



May 28, 2008

Dave Corliss
City Manager
City of Lawrence
6 East 6th
Lawrence, KS 66044

Craig Weinaug
County Administrator
Douglas County
1100 Mass
Lawrence, KS 66044

Dear Dave and Craig:

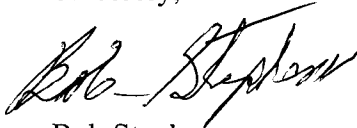
Douglas County Development, Inc. (DCDI) was incorporated on July 21, 1986 to foster the industrial and commercial growth and development of Douglas County. To that end, DCDI has been involved with marketing, constructing spec buildings and purchasing property in or around the East Hills Business Park (EHBP). DCDI currently owns a spec building at 3813 Greenway Drive and an 87 acre industrial tract just east of Noria Road and adjacent to EHBP.

The 87 acre tract has been of interest to many companies searching for locations over 50 acres and in fact, this is the only site currently in Lawrence that is zoned industrial and over 50 acres. However, the site is not development ready and that has led to companies choosing sites that were ready for development over this site in the past. We feel that this is an opportune time for that site to be made development ready by adding 7 feet of dirt to produce a pad site for a 400,000 square foot building.

DCDI would propose that the land be sold to the City of Lawrence and Douglas County for \$10 with the understanding that the dirt work is to be completed within the next 12 months. The closing of the sale will be conditioned on the completion of the elevation of the pad site. The site has a current market value of \$1,740,000 but DCDI is willing to donate the site to our local governments as part of the mission of the organization to promote economic development. We would also propose that there be an agreement in place stating that the site used for an industrial/commercial use that provides for increased employment by a new company or expansion of a local company.

DCDI has a long history of collaboration with the City and County and hope to continue that relationship as we move forward with economic development projects. We hope to hear from you soon on the proposal to sell the property. Please contact Beth Johnson at the Lawrence Chamber of Commerce at 785-865-4425 to further the discussion.

Sincerely,

A handwritten signature in black ink, appearing to read "Bob Stephens". The signature is fluid and cursive, with the first name "Bob" and last name "Stephens" clearly distinguishable.

Bob Stephens
President