the Vice Mayor and City Commissioners:**

Vice Mayor Chestnut said he appreciated the opportunity as well. He saw people that were very instrumental to his election to Commissioner last year and appreciated their efforts. After serving for a year, he appreciated a comment made by Commissioner Hack in that being a Commissioner was hard work, but probably the most rewarding. There was nothing that he could say that made him more proud of serving the community and being involved.

He realized in efforts he put forth last year, it had been a tremendous sacrifice for his family. It was a sacrifice that took a lot of time and effort and the families should all be applauded for giving up their parent part or spouse for that length of time.

He said he looked forward to serving with Mayor Dever and some of the ideas he had put forth. It would be a difficult year, but he wanted to look at the bright side. He said these were hard economic times that faced the rest of the nation. Other municipalities were having the same struggles, but this was a time to make tough decisions, but in the end, they would be better.

He said he appreciated his fellow Commissioners, especially Commissioner Amyx, Hack and Highberger. No one would know what they would be getting into with this type of job. Commissioner Amyx had been in public service for many years and has a sense of knowledge and experience that he could not replicate.

He appreciated Commissioner Highberger's paradigm and perspective. One of the things he learned was the Commission had a diversity of opinion and he learned how to

appreciate people's perspectives and bring a sense of commitment and perspective that was appreciated.

He appreciated all the words of kindness Commissioner Hack gave him when he first started this journey. Commissioner Hack had been such a tremendous leader in the community for so long and really represented what was best for Lawrence.

It was an honor to serve the community he loved in which he was born and raised. He said he could not be sitting at a better place right now.

Commissioner Amyx said it was an honor to serve such a great community. He said when serving his term as Mayor, he had a great Vice Mayor because of her cheerfulness and she was someone who could help him get through difficult situations. Commissioner Hack was willing to help him at times when he could not attend meetings.

He thanked Mayor Dever and indicated that his life changed being in this position, but it changed for the positive. He said it was truly an honor to sit in that center chair working with City staff that provided necessary information to the Commission in order for the Commission to make decisions. He said there were many different groups available to help provide information in order to help the Mayor conduct a meeting the best he could.

Commissioner Highberger said it had been an honor working with Commissioner Hack and appreciated her dedication to the children in the community.

He said he looked forward to working with Mayor Dever and admired his dedication to the environment and wished him the best of luck on the Mayor's Climate Protection Task Force. It was a roller coaster of a ride and it would be over before he knew it.

He said he respected Vice Mayor Chestnut's intellect, reasonableness, fairness, thoroughness, and dedication. (28)

**The City Commission recessed for approximately 20 minutes**

**Consider the following items related to the Oread Redevelopment Project:**

**a) Conduct public hearing regarding the Redevelopment Project Plan.**

**b) Conduct Public hearing on Oread Redevelopment Plan and the Creation of Transportation Development District.**

David Corliss, City Manager, introduced the Oread Redevelopment project. He said the staff wanted to make sure to go into the right level of detail on the project plan and make sure the City Commission understood the items they were being asked to adopt this evening. The City Commission action was to adopt the redevelopment project plan and approve the execution of the development agreement between the City and the developer that laid out responsibilities, for both parties, for the project. Also, the creation of the transportation development district was up for approval which was the additional 1% sales tax that would exist on the Oread Inn project itself. The funds from that sales tax would be reimbursed back to the developer to help the developer pay for some of the public improvements for the project.

The City Commission had approved land use items to date as far as the rezoning and development plan. There had been some changes to the development plan that had to do with some of the access points on Indiana Street. The developer was adding an additional floor to the garage which changed the height of the structure. Those changes were viewed that it was significant enough that this item had to go back before the Planning Commission. The preliminary and final development plans would go back to the April Planning Commission meeting and the City Commission would see the preliminary development plan again after the Planning Commission's considerations. They thought the process was very straight forward and wanted to be sure the City Commission understood that process to date. He said those were the major issues on the development plan.

He said the other items conducted, to date, were the historic review. The City Commission adopted findings regarding the feasible and prudent alternatives and the planning related to the project. The appropriate statutory required communication was sent to the State Historic Preservation Officer and staff believed that had been finalized as far as the historic

preservation review aspects of that project. There would be additional historic review in a sense that the Historic Resources Administrator would be reviewing the final plans for the project as those plans were submitted.

He said also, as statutorily required, staff notified the County Commission and USD 497, as far as the creation of the TIF district. Those two entities were notified and had an opportunity to ask questions and work their will, but did not exercise their disapproval of the district. The other statutory requirement was a review by the Planning Commission of the redevelopment plan which was successfully conducted with the appropriate statutory findings.

Tonight was the night for the redevelopment plan adoption, for the approval of the development agreement, and the creation of the TDD and 1% sales tax. Later on, the City Commission would see the final documents that were altered. Staff was working with the developer to allow the developer to go ahead and proceed after the City Commission adopted the ordinance. He said staff's memo indicated they were ready to allow the issuance of demolition permits and allow demolition to begin April 9<sup>th</sup>. A certificate of appropriateness had been issued by the City Commission through the historic review process. The development agreement required the developer to build a project the City Commission approved. That was their level of assurance that demolition was appropriate and would get a structure the City Commission had approved.

He said staff wanted to walk the City Commission through the major provisions of the redevelopment agreement. It was a substantial agreement that set out a number of responsibilities for both parties.

Gary Anderson, Gilmore & Bell, Special Counsel for the City for this project, said he would call the Commission's attention to the Table of Contents with respect to the redevelopment agreement that set forth the various articles and kind of hit on some of the key provisions that were contained within the redevelopment agreement. The primary purpose of the redevelopment agreement was primarily for the developer to put their promises in writing

and the City had the ability to enforce those promises with respect to the provisions of the agreement.

**Article I:     *Definition and Rules of Construction and Representation***

**Article II:    *Representations and Warranties***

**Article III:   *Reimbursement of Redevelopment Project Cost*** - reimbursement and inspection process with respect to the eligible reimbursable expenditures.

**Article IV:    *The Redevelopment Project*** - scope of the project, budget, and the time frame; covenant in document to complete the project within thirty months; City's right to access; and, certain minimum investment invested in the project on completion.

**Article V:     *Use of the Redevelopment District*** – use and operation of the project; specific land use restrictions and uses that were not allowed within the redevelopment project pursuant to this agreement; and, additional rights of the City to obtain information with respect to leases and sales tax information.

**Article VI     *Reimbursement of Redevelopment Project Costs; Tax Increment Financing***  
- mechanical process of the TIF revenue. The TIF revenue would flow through the tax increment fund which the City would use to reimburse the developer on the pay as you go basis. No bonds would be issued for this project. Benefit of the pay as you go project was that it was strictly performance based. If the developer did not generate enough TIF revenues that would be the only amount of money the developer would get for the 20 year period. The maximum amount of the reimbursement between the TIF and TDD was \$11 million plus interest on that amount. He said when the threshold of \$7.1 million plus interest of reimbursement to the developer was met, then the TIF revenues after that point were split 50% with the developer and 50% with the taxing jurisdictions.

**Article VI     *Assignment; Transfer*** - restrictions with the respect to the ability to assign their rights or transfer their interest in the project.

**Article VIII     *General Covenants*** - standard provisions, specifically indemnification of the City.

**Article IX       *Defaults and Remedies***

**Article X        *General Provisions***

There were a number of exhibits and would call the City Commission's attention to Exhibits D – I:

Exhibit D - Project Budget;  
Exhibit E - Specific Design Standards  
Exhibit F - Land uses not allowed within the redevelopment district  
Exhibit G - CCR's  
Exhibit H - Minimum investment  
Exhibit I - Roof top flag pole diagram showing number and location of the allowable flags on top of the proposed Oread Inn.

Additionally, Section 10.06 was a standard provision which highlighted conflict of interest.

Section A - Related to the governing body, saying there was no conflict of interest and if there was, it would be disclosed.

Section B - Representation of the developer that they had done anything inappropriately in connection with the decision making process in connection with this project.

He said with respect to the TDD side of the ledger, there would be an additional 1% sales tax imposed in connection with the district which was basically the hotel. The additional sales tax would be used to pay for transportation improvements, which would last for a maximum period of 22 years once those costs have been reimbursed and that tax would disappear.

Mayor Dever called for public comment regarding the Redevelopment Project Plan, the Oread Redevelopment Plan and the creation of the Transportation Development District.

Matt Gough, Barber Emerson, appearing on behalf of the applicant, said staff had done a very good job in keeping the TIF process on schedule and keeping the City Commission informed of all the recent documents.

He said throughout the process the applicant had met with representatives from the Oread Neighborhood and those meetings resulted in a greater mutual understanding of each side's interest which has helped shape the project. This much was acknowledged by representatives of the Lawrence Association of Neighborhoods during the February 28<sup>th</sup> City Commission study session.

He wanted to address some of the concerns that had been raised about the fairness of the TIF and TDD with respect to the building and parking facility specifically for a hotel. To give some historical context and the actions of previous Commissions, on February 29<sup>th</sup>, 2000 the City Commission passed by a 4 – 1 vote to grant the Marriott Spring Hill Suites a perpetual and exclusive right to have 138 parking spaces in the Riverfront Mall. The current cost for a permit was \$192 per space or \$26,500 a year. The City Commission also permitted the Marriott to build the portico in the parking lot and covered awning in the entrance way. Just for example, if that same deal were extended to the applicant in this case, then the applicant would pay approximately \$39,000 a year for the approximately 200 parking spaces that would be built and the City would pay the \$6 million cost to build the facility and pay the financing. In this case, the opposite was true. The developer was going to pay all the expenses and hoped to receive over time, reimbursement from those costs from the TIF and TDD if it performed the way it was intended.

Another example of a TIF project that involved parking was the 900 block of New Hampshire which was a full faith and credit bond issuance and as everyone was aware it had not quite panned out and the City was responsible for those payments. In this case, it was impossible for that to happen because it was a pay as you go and if there was a shortage in TIF increment, the only effect would be an added financial cost to the applicant.



The City, at the applicant's expense, hired Springsted Inc. to prepare the feasibility study that was done in connection with the project. The estimated growth rates in the feasibility study were 1% per year for the increase of TIF and sales taxes and in previous years when growth rates and property values were more than 1%, but the feasibility study was a document that was designed to work forward, not backwards and today's economic forecast was not as optimistic as once previously case regarding increased property values and sales tax. He said his point in bringing up the feasibility study was to say regardless of what actually happened with the amount of tax increment developed over the term of the incentive projects was the feasibility study the City Commission reviewed in connection with this process was designed to be conservative. The governing body needed to have the ability to evaluate this project in the less than optimal assumptions because if they approved the project over the optimistic assumptions, there was a greater risk to the City that the project would not succeed. The conservative views taken in the feasibility study were a benefit to the City and encouraged developers to take a realistic look at projects. He said with respect to the reimbursement cap, they all hoped the Oread did better than the feasibility study estimated, and in that case from the City's perspective, then all the more sooner the tax revenues would come back on the tax rolls and the developer would be reimbursed.

In conclusion it was a performance based project that required the applicant to walk the walk before it could generate tax increment and TDD revenues. With no backing, indebtedness, or financial support from the City, the applicant must self perform and only then would it be reimbursed for expenses. At a time with this Commission was discussing the status of the local economy and need for new development, he was pleased to repeat several numbers he mentioned last time, which were 40, 20 and 7. It would provide \$40 million in payroll, \$20 million in visitor spending outside the Oread, and \$7 million in new, non TIF eligible taxes. The projected figures would be generated by the Oread to determine the TIF. He hoped the City

Commission would enable the Oread to do its part to address the City's economic concerns all without one dollar from the City's current general fund.

KT Walsh, member of the Lawrence Preservation Alliance, said she wanted to let everyone know this project opened a wonderful discussion on architecture as an art form in the community because there was so much contention about the blended styles of architecture and the future of architecture in the community. In that line of thinking, there was a presentation this Saturday, April 5<sup>th</sup>, at Marvin Hall, Room 216 on KU's campus. One of the KU architecture professors, Barry Newton, assigned students to restrict themselves to the same parameters of the Oread Inn by coming up with designs that might be more in keeping with the community.

**Moved by Amyx, seconded by Hack,** to close the public hearing for the Redevelopment Project Plan, the Oread Redevelopment Plan and the creation of the Transportation Development District. Motion carried unanimously.

Commissioner Amyx said in Section 9 of the Development Agreement, what happened if this project were to go into default.

Corliss said default was a legal status that stated the other party was not performing their contractual obligations. If default were to occur, then there were a number of opportunities for remedy. If the developer was in default, they could terminate the agreement and go to court as well. The likely areas of default in this type of structure was if they did not build the public infrastructure, there were default remedies where the developer would not receive the incremental tax revenues or a certificate of occupancy for the structure. If the developer did not build the structure as seen or maintain the quality of the hotel, there were opportunities to cure that and would be an issue of default. Again, if the developer did not perform, the developer would not receive the incremental tax revenue.

Mayor Dever said he received information regarding the capping of the eligible funds available, and asked if Corliss could comment about what lengths were gone to, to determine the total funding available to the developer and why those numbers were set at that amount.

Corliss said as was required by the tax increment financing law, staff engaged the Springsted Financial Advising Firm to provide an analysis of the project and the tax increment financing. The firm's finding was that tax increment financing was appropriate, in this case, and when they did the additional analysis of the incentive, they found that "but for" that level of incentive, the project would not be viewed as an appropriate rate of return that was acceptable in the market. He said staff looked at it from historical land use issues as well when the TIF development plan review process was initiated. In this case, the public's exposure to this project was limited because if the developer did not perform, the developer would not receive the incremental financing revenue. It had been clear in the public discussion that there was no general obligation of the City and no City debt involved. There were many public improvements that the developer had to build to City specifications in order to get the certificate of occupancy for the structure, also in order to get paid back the cost of those improvements. Staff thought that the stance that was outlined in the agreement was in the best interest of the community and agreed from staff's knowledge of costs for public improvements, that the City was not able to afford right now, the cost of the parking garage and it was appropriate to provide that as an incentive and "but for" the incentive, the project would not proceed. At some level, it was a matter of judgment, but in this case the City went beyond what the TIF law required and provided an analysis of that incentive as to whether or not it was necessary for the project to proceed.

Commissioner Hack said she was excited about this project. The Commission had been cautious about the numbers and the required study had been completed. The project passed muster in terms of the County and the School District. She would strongly suggest they move forward with the ordinances and resolution.

**Moved by Chestnut, seconded by Highberger,** to place on first reading, Ordinance No. 8253, adopting the Oread Redevelopment Project Plan. Motion carried unanimously. **(29)**

**Moved by Chestnut, seconded by Highberger,** to adopt Resolution No. 6760, approving a development agreement related to the Oread Redevelopment District. Motion carried unanimously. (30)

**Moved by Chestnut, seconded by Highberger,** to place on first reading, Ordinance No. 8254, creating a Transportation Development District and levying a Transportation Development District sales tax. Motion carried unanimously. (31)

**Consider approving, subject to conditions, SP-03-25-06, a site plan for improvements to the northwest corner of 9<sup>th</sup> and Vermont Streets (Carnegie Library).**

David Corliss, City Manager, introduced the item. He said he wanted to make it clear, regarding the headline this morning in the Lawrence Journal World that the Commission would not be approving the library, but asking for City Commission consideration to approve the site plan for City owned property, the former Carnegie Library. Lynne Zollner, Historic Resources Administrator, had worked hard to get the grant and tax credit approvals from National Park Service. He said one of the things that needed to be discussed was how the City Commission wanted to consider this project and when the Commission was comfortable in proceeding.

Lynne Braddock-Zollner, Historic Resources Administrator, said she inherited this project 4.5 years ago when she came to the City of Lawrence and it had been one of the most challenging projects she had worked on in her career, but also one of the most exciting. Carnegie libraries were very important to the history of the United States and this City was fortunate to have such an excellent example in Lawrence. The Carnegie Library had been a community interest for many years and they had been talking about what to do with this particular structure since the Lawrence Arts Center outgrew the existing Carnegie building in Lawrence. Many types of evaluations of the building had been or completed for space needs in the community. It was an important structure and the community had been in overwhelming support of the City doing something significant with this building.

The most recent project had been to try to find a way to take this 1904 structure with its addition and make it a structure the public could still use today. The greatest challenge for the structure was finding a way to make it accessible. It had no accessibility for anyone with any type of impairment, either visually or physically. They had been challenged to find a way to make it accessible to all the citizens of Lawrence and available to anyone who wanted to visit their community and at the same time not take away from the historic character of the building. It had been a challenge. The final solution they brought to the City Commission about two years ago met the challenge they faced. It was a very good thing for the community to see how they could take this historic structure and adapt it for the modern age.

She said the site plan was finally ready for approval since receiving National Park Service approval for the project. The first addition made for the building was for an elevator, staircase and restrooms were set back so they could still maintain the presence at the corner.

David Dunfield, Treanor Architects, said the local HRC reviewed this design in September 2006 and unanimously approved the design. The National Park Service approval, which they had been waiting on a considerable amount of time and had just recently received, was the trigger that allowed them to go forward.

He said some of the interior layouts had changed and evolved, but the addition provided an accessible entrance, stair for life safety purposes to meet life safety codes, an elevator for accessibility, and restrooms. They completed what was necessary to make it a useable community building under current codes and standards.

Commissioner Amyx asked if there was a change in the windows from 2 or 3 years ago when the Commission initially viewed this project.

Dunfield said yes. He said the original design produced was a more contemporary looking design in terms of the upper story element. It was treated as a glass box in essence. They came back as a result of comments from the HRC and from the State Historic Preservation Officer and introduced more of the brick material into this section of the addition.

One of the interesting things that came up in the course of this project was that the National Park Service reviewer felt very strongly that this addition should not reflect too much of the 1904 building because the two were separated physically and in time and the 1937 addition, although most find it less satisfying, was considered from a historic point of view to be every bit as important as the 1904 building. It was a difficult balance to try to figure out how to honor that 1904 building and make reference to the 1937 building and create something that represented the 21<sup>st</sup> Century at the same time.

Zollner said this was the final design that came back to the City Commission after the Historic Resources Commission met. The sticking point was the height of the addition for the National Park Service. They adjusted the height down without trying to diminish the modern view and look of the addition. The plan before the City Commission, other than the height addition, was the same the City Commission approved that had been forwarded to the Park Service.

Commissioner Amyx asked how many parking spaces would be lost in the parking lot to the north.

Zollner said there was a reconfiguration of the parking lot and would be losing almost an entire row. The double parking would be split.

Corliss said the previous City Commission talked about the uses and went through a public solicitation process and indicated it was appropriate for the City to maintain ownership of the building. As staff looked at the uses, Parks and Recreation believed that it could successfully use the top floor very similarly to what they had done at the Depot to rent out the facility for public and/or private events. He thought it was ideally suited for those uses and the synergy in uses that could come from downtown. Staff thought the Carnegie Building would be complimentary to the same uses of the Depot.

The Lawrence Convention and Visitors Bureau and the National Heritage Area would office out of that lower floor. He said staff was excited about opportunities to expand heritage tourism and was an appropriate use in an historic building.

He said the City Commission might want to discuss financing. The City had received a grant in which there was a long history about that grant. There was also an opportunity to sell tax credits which helped somewhat. There was the issue with the grant and thought it would be helpful for him to benefit from the Commission's discussion about this project and how the Commission wanted to proceed. Staff would be giving additional information to the Commission during the budget process in the coming months about the capital improvement budget and had some items that had not been funded to full allocation, but also had challenges in the bond and interest fund because that property tax dependent fund was not going to be growing with revenue like it had in the past.

Mayor Dever called for public comment.

Judy Billings, President & CEO, Destination Management Inc., said it was a newly organized entity that managed the Convention and Visitors Bureau and Freedom Frontier National Heritage Area and a couple other things. She said this building held a lot of emotions for people who live in Lawrence; many who had lived in Lawrence a lot longer than she had who went to the library. She experienced that building as an Art Center, both when her children attended when young and then as a board member as they were trying to decide whether to expand the building or to move to another location. She had some personal and emotional attachment to the building as did many people in the community.

She was involved with working on a National Heritage Area. At the time the City received proposals for the building, she did not know they were going to have a National Heritage Area. They were still working on creating it, enabling legislation passed through Congress, so now they had done that and were two months into the management planning process for a National Heritage Area to guide them over the next 10 – 20 years. It was a

process that was required by the National Park Service. It was a public process and they were receiving a lot of public input throughout the 41 county area. She said from visiting with heritage areas and the Park Service throughout the country, heritage areas that did not have a focal point of a heritage area, tended to be fragmented. The focal point moved from place to place. What she saw in this building was a place to focus in Lawrence and Douglas County as the place that was seen as the hub of the 41 county areas in Kansas and Missouri.

She said they were excited about the progress they were making and had a lot of support throughout the area from elected officials at all levels both in Kansas, Missouri and Grassroots folks throughout. She was excited to make this the hub of the heritage area and thought it was the perfect building to do that. They also had a track record in working with the City on a public facility in the way they were working with the City to manage the Visitor Information Center in Union Pacific Depot, so it could work just as well in both places. She was excited to be the steward to a building that had so much emotional attachment to the people who lived in the community.

Joan Scannell, Lawrence, said regarding the Carnegie Library she understood that bidding would proceed, but she did not know if City staff had a ball park idea of the costs and what the next steps would be. She said she was concerned about dollars and cents in Lawrence and making sense of it.

Corliss said essentially the City Commission has two action items. One was the land use issue and whether the City Commission approved the use of the site and the Commission would vote on approving the site plan. The other item was any direction the City Commission wanted to give staff on proceeding with working with Dunfield, the architect, to set a bid date which had to do with financing the project. Dunfield's estimate for the reconstruction of the building was that it was a little over a \$1 million to do the work outlined in order to make the building tenant ready for Parks and Recreation and the uses on the floor below. The City did not have that cash, but funded this project in the past through the City's bond and interest fund,



where the City issued debt and then those bonds were retired with property tax dollars over time. One of the questions the City Commissioners would discuss was whether or not they had enough information to proceed in setting a bid date or needed more financial information.

Scannell asked if there was any comparison data in what the Union Station generated in revenue and what this building might generate.

Corliss said the rentals from the Depot and other facilities helped the City pay the operations and maintenance to rent the building. The City had to hire people to monitor the facility while being rented to a private individual along with utilities and those kinds of things. The rental from the depot did not help with the major improvements needed on the building or repay the debt that was issued to rebuild that building. The rentals from the Carnegie Library would not repay that debt as well.

Scannell asked if the historical offices would pay any rent.

Corliss said that rent issue would be discussed with the City Commission.

Commissioner Amyx said the Commission had the opportunity to approve a site plan. The Carnegie Building had been through many agency requests for use of that building. He thanked Dunfield who was able to incorporate the changes and make the new addition have its own identity and at the same time, make that building not look like something that did not belong.

Commissioner Amyx said regarding the 2006 Capital Improvement Plan and the \$600,000 that was not utilized at that time, he asked if that money was used somewhere else.

Corliss said the City did not issue any debt, at that time, for this project.

Commissioner Amyx said this City owned building, which had been around for over 100 years, had served as the City's Public Library. He said it was worthwhile to try and figure out a way to preserve the building for public use. He said when discussing historic preservation, if the City did not do something about this historic building, the City would be guilty of demolition by

neglect due to performing minimum maintenance on that facility. He said “how” the building would be financed was a concern, but it was a building that should be preserved and utilized.

Commissioner Highberger echoed Commissioner Amyx’s comments. There was an empty building, at a prime location, in downtown Lawrence for too long and he did not want to lose the grant money allocated for this building. Although it was going to be a tricky time, he said they should move forward.

Vice Mayor Chestnut said he agreed with many of the comments of his fellow Commissioners. He said the building was iconic. He said he appreciated Zollner and Dunfield work on the site plan, but the site plan was not the issue. The issue was the funding and it was germane to discuss funding. The City’s bond and interest fund had expenditures exceeding revenues in 2005, 2006, and 2007. What the City was funding in property taxes and sales tax had not been enough to fund what the debt service was coming out over the last three years. He said \$1.1 million probably represented roughly 20 – 25% of what was typically allocated for City expenditures for capital and \$5 million was a watermark.

He would desperately like to redo that facility and agreed it was one of the most important buildings in the community, but when discussing Fire/Medical apparatuses and the fact those apparatuses were outside of their useful life, if the City could afford to fund 1 or 2 of those apparatuses, it would be appropriate. He said the City might be looking at property tax growth of 1 – 2% a year and the bond and interest fund was going to have some challenges going forward and put the City in a place where its capital spending was going to be restricted significantly over the next 3 or 4 years.

He said going forward he could not support this project. He said he understood the federal funding situation, but they needed to recognize the fact that \$98,000 represented about 7% of the total spending of the project. The City would be contributing 93% and federal funds covered only 7%. The funding was something he did not want to walk away from and

understood they were in a tight time frame, but from a financial stand point, he was concerned about the unintended consequences.

Again, he could not support moving forward simply because even if the Commission had budget discussions, he did not see the City's financial situation changing between now and August when they were at the end of the road with the federal money. He said he did not know what kind of allocation was made to the City's equipment reserve, but the City's wants far exceeded what the City had right now. He said this project was getting in line in front of a lot of things discussed as a community that they were challenged to fund. The only way he could see entertaining this project was to have a broader discussion about all the City's capital needs. He said some project would fall out and be delayed, and he was having a hard time having that equation work in his head.

Commissioner Hack said it was important to remember the historical nature of the building and importance to downtown. The decision was to keep the building as a City building and house part of the City's Parks and Recreation Department and the Freedom Frontier National Heritage Area. She said she wanted Lawrence to be the hub for Destination Management, Inc. as the City's Freedom Frontier National Heritage Area. Having office space in this historic building was critical, but could not be done without moving forward. It was an example of risk versus reward.

She appreciated the fiscal considerations, but if they did not take advantage of the grant, she did not think that was a smart thing to do in terms of the City's relationship with the Federal legislators. She said not using that funding offered the City no income potential at all, when there were possibilities for using that building for classes, receptions and meeting places that they lacked in this community. She supported the site plan and moving forward.

Mayor Dever said he was in favor of the City making the improvements to the building. It was important to make it accessible to everyone and it was the City Commission's duty. He

was excited about Destination Management and the things they could do for the City of Lawrence to draw tourists to the area.

The architect had done a tremendous job with designing the improvements. He had seen a number of neat Carnegie Libraries and went into one of those libraries in California and had on display, a letter the City wrote to Andrew Carnegie asking for funds. He said he wished there was someone the City could write a letter to, asking for the money. He said given current economic conditions, he was hesitant to approve the \$1 million needed to fund this project. He wanted to make sure the Commission was acting as fiscally responsible and although he approved the use and the site plan, he was not sure he was convinced the City could afford this endeavor at this time. He would be open to anyone donating the funds needed to proceed and looked forward to new voices in the building because it was a shame it was not being used right now.

Vice Mayor Chestnut said Phase I of the project was completed and the City spent \$300,000 or \$400,000 to basically upgrade the structure of the facility that was completed in 2004.

Corliss said to the exterior of the facility, retaining wall, and also windows. He did not think the exterior of the building was going to significantly deteriorate and the inside was a shell.

Vice Mayor Chestnut asked about the structural integrity of the building.

Zollner said one of the greatest concerns with any historic structure was when it was vacant. Buildings were meant to be lived in and used, and when those building were not, those buildings did not breathe appropriately and correct mechanicals were not present. She said she did not have the data, but could check with Parks and Recreation and Public Works. She said people were breaking into the building several times. Anytime there was a vacant structure standing, even though it looked good on the outside, a risk would be taken. Unfortunately with this building staff stabilized the exterior, but did not stabilize anything on the interior so there were a lot of things that continued to deteriorate on the interior of that structure.

Commissioner Amyx said as the Commission gave direction for those construction plans on the facility, he asked if financing would be discussed at a later date and if the Commission would look at concerns Vice Mayor Chestnut brought up, in conjunction with other projects the Commission would consider during the budget process.

Corliss said in May and June, he would be asking the City Commission to solidify the 2008 Capital Improvement Projects. The only contributor to the City's bond and interest fund was property taxes, motor vehicle taxes, and special assessments, but there was no sales tax. He said there had been some projects that were not likely to proceed the way those projects were articulated. Staff was committed toward the North 2<sup>nd</sup> and Locust project, but that was not happening this year. Traditionally, what the City had done was put that project out in the year that it was likely to happen. Sometimes with other projects more money was spent and staff needed to look and work on that. They could proceed with getting the plans in shape to bid and then if the City Commission was comfortable with the CIP budget for the remainder of this year and it was a stable mill levy, the Commission might be comfortable with moving forward. He said if the City Commission did not want to proceed with the project at all from a priority standpoint, then they should probably stop at this point.

**Moved by Amyx, seconded by Hack,** to approve the site plan (SP-03-25-06) improvements to the northwest corner of 9<sup>th</sup> and Vermont Streets (Carnegie Library), subject to the following conditions:

1. Submittal and approval of a photometric plan;
2. Submittal of Public Improvement Plans for streetlight and curblin improvements prior to releasing the plan for building permit issuance; and
3. Approval of the construction documents by the Historic Resources Administrator.

Motion carried unanimously.

**Moved by Amyx, seconded by Highberger,** to authorize staff to proceed with the next steps related to the construction of the Phase II improvements, including finalization of the bid

documents and to place the financing on a future city commission agenda for consideration.

Aye: Amyx, Hack and Highberger, Nay: Dever and Chestnut. Motion carried.

### **PUBLIC COMMENT**

Joan Scannell said she came to speak to discuss today's school board vote. She was assuming that it would pass and thought only one school board bid for money had not passed since she came to Lawrence in 1959. She was thinking in terms of the people who were in trouble with their mortgages in Lawrence and assumed there were many. She did not know the statistics and was not sure they received accurate answers from realtors. She discovered that she had a lot more questions than she did answers. She said the one thing wrong with Lawrence was Lawrence needed more business. She wanted to know what the problem was and the City's impediment to getting more business. She said the City should not be in the business of being in business and felt that when the City first talked about a City golf course. She was hoping that after a year in the black of the golf course, the City would sell the golf course. It was the same way she felt about the Sunflower Army Ammunition Plant and the way the City discouraged private industry interested in the Sunflower Plant. She had a lot of questions and did not know where to get the answers. Everyone knew how bad the economy was. She said she felt sorry for the people who would have their mill levy increase because of the school.

Mayor Dever said Scannell raised great questions and staff would be happy to provide some answers. He asked Scannell to write down specific questions for staff to answer. **(32)**

### **FUTURE AGENDA ITEMS:**

- |          |   |
|----------|---|
| 04/08/08 | <ul style="list-style-type: none"><li>• Adopt on second reading, ordinance approving redevelopment plan and redevelopment agreement and ordinance creating transportation development district and levying TDD sales tax.</li><li>• Receive 2007 annual report from the Convention and Visitors Bureau.</li></ul> |
| 04/29/08 | <ol style="list-style-type: none"><li>1. Oread Neighborhood Study Session follow-up items.</li><li>2. Public hearing regarding the sale and serving of alcohol within 400 feet</li></ol>  |

of a school or church for a proposed outdoor concert on the 900 block of New Hampshire.

TBD

3. Consider request from Lawrence Arts Commission regarding modifications to Resolution No. 5966 and Resolution No. 5015.
4. Receive staff report regarding a request for a roofing contractor licensing ordinance.
  - Consider draft Tax Increment Financing and Transportation Development District policies
  - Receive follow-up staff report on sales tax options
  - Consideration and discussion of proposed Neighborhood Revitalization Act plans. The Lawrence Association of Neighborhoods has indicated an interest in establishing a task force to review applications of the NRA.
  - Discussion of City/County funding relationships

Airport business park land use and public financing issues. ***Because valid protest petitions have been received, a super-majority vote (4 votes) would be needed regarding the rezoning items.***

- (a) Consider approval of the requested annexation of approximately 144.959 acres and direct staff to draft an ordinance for A-06-05-07, for Airport Business Park No. 1, located at E 1500 Road and US Hwy 24/40. Submitted by Landplan Engineering, for Roger Pine, Pine Family Investments, LC, and Kathleen and Brian Pine, property owners of record. (PC Item 16A; approved 5-2 on 10/24/07)
- (b) Consider approval of the requested rezoning and direct staff to draft an ordinance for Z-06-09-07, a request to rezone a tract of land approximately 99.31 acres, from A (Agricultural) and B-2 (General Business) Districts to IL (Limited Industrial) District with use restrictions. The property is located at the intersection of E 1500 Road and US Hwy 24/40. Submitted by Landplan Engineering, for Roger Pine, Pine Family Investments, LC, and Kathleen and Brian Pine, property owners of record. (PC Item 16B; approved 6-1 on 10/24/07)
- (c) Consider approval of the requested rezoning and direct staff to draft an ordinance for Z-06-10-07, a request to rezone a tract of land approximately 43.48 acres, from A (Agricultural) and B-2 (General Business) Districts to IL (Limited Industrial) District. The property is located at the intersection of E 1500 Road and US Hwy 24/40. Submitted by Landplan Engineering, for Roger Pine, Pine Family Investments, LC, and Kathleen and Brian Pine, property owners of record. (PC Item 16C; approved 6-1 on 10/24/07).
- (d) Consider approval of the requested rezoning and direct staff to draft an

ordinance for Z-06-11-07, a request to rezone a tract of land approximately 26.22 acres, from A (Agricultural) & B-2 (General Business) Districts to IL-FP (Limited Industrial-Floodplain Overlay) District. The property is located at the intersection of E 1500 Road and US Hwy 24/40. Submitted by Landplan Engineering, for Roger Pine, Pine Family Investments, LC, and Kathleen and Brian Pine, property owners of record. (PC Item 16D; approved 6-1 on 10/24/07).

(e) Consider accepting dedication of easements and rights-of-way for PP-06-07-07, a Preliminary Plat for Airport Business Park No. 1, located at E 1500 Road & US Hwy 24/40. The Planning Commission will also consider a number of waivers from the Development Code with this request. Submitted by Landplan Engineering, for Roger Pine, Pine Family Investments, LC, and Kathleen and Brian Pine, property owners of record. (PC Item 16E; approved 6-1 on 10/24/07).

1. Sidewalk dining regulations and guidelines.
2. Rural Water District contracts.
- 3.
4. Economic Development study session follow-up items.
5. Consideration of ordinances to change the composition of the Convention and Visitor's Bureau Advisory Board.
6. Receive update on the Lawrence Community Shelter UPR
7. Receive staff recommendation regarding priority ranking of intersections for submittal to KDOT for consideration for federal aid safety funding.

**Moved by Highberger**, seconded by Chestnut, to adjourn at 9: 25 p.m. Motion carried unanimously.

**APPROVED:**

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Sue Hack, Mayor

**ATTEST:**

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Frank S. Reeb, City Clerk



## **CITY COMMISSION MEETING OF APRIL 1, 2008**

1. Bid – Mowing Svcs, District 1 to Vernon's Lawn Mowing for \$3,060; District 2 to Vernon's Lawn Mowing for \$8,500; District 3 to Rockn'C Lawn & Landscape for \$5,400; District 1 Area, 2 to Oasis Lawn Care for \$9,600; and District 1, Area 3, Oasis Lawn Care for \$10,993.
2. Bid- Mowing Svcs, Wastewater Treatment Plant to Dupree Landscaping for \$22,882; Lift Station to Rockn'C Lawn & Landscape for \$24,140 Kaw Water Treatment Plant to Dupree Landscaping for \$12,636; and Clinton Water Treatment Plant to Harrell Lawn Care for \$7,990.
3. Bid – Heavy Duty crew cab for Utilities to Olathe Ford Sale for \$83,999.
4. Comprehensive Housing Rehab – 956 Lawrence Ave to T&J Holdings for \$10,600; 1729 Louisiana to Comet Corp fro \$23,650; and reject bid for 2225 Barker Ave.
5. Contract Agreement – 2008 Chemical Root Control Program to Duke's Root Control for \$99,281.82.
6. Bid – Benefit District, Overland Dr from Queens Rd to Stoneridge & Stoneridge from Overland to 6<sup>th</sup> to R.D. Johnson for \$1,690,649.46.
7. Bid – 2008 Crack Seal Program to Missouri Pavement Maintenance for \$226,500.
8. Purchase Order – GIS Software to ESRI for \$34,684.38 and maintenance from April 12, 2008 to April 11, 2009.
9. Ordinance No. 8233 – 2<sup>nd</sup> Read, rezone (Z-10-26-07) 15.171 acres from RSO to RM15 at 4000 W. 24<sup>th</sup> Pl.
10. Ordinance No. 8242 – 2<sup>nd</sup> Read, SUP at 714 Vermont.
11. Ordinance No. 8248 – 2<sup>nd</sup> Read, designating Ohio St, 6<sup>th</sup> to 9<sup>th</sup>, as main trafficway.
12. Ordinance No. 8243/County Resolution No. \_\_\_\_\_ - 1<sup>st</sup> Read, CPA-2007-8, 2007-9, & 2007-10.
13. Ordinance No. 8244 – 2<sup>nd</sup> Read, (TA-07-14-07) amend 20-601 of Develop. Code, revise setbacks for IG District when abutting residential zoning.
14. Ordinance No. 8241 – 2<sup>nd</sup> Read, Agreement with Aquila, assign franchise to Black/Hills/KS Gas Co.
15. Resolution No. 6761 – GOB, Ohio St, 6<sup>th</sup> to 8<sup>th</sup>, brick street reconstruction for \$150,000.
16. Special Event Permit – (SE-03-08-08) Jim Clark Motors, 2727 Iowa, 9 am to 7 pm, April 17 – April 19.
17. Ordinance No. 8249 – 1<sup>st</sup> Read and Text Amendment – (TA-12-25-07) Definition of family in RS Districts.

18. Assistance to Firefighters Grant – Equipment, authorize 20% of total cost \$56,420 for protective equipment & \$300,000 for aerial ladder.
19. Agreement – 1<sup>st</sup> Mgmt, Fire/Med Safety House.
20. Lease Agreement – Daily Angus Farm for \$175.50 acre/yr.
21. Modifications for Resolution No. 5966 & 5015, Lawrence Arts Ctr.
22. Signs of Community Interests – Headquarters Counseling Ctr, median at Clinton Pkwy & Inverness April 26.
23. Signs of Community Interests – Lawrence Region Antique Auto Club of America, directional & notifications signs, along 23<sup>rd</sup> St, DG Cnty Fairgrounds.
24. City Manger's Report.
25. Mayor Sue Hack Comments.
26. Elect Mayor – Mike Dever.
27. Elect Vice Mayor – Rob Chestnut.
28. New Mayor's Comments.
29. Ordinance No. 8253 – 1<sup>st</sup> Read, Oread Redevelopment Project Plan.
30. Resolution No. 6760 – Development Agreement Oread Redevelopment District.
31. Ordinance No. 8254 – Transportation Development District & levy sales tax.
32. Site Plan – (SP-03-25-06), 9<sup>th</sup> & Vermont (Carnegie Library)