

## Patrick E. Peery

1605 Crescent Road  
Lawrence, Kansas 66044  
[ppeery@lane4group.com](mailto:ppeery@lane4group.com)  
Mobile: 414-628-4228

March 10, 2013

David Corliss  
City Manager  
City of Lawrence  
PO Box 708  
Lawrence, KS 66044

Chuck Soules  
Director of Public Works  
City of Lawrence  
PO Box 708  
Lawrence, KS 66044

Re: Wesleyan Church Property  
SEC 31<sup>st</sup> and Kasold

Gentlemen:

The Kansas District of the Wesleyan Church through its local congregation, The Lawrence Wesleyan Church, ("the Church") is the owner of a 33 acre tract of land in the location known as "Kasold on the Curve" (the "Property"). I am a Lawrence resident and regular attendee of the Church and am writing as a lay volunteer and the Church's representative for the development of this Property.

This letter is in support of the recent petition for the formation of a Benefit District for the construction of public street, storm sewer and waterline improvements for Atchison Street and 32<sup>nd</sup> Street and upgrade improvements to 31st Street and E1200 Road (the "Public Improvements") which was submitted by J. Dean Grob of Grob Engineering Services by letter on February 11, 2013. A copy of the Petition and submittal letter is attached.

In 2009, the Church acquired the property and obtained annexation into the City of Lawrence with an RM 12 zoning classification with the intention of using a portion of the property for construction of its new church building (the "Church site") and selling a portion (the "Residential site") to help reduce its cost basis in the Property. As recommended by staff and in conformance with the Southern Development Plan, the Property was annexed and zoned with a condition that the residential density not exceed 6 dwelling units per acre.

Until now the Church has been unable to find a buyer willing to pay fair value for the Residential site with this conditional zoning attached and consequently has been unable to generate the needed proceeds from the sale of the Residential site to proceed with its new facility on the Church site. However, with the improving prospects in the local market for development and financing of low density housing, the Church believes it has found a Buyer (a partnership among John McGrew, Jerry Willis and Mike McGrew, the "Grand LCC") that can profitably develop a residential project under this zoning and is very excited that this will enable the Church to commence its long-awaited project. But we believe that this will not be feasible for either the Church site or the Residential site without a Benefit District to aid in the financing of the necessary Public Improvements.

As specified in the Petition, the Church is not requesting that any of the cost of the Public Improvements be borne by the City at-large. We propose that 100% of the costs be assessed to the property owners allocated according to an adjusted front foot method with the adjustment as stated in the Petition which is designed to cap the Church's allocation at a specified amount of the cost.


We understand that the policy of the City in these matters for newly developing areas is to limit the inclusion in the special assessments for financing the improvements to 75% of the costs; however, in this case the Church is requesting that the City approve 100% of the costs for inclusion in the special assessments. There are three reasons that justify this:

1. The area surrounding the Property can be considered to be a substantially developed area allowing the City Commission to waive this limitation.
2. The new streets have benefit to the City at-large namely improved traffic circulation for the interest of the public convenience and safety by reducing the car trips using the existing intersection of E1200 Road at the apex of the Kasold Curve to access the South Lawrence Trafficway. Creation of 32<sup>nd</sup> Street and Atchison Way will allow a safe alternative route for motorists to access southbound E1200 Road from westbound 31<sup>st</sup> Street and vice versa without having to make turning movements in front of higher speed traffic just as it approaches the curve.
3. The project is not financially feasible without it. According to Grand, LLC, the Residential site project with the additional capital and interest required to pay 25% of the Public Improvements upfront will not deliver an adequate rate of return to justify the development under the conditional zoning that exists on the Property. As for the Church, its capital reserves need to be conserved to enable it to construct its facility while its operating budget can be more easily managed to make the increased special assessments.

The Church and Grand LLC are at a point in the project where they will need to incur significant costs to design the Public Improvements. If it appears that the City is not going to approve the use of the Benefit District method of financing the Public Improvements as requested in the Petition, then we would appreciate receiving an indication of that before this money is spent. Accordingly, we are requesting a meeting with the appropriate members of City staff to answer any questions about the Petition and to request that the item be placed on an upcoming City Commission agenda with a recommendation for approval.

A separate letter from Rev. Nate Roventine, Lead Pastor of the Church, is attached for further support of the Petition. Please do not hesitate to contact either myself or Pastor Roventine if you have any questions.

Respectfully

  
Patrick E. Peery

CC: Scott McCullough  
Mary Miller  
John McGrew  
Dean Grob  
Mike McGrew  
Jerry Willis

February 11, 2013

Chuck Soules, P.E.  
Director of Public Works  
City of Lawrence, Kansas  
P.O. Box 708  
Lawrence, Kansas 66044

Re: Petition for establishment of benefit district for public improvements on behalf of Kansas District of the Wesleyan Church, Inc.


Dear Mr. Soules,

The Kansas District of the Wesleyan Church, Inc. would like the City Commission's consideration of the attached petition for the formation of a benefit district for the construction of public street, storm sewer, and waterline improvements for Atchison Street and 32<sup>nd</sup> Street, and upgrade improvements to 31<sup>st</sup> Street and E1200 Road (Kasold Drive extended), and other necessary and appropriate improvements appurtenant thereto.

The formation of the benefit district is critical to the future development of the Wesleyan Church property. The Wesleyan Church is not requesting that any costs be paid by the City of Lawrence at large, unless additional improvements to E1200 Road (Kasold Drive extended) are desired in excess of those required by the previously executed Annexation Agreement. The Wesleyan Church would like to continue with platting and engineering of public improvements, but feel a positive vote from the Commission is necessary prior to proceeding. We respectfully request consideration by the Commission at the soonest appropriate meeting.

The owners and I would be happy to meet with you and staff as appropriate to discuss our project further. We look forward to hearing from you soon. If you are in need of assistance or require additional information, please do not hesitate to call me at (785) 856-1900 or email at [jdgrob@grobengineering.com](mailto:jdgrob@grobengineering.com).

Very truly yours,



J. Dean Grob, P.E.  
Grob Engineering Services, LLC

Attachment - Petition

cc: Scott McCullough  
Pat Peery- Owner's Representative  
John McGrew

PETITION

**TO THE GOVERNING BODY OF THE CITY OF LAWRENCE, KANSAS:**

We, the undersigned, owners of record of property located within the City of Lawrence, Kansas (the "City") do hereby respectively request that the Governing Body of the City create and designate an improvement district for the purpose of making certain improvements in the manner provided by K.S.A. 12-6a01, *et seq.*

**1. The general nature of the proposed improvements are as follows:**

THE CONSTRUCTION OF PUBLIC STREET, STORM SEWER, AND WATERLINE IMPROVEMENTS FOR ATCHISON STREET AND 32<sup>ND</sup> STREET, AND UPGRADE IMPROVEMENTS TO 31<sup>ST</sup> STREET AND E1200 ROAD (KASOLD DRIVE EXTENDED), AND OTHER NECESSARY AND APPROPRIATE IMPROVEMENTS APPURTENANT THERETO.

(the "Improvements").

**2. The estimated or probable cost of the Improvements is:**

\$ 689,200.00 (to be increased at the pro-rata rate of 1 percent per month from and after the adoption date of the resolution authorizing the Improvements), plus costs of issuance and plus costs of interest on any temporary financing.

**3. The extent of the proposed improvement district to be assessed is:**

Parcel 1 - Douglas County Plate No. U16343 - Kansas District of the Wesleyan Church Inc.

(the "Improvement District").

**4. The proposed method of assessment shall be:**

All property in the Improvement District located on the west side of Atchison Street (Proposed) and north of 32<sup>nd</sup> Street (Proposed) shall be assessed 50% of the costs of the Improvements up to the initial principal amount of \$330,100, and all lots and tracts located on the east side of Atchison Street (Proposed) and on the south side of 32<sup>nd</sup> Street (Proposed) shall be assessed the balance of the costs of the Improvements, and shall be assessed equally among the platted lots.

**5. The proposed apportionment of cost between the Improvement District and the City at Large is:**

One hundred percent (100%) of the costs shall be paid by the Improvement District and no costs shall be paid by the City at large.

**6. The signers of this Petition who have dedicated or conveyed property necessary for the street improvements hereby request that, pursuant to K.S.A. 12-692, the governing body exempt such property from special assessments related to the costs of acquiring land necessary for the construction of the street improvements.**



**EXHIBIT A**

**LEGAL DESCRIPTION OF LAND OWNED BY KANSAS DISTRICT OF THE WESTLEYAN CHURCH, INC.**

**Parcel 1 - As defined by Douglas County Appraiser's Office**

14-13-19 TR IN NW 1/4 DESC AS: BEG AT NW COR SD 1/4 SEC; TH N88°10'13"E ALONG N LINE SD 1/4 SEC 902.6 FT; TH S01°49'47"E 417.4 FT; TH N88°10'35"E 421.79 FT; TH S01°49'40"E 905.17 FT; TH S88°06'55"W 1136.44 FT; TH N11°06'59"W 85.87 FT; TH S88°12'44"W 175.02 FT; TH S88°12'53"W 50 FT; TH N01°47'07"W 177.84 FT; TH N88°12'53"E 17 FT; TH N01°47'07"W 330 FT; TH S88°12'53"W 17 FT; TH N01°47'07"W 731 FT; TH N88°12'53"E 50 FT TO PT OF BEG, LESS COM AT NW COR SD 1/4 SEC; TH S01°47'07"E ALONG W LINE SD SEC 620 FT TO PT OF BEG; TH N88°12'53"E 97 FT; S01°47'07"E 40 FT; TH S88°12'53"W 97 FT; TH N01°47'07"W 40 FT TO PT OF BEG 37.14A (ANNEXED TO CITY OF LAWRENCE ORD NO 8471 BK 1057/482 REPLACES 800428A 2010)

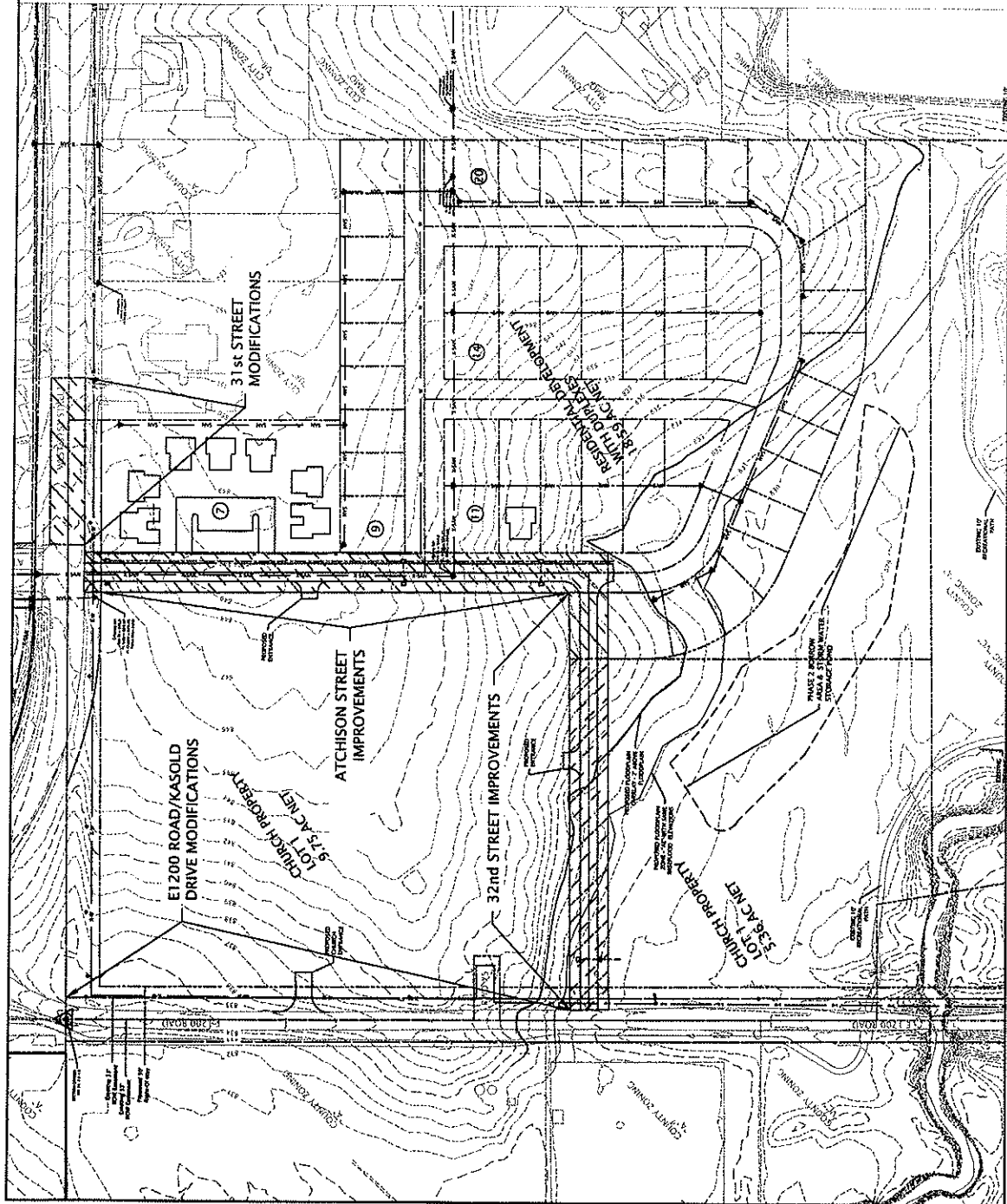
**GES**  
 GROB ENGINEERING & SERVICES, LLC  
 3210 Mesa Way, Suite A • Lawrence, Kansas 66044  
 P.O. Box 502 • Lawrence, Kansas 66044  
 Phone 785 856-1900 • Fax 785 856-1901

**WESLEYAN CHURCH & RESIDENTIAL**  
 DEVELOPMENT PLAN FOR  
 E 1200 ROAD & 31ST STREET  
 LAWRENCE, KANSAS

DESIGNED BY  
 JDC  
 CHECKED BY  
 JDC  
 ISSUE DATE  
 JANUARY 30, 2013  
 REVISION DATE

TOTAL SITE AREA (AC)	34.725
CHURCH SITE GROSS AREA	17.70
E1200 ROW	1.38
ATCHISON/32nd ROW	1.21
CHURCH SITE NET AREA (N)	9.75
CHURCH PROPERTY (S)	5.36
RESIDENT. SITE GROSS AREA	17.03
E1200 ROW	0.00
ATCHISON/32nd/INTERIOR	3.80
RESIDENT. SITE NET AREA	13.23

**BENEFIT DISTRICT**  
 The benefit district would include Atchison Street, 32nd Street, 31st Street modifications, and E1200 Road/Kasold Drive extended



**CHURCH PROPERTY/RESIDENTIAL DEVELOPMENT LAYOUT**

SCALE: 1 inch = 160 feet

