



September 2, 2011

Dear Mayor Cromwell, Members of the Lawrence City Commission, and Mr. Corliss:

My name is Chris Piper and I own and operate a local business called Grandstand Sportswear and Glassware. I purchased this business in June of 1988 following my graduation from the University of Kansas. It originally had 7 employees and for the first few years we operated out of a small warehouse space at 315 NE Industrial Lane. We started as an apparel company, but soon after added glassware and promotional items. Through our relationship with Free State Brewing, we realized the Craft Brew industry had the potential to be a great niche market for us. The Craft Brew market has experienced tremendous growth and to date we have sold product to over 1000 Craft Brewers around the United States. We ship our products all over the United States including to Alaska, Hawaii, Maine, New York, Canada, and now Australia. Our growth over the last 23 years has necessitated several expansions, each time adding new employees and new products. Our most recent expansion has been to the former Honeywell property at 2920 Haskell, where we currently occupy around 30,000 SF. We continue to be blessed with opportunities to grow our business, and we again need to expand our physical space and add employees.

After an extensive search for suitable properties in Lawrence, as well as considering opportunities in surrounding communities, we have entered into a contract to purchase the former Sauer Danfoss property in the East Hills business park. We are currently in the midst of the due diligence period, which is set to expire on September 25. This is an enormous undertaking for us, as the building is 155,000 SF and is more than 5 times the size of our current space. I have also never owned my own property, and will be making the change from being a tenant to being an owner. While somewhat intimidating, these are also very exciting changes, and will give our company the opportunity to grow and expand for many years to come. I am writing to you today to request your help in facilitating this purchase, and the subsequent expansion and relocation of our business.

Our initial investment in the building will be \$4,500,000. In addition to the purchase price, we anticipate replacing the roof, making major improvements and repairs (and in some cases full replacements) to many of the heating and cooling units in the building, we will be making repairs to the driveways and parking lots, we will be doing some remodeling to the property, and we will be adding new machinery and equipment. I anticipate that our total investment in these items will be close to \$5,100,000.

I have attached for your review several reports which indicate the magnitude of the expenses we will be facing as we progress toward this move. The roof replacement bid is \$288,000. We are still waiting on the estimate to repair/replace the mechanical equipment but have attached the report outlining the problems identified by the inspection. We are also in the process of obtaining a bid for repairing the

drives and parking lot, but have attached several photos of the property showing their deteriorated condition.

The property has been vacant for more than a year, and much of this deterioration has occurred during that time, although there is also a significant amount of deferred maintenance. We are willing to absorb much of the cost of the repairs and replacements, but will need your help in several areas. One of the most significant annual costs for us will be property taxes, and it will be imperative that we receive a tax abatement in order to complete this move. I believe that our wages and benefits, along with our initial investment, and the fact that we are an existing local business relocating to an industrial park, would qualify us for up to a 65% abatement. Our average wage is \$14.16 per hour. In addition we pay 100% of the cost of health insurance for individual employees selecting our high deductible plan, and 94% of the cost on our lowest deductible plan for single coverage. We have already added more than 13 employees to date in 2011, and plan to add 11 more in 2012.

In addition to the abatement, it would be helpful if you would be able to assist with the conversion of the current lighting to an energy efficient lighting system throughout the building. The current lights are virtually obsolete, extremely energy inefficient, and it is difficult to even get replacement parts. We are in the process of obtaining estimates for this change, and believe this will be not only a benefit to our company in terms of reduced energy costs, but it will have a broader community benefit as we will be using less energy.

My goal is to complete our due diligence by September 25, close on the purchase by October 25, and begin immediately with the renovations and repairs to the building, and have our move completed by the end of the year. When I started this company in the summer of 1988, my goal was to build a company that could provide a means of income for my family, and the families of the people I worked with. I have been fortunate to be surrounded with a great staff that has built a company that is uniquely poised to obtain significant growth in the immediate future. Just today I heard a news report indicating there was no new job growth for the last measured period, so we feel extremely grateful for our success. With your help we will be able to continue to grow our business, help expand our local economy, provide jobs for area residents, and pay taxes that support our community.

I look forward to your response, and will be happy to provide any additional information or answer any questions.

Best Regards,

A handwritten signature in black ink that reads "Chris Piper". The signature is written in a cursive, flowing style.

Chris Piper  
President