



City of Lawrence

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CITY COMMISSION

MAYOR
MIKE AMYX

COMMISSIONERS
JEREMY FARMER
DR. TERRY RIORDAN
ROBERT J. SCHUMM
MICHAEL DEVER

April 8, 2014

The Board of Commissioners of the City of Lawrence reconvened at 2:02 p.m., in the City Commission Chambers in City Hall with Mayor Amyx presiding and members Dever, Riordan and Schumm present. Farmer was absent.

A. EXECUTIVE SESSION:

1. **Consider motion to recess into executive session for approximately two hours for the purpose of discussing non-elected personnel matters. The justification for closing the meeting is to keep personnel matters confidential at this time and to protect the privacy of non-elected personnel.**

Vice Mayor Farmer arrived at 2:04.

Moved by Schumm, seconded by Riordan, to approve a motion to recess into executive session for approximately two hours. Motion carried unanimously.

B. TOUR:

1. **After the conclusion of the executive session, City Commissioners plan to travel to view Rock Chalk Park as time allows. After the tour, the City Commission Meeting resumed at 6:35 p.m. in the City Commission Room.**

The commission reconvened at 4:14 p.m.

Moved by Dever, seconded by Riordan, to recess at 4:15 p.m. for a tour of Rock Chalk Park. Aye: Amyx, Dever, Farmer, and Riordan. Nay: None. Absent: Schumm. Motion carried.

C. RECOGNITION/PROCLAMATION/PRESENTATION:

1. Proclaimed Wednesday, April 9, 2014 as John Bode Day.

D. CONSENT AGENDA



It was moved by Schumm, seconded by Riordan to approve the consent agenda as below. Motion carried unanimously.

1. Received minutes from various boards and commissions:

Planning Commission meetings of 01/27/14 and 02/24-26/14

2. **PULLED FROM THE CONSENT AGENDA FOR SEPARATE VOTE.** Approved claims to 211 vendors in the amount of \$3,484,253.07, and payroll from March 23, 2014 to April 5, 2014, in the amount of \$1,921,577.61.

3. Approved a license as recommended by the City Clerk's Office.

Drinking Establishment License

Jefferson's
Jefferson's Downtown LLC
743 Massachusetts St.

Expiration Date

April 7, 2014

4. Bid and purchase items:

- a) Set a bid date of April 29, 2014 for Bid No. B1412 - Project UT1313, Mississippi Street Waterline Replacement.
- b) Awarded the Bid for Bid No. B1413 - Project UT1407, for the installation of a motor and VFD for Clinton Raw Water Pump 4 to the low bidder, Wolf Construction, in the amount of \$45,830 and authorize the City Manager to execute the contract.
- c) Awarded the Bid for Bid No. B1419 - Project UT1304 Contract 1 Wakarusa Conveyance, Haskell Avenue Casing Pipe to the low bidder, Emery Sapp & Sons, Inc., in the amount of \$88,600 and authorized the City Manager to execute the contract.
- d) Awarded the bid for the pumps and motors rehab program for the Utilities Department to Douglas Pump for \$26,900, JCI for \$50,181, and Letts Van Kirk for \$38,842.82. Total for all pumps and motors is \$115,923.82.
- e) Authorized the City Manager to Execute Supplemental Agreement No. 3, in the amount of \$71,983, to the Existing Engineering Services Agreement with Black & Veatch Corporation for Project UT1304 Wakarusa Wastewater Treatment Plant and Conveyance Corridor Facilities.
- f) Authorized a purchase order for design and printing of the 2014 Summer/Fall Activities Guide to the Lawrence Journal World in an amount not to exceed \$17,000.
- g) Approved the purchase of cardio and weight equipment for the new recreation center at Rock Chalk Park from Advanced Exercise Equipment for a total of \$120,428.29, utilizing the State of Kansas contract.

- h) Authorized the City Manager to enter into an agreement with KU Athletics, Inc. for donation of a water cooling system for the Lawrence Outdoor Aquatic Center with a total cost not to exceed \$45,000.
- 5. Adopted on second and final reading, Ordinance No. 8972, establishing No Parking along the south side of Harvard Road, from Centennial Drive, west 100 feet (TSC Item #2; approved 8-0 on 03/03/14).
- 6. Approved a Special Use Permit, SUP-14-00007, for a Pump Station, located at 547 Maple Street and 500 Perry Street. Submitted by Bartlett & West, for the City of Lawrence, property owner of record. Adopted on first reading, Ordinance No. 8977, for Special Use Permit (SUP-14-00007) for a Pump Station located at 547 Maple Street and 500 Perry Street. (PC Item 1; approved 10-0 on 3/24/14)
- 7. Referred annexation request to Planning Commission: A-14-00104, of approximately 102.64 acres located along the east side of S. Iowa Street and the south side of N. 1250 Road (Armstrong Road). Submitted by Landplan Engineering PA on behalf of Armstrong Management LC and Grisham Management LC, property owners of record.
- 8. Received annual report from the Lawrence Community Shelter, for Special Use Permit SUP-1-3-10, located at 3701 Franklin Park Circle.
- 9. Approved a temporary use of public right-of-way permit for use of Massachusetts, including the rolling closure of the northbound lane of Massachusetts Street downtown from 11:00 a.m. to 11:30 a.m., on Saturday, April 19, 2014 for the Earth Day Walk.
- 10. Approved a temporary use of public right-of-way permit for use of Massachusetts, including the rolling closure of the northbound lane of Massachusetts Street downtown from 10:00 a.m. to 10:30 a.m., on Saturday, April 26, 2014 for the March of Dimes Walk.
- 11. Approved a temporary use of public right-of-way permit allowing the closure of Pennsylvania Street from 8th to 9th Streets on Saturday, May 10, 2014 for the Kansas Food Truck Festival and adopt on first reading, Ordinance No. 8975, allowing the possession and consumption of alcohol on Pennsylvania Street, from 8th to 9th Streets, as part of the event.
- 12. Approved a Temporary Use of Public Right-of-Way Permit allowing the closure of a portion of the 900 block of New Hampshire Street for the Arts Center Final Friday event from noon, Friday, May 30 until 1:00 p.m. Saturday, May 31, 2014, and adopt on first reading, Ordinance No. 8978, allowing the possession, and consumption of alcoholic liquor on public property on Friday, May 30, 2014, from 12:00 p.m. to 1:00 p.m., on Saturday May 31, 2014 in the 900 block of New Hampshire Street, from north of the south entrance of the parking garage to 9th Street associated with the Final Friday/Art Tougeau event; provided the sale.
- 13. Approved the following items related to the 2014 Tour of Lawrence:
 - a) Approved temporary use of right-of-way permit for the use of various City streets on June 27-29, 2014;
 - b) Approved the donation of various City services;

- c) Approved allocation of \$10,000 from the Guest Tax Reserve Fund to the CVB; and
 - d) Adopted on first reading, Ordinance No. 8970, allowing the possession and consumption of alcohol on the 700 and 800 blocks of Vermont Street and west 100 block of 8th Street from Massachusetts Street to Vermont Street, including the intersection of 8th Street and Vermont Street and the plaza area between the Vermont Street parking garage and the Public Library on Friday, June 27, 2014 from 4 p.m. until 11 p.m. and the 600, 700 and 800 blocks of Massachusetts Street and Vermont Street and on the east and west 100 block of 7th Street and west 100 block of 8th Street from Vermont Street to Massachusetts Street, on Sunday, June 29, 2014, from 11 a.m. until 6 p.m. as part of the event.
14. Approved the following items related to the 2014 Free State Arts Festival.
- a) Approved allocation of \$20,000 from the Guest Tax Reserve Fund to the Lawrence Arts Center and approve donation of various in-kind city services in support of the Free State Festival;
 - b) Approved a temporary use of right-of-way permit for the use of various city streets on June 25-29, 2014 for the Free State Arts Festival; and
 - c) Adopted on first reading, Ordinance No. 8974, allowing the possession and consumption of alcohol on Friday, June 27, 2014 from 5:00 p.m. – 12:00 a.m. in the 900 block of New Hampshire Street, from north of the south entrance of the parking garage to 9th Street, associated with Free State Arts Festival.
15. Accepted dedication of right-of-way on Wakarusa Drive at Overland Drive as a site plan condition of the proposed Wakarusa Medical Center at 4930 Overland Drive.
16. Received draft 2013 Annual Report: Economic Development Support & Compliance and refer to the Public Incentives Review Committee for review and recommendation.
17. Authorized the City Manager to execute a license for the use of city property for agricultural use in the Common Ground Program for Willow Domestic Violence Center at 1920 Moodie Road.
18. Authorized the Mayor to sign an amended Consent Order with the Kansas Department of Health and Environment outlining the responsibilities of the City for environmental remediation of the Lawrence VenturePark site.
19. Received Bert Nash Community Mental Health Center 2013 Fourth Quarter Performance Report and 2013 Annual Performance Report.
20. Approved as “signs of community interest”, a request from the Douglas County Master Gardeners to place directional signs in specified rights-of-way throughout the City for the Douglas County Master Gardeners Spring Garden Fair, for the period of April 9 - April 13, 2014.

Amyx pulled consent agenda item no. 2 regarding claims and payroll for a separate vote.

Moved by Schumm, seconded Riordan, to approve non-Rock Chalk Park related claims to 210 vendors in the amount of \$3,480,292.07, and payroll from March 23, 2014 to April 5, 2014, in the amount of \$1,921,577.61. Aye: Amyx, Dever, Riordan and Schumm. Nay: None. Motion carried unanimously.

Moved by Farmer, seconded by Dever, to approve Rock Chalk Park related claims to 1 vendor in the amount of \$3,961.00. Aye: Dever, Farmer, Riordan, and Schumm. Nay: Amyx. Motion carried.

E. CITY MANAGER'S REPORT:

David Corliss, City Manager, presented the report.

Farmer said regarding the budget process and in addition to the City Budget 101 Meeting, there would be two other meetings that the City Commission would schedule to allow public input on important issues to the public.

Corliss said staff wanted to meet early enough in the budget process so that it was meaningful as far as requests or deletions as opposed to the statutorily required public hearing in August.

Amyx asked if Corliss mentioned the budget meeting on May 20th.

Corliss said correct. He said that was scheduled at City Hall, but it had been suggested to have the meeting outside of City Hall which would be of a more listening session as opposed to the City's regular meeting.

F. REGULAR AGENDA ITEMS:

1. **Conduct note sale. Review bids received and approve sale of general obligation Series I notes to the lowest responsible bidder. Consider adopting Resolution No. 7067, authorizing the sale of \$62,835,000 in general obligation Series I notes. Review bids received and approve sale of general obligation Series II notes to the lowest responsible bidder. Consider adopting Resolution No. 7068, authorizing the sale of \$5,695,000 in general obligation Series II notes.**

Ed Mullins, Finance Director, presented the staff report.

The City Commission reviewed the bids for General Obligation Temporary Notes Series 2014-I notes. The bids were:

BIDDER	Net Interest Rate (%)
Bank of America Merrill Lynch	0.152928
J.P Morgan Securities LLC	0.166630
Morgan Stanley & Co. LLC	0.181547
Citigroup Global Markets Inc.	0.182541
Wells Fargo Bank, National Association	0.186519
Oppenheimer & Co., Inc.	0.297901

Moved by Schumm, seconded by Riordan, to award the bid to Bank of America Merrill Lynch, for the Net Interest Rate of 0.152928%. Aye: Amyx, Dever, Farmer, Riordan and Schumm. Nay: None. Motion carried unanimously.

The City Commission reviewed the bids for General Obligation Temporary Notes, Series 2014-II notes. The bids were:

BIDDER	Net Interest Rate (%)
Citigroup Global Markets Inc.	0.282969
J.P. Morgan Securities LLC	0.343594
UMB Bank N.A.	0.437500
Commerce Bank	0.439766
Oppenheimer & Co., Inc.	0.442422

Moved by Schumm, seconded by Riordan, to award the bid to Citigroup Global Markets Inc., for a True Interest Rate of 0.282969%. Aye: Amyx, Dever, Farmer, Riordan and Schumm. Nay: None. Motion carried unanimously.

Mayor Amyx called for public comment.

After receiving no public comment, **it was moved by Schumm, seconded by Riordan,** to adopt Resolution No. 7067, authorizing and directing the issuance, sale and delivery of

\$62,835,000 in General Obligation Temporary Notes, Series I Notes, of the City of Lawrence Kansas; and, adopting Resolution No. 7068, authorizing the sale of \$5,695,000 in General Obligation Series II notes, both resolutions providing for the levy and collection of an annual tax, if necessary, for the purpose of paying the principal of and interest on said notes as they become due; making certain covenants and agreements to provide for the payment and security thereof; and authorizing certain other documents and actions connected therewith. Aye: Amyx, Dever, Farmer, Riordan and Schumm. Nay: None. Motion carried unanimously.

2. **Conducted a public hearing for the fire damaged structure located at 1321 Tennessee Street and consider adopting Resolution No. 7065, declaring the structure unsafe and dangerous, and ordering the owner to commence the repair or removal of the structure within a specified period of time. Should the property owner fail to comply, the City would contract for the removal of the structure.**

Mayor Amyx called a public hearing for the fire damaged structure located at 1321 Tennessee Street.

Brian Jimenez, Code Enforcement Manager, presented the staff report.

Amyx asked if the structure could be rebuilt as 4 apartments.

Jimenez said correct, but it couldn't expand in the footprint. He said it could stay a four, two bedroom units with 5 parking spaces.

Dever asked about the encroachment issue and asked if they would be allowed to maintain the encroachment.

Jimenez said that was what made it a non-conforming use as long as they didn't expand their footprint, they could maintain and encroachment.

Dever said both items made it a non-conforming use or it was conforming at the time so it was grandfathered.

Jimenez said in 1977 they had building permits that showed a complete rehab of the property as it was and at that time there were 5 parking spaces. He said staff didn't find

anything in the minutes from the Board of Zoning Appeals in 1977. He said those spaces were not conformed at that time.

Scott McCullough, Planning and Development Services Director, said the use conforms, the zoning allowed the use and the density conforms. There were certain site elements like the setback and parking that were considered non-conforming. It was a conforming use and in their industry those were two different things, the use and the physical elements to the site.

Riordan said he understood this was 58% of the price of the unit itself and because it was under 60% it was able to be reconstructed, but if it was 61 or 62% it would have not been able to be reconstructed.

McCullough said it was a threshold in terms of recognizing those non-conforming elements to the site. If it exceeded the 60% threshold, then again, the property would actually be able to maintain 4 units on the site. The avenue to cure the other issues would be to seek a variance and if granted, the four units could be rebuilt and additional parking spaces could be pursued.

Riordan said if it came in over that price how would they know.

McCullough said their work essentially stopped with the upfront process of determining whether or not it was approaching a threshold, but they didn't necessarily go back and audit it after words, they look at it in a way that was reasonable to repair it and then after they get the permit, they're able to repair the structure.

Mayor Amyx called for public comment

Fred Schneider, architect, said on February 24th the owner hired their firm to investigate with city staff to see if they could get the non-conformance. He said they wrote a letter to the Planning Department and it was granted. Now they had proceeded to write a schedule to work with Development Services to get to the point where they could remodel the structure. He said he knew the process because he did the building right next door that sustained damage from a fire a few years ago. He said from that process they had a fairly good understanding of what

could happen. He hired Burger Construction and Nick Burger said they could start taking out the demo work for the fire damage. He said since the building had been open to the air for the last 6 or 8 months, they would need to pull out a lot of other stuff. He said the owner had put forth about \$325,000 and felt that was a fair budget that they could do the work. He said he didn't expect to expand the structure, but he would like to put a new roof on it and possible a front porch if they could get a variance or average the setback on the front of the structure. He said he would like to make it look like something that would fit on Tennessee Street. He said he proceeded to write a schedule and felt they could get a building permit around the 1st or 2nd week in July. The building was damaged on July 17 and understood they had to have a building permit by then otherwise he would use the non-conformity that was granted to them a few weeks ago. He said if the Commission would consider and allow him to proceed to remodel the building, he had a contract in order and his office could do the work. He said he was asking the City Commission to delay the resolution or put it on hold. He said he wouldn't mind working with Development Services to let them follow his schedule to make sure he was following it. If he didn't do what he had set out, then they could raise the building. He said he felt they could save this structure and provide a good set of apartments. He was asking for a delay of the resolution.

Amyx asked how the building was secured.

Schneider said there was plywood screwed across the front 4 doors of the apartments. One piece of plywood had become dislodged and he had to put it back on. He said the structure had been opened to the air and there was moisture in the interior. He said they would need to take it down to the studs. Hopefully, in the first week of the demolition when they pull out everything that was damaged by the fire, he could get in and photograph and measure the interior. He could also start working on a site plan because it took 4 to 6 weeks to get a site plan through the Planning Department, but they had allowed for that time. He said he thought the structure seemed to be fine, but it was hard to say unless he could get in and see the foundation. There was a partial basement under the structure and when he went in the other

day, there was no electricity and he couldn't see. He couldn't verify the condition, but he would verify that in a couple of weeks.

Amyx said Schneider was asking the City Commission to put this resolution on hold. He asked if they were planning on cleaning up between now and the 25th of April.

Schneider said they were scheduled to start on April 21st which was about 2 weeks from now and they could start taking out everything that was fire damaged. He said they would photograph and measure, but they would continue the clean-up because it would take another week or two after they clean the building out and by then, they could start the full commercial site plan because its use was a public building. He said they would have a pre-planning meeting which would take a week. He said notification letters could be sent and a sign could be posted which would give them 4 weeks to proceed with the site plan and then start the construction documents. He said by the middle of May they should have the site plan application submitted, giving city staff about a week to review the site plan and gather construction documents. He said they allowed an extra month in his scheduling to allow for unseen weather conditions and/or what they would find in the structure. Again, all he was asking the City Commission to do was to delay the resolution and let them proceed with the remodel. If they didn't hold up their side of the bargain then the Commission could raise the building.

Dever said he wasn't clear on Schneider's answer. He said the existing resolution asked that the owner commence repair or remove the structure by April 25th. He asked if Schneider was going to commence demolition prior to that date.

Schneider said he spoke to Nick Burger from Burger Construction who thought it might take him a few weeks before starting the demolition. He said he could call Burger and have him start on it immediately, but he didn't know the specifics of when he needed to start the demolition.

Amyx said Schneider made a comment about starting something by April 21st.

Schneider said that was the start date and that would give him 2 weeks to get this organized with Burger Construction.

Schumm suggested changing the date to May 25th. He said he would like to see the framework from their perspective so they could tell the public what was expected. He said the City Commission had been down this road before with a lot of different issues and it was handy if the Commission had something in writing that they could point to that gave them their timeframe. He said he fully understood Schneider's position and hoped he could get along with it. He said that would give Schneider 6 weeks to get started on the project. He said the Commission was interested in making sure the project would be completed. He said if that was done, it would accommodate Schneider and the City Commission would be on record. He asked McCullough how long Schneider had to complete the project.

McCullough said once a permit was issued there were some automatic expiration dates in the permitting process. He said within that timeframe if work stopped and they were left with a blighted structure then they would pursue other avenues.

Schumm said the City Commission would be correct in passing this resolution for their protection and they would just be amending the date.

McCullough said correct.

Schneider said he planned on having this structured occupied sometime around Thanksgiving. He said he thought it would take about 5 months to construct.

Amyx said he thought it was a reasonable approach to approve the resolution giving Schneider a May 25th deadline to begin demolition, removal or repair of the property. He said that would give Schneider the opportunity to work with his schedule.

It was moved by Dever, seconded by Riordan, to close the public hearing. Motion carried unanimously.

Moved by Schumm, seconded by Farmer , to adopt Resolution No. 7065, declaring the structure at 1321 Tennessee Street unsafe and dangerous, and amending the date to May

25, 2014, ordering the owner to commence the repair or removal of the structure. Motion carried unanimously.

3. **Consider the following items related to the North Project area of the 9th & New Hampshire Tax Increment Financing District:**

- a) **Conduct a public hearing on the North Project Redevelopment Plan and the creation of a Transportation Development District for 9th and New Hampshire;**
- b) **Consider first reading of Ordinance No. 8971, approving the North Project Redevelopment Plan and the redevelopment agreement;**
- c) **Consider adopting Resolution No. 7066, a Resolution of Intent to issue up to \$24.5 million in Industrial Revenue Bonds for the North Project, subject to final adoption of Ordinance No. 8971;**
- d) **Consider adopting on first reading of Ordinance No. 8979 approving the Transportation Development District;**
- e) **Consider a request to approve an easement onto the adjacent City-owned parking lot property for the North Project, subject to final adoption of Ordinance No. 8971; and**
- f) **Consider approval of a restrictive covenant agreement requiring the developer to maintain the parking garage structure in the North Project, subject to final adoption of Ordinance No. 8971**

Mayor Amyx called a public hearing on regarding the North Project Redevelopment Plan and the creation of a Transportation Development District for 9th and New Hampshire.

Diane Stoddard, Assistant to the City Manager, presented the staff report.

Micah Kimball, Treanor Architects, said the North Project at 100 East 9th was presented on March 11, 2014 and had been approved by the Historic Resources Commission. He said they met with the City Commission on an easement for the angled parking. He said this was a mixed use building at the northeast corner of 9th and New Hampshire. The ground floor was roughly 20,000 square feet of conditioned space. There was a club house for the apartments on the upper floors and a bank slated for the hard corner with light commercial potential office use. The upper floors ranged from 5 to 6 floors and would consist of 114 apartment units. They had taken amenity space and pulled it to the top on the north end and all of that would be

served by two levels of underground parking accommodating approximately 100 parking stalls below subterranean.

Bill Fleming said he wanted to address the issue on the Redevelopment Plan and some of the additional language proposed.

Saralyn Reece Hardy, Director of the Spencer Museum, said they were standing in the middle of history and believed this was a historic moment. She said it was historic because it was a University Art Museum from a major research university, a thriving artist community, a community developer and a City that were working together to adapt to growth and change while sustaining an investment in the cultural legacy of this community. It was a difficult balancing act at best. It required continued dialogue, a high degree of trust and an investment in the future of this community, not just today, but long-term into the future. Over the past 2 years, the Spencer Museum of Art had been privileged to work together to maintain that balance in partnership with First Management, the City of Lawrence, the artist and many community stakeholders. She said they were going to share a plan that they believed was the very best possible outcome for the Pollinators mural and all that it represented.

Dr. Susan Earl, Curator of European and American Art at the Spencer Museum of Art, said the exhibition, Aaron Douglas, African American Modernist, was about a Kansas born artist who made history. The exhibition itself was also of national attention and interest importance because it traveled from the Spencer Museum in Lawrence to the Smithsonian Institution in Washington DC to the New York Public Library, the Schomburg Center in Harlem, New York and the Frist Center in Nashville Tennessee and included a publication that received national attention in the New York Times book list. She said they were currently discussing the impact of Aaron Douglas historic significance. The work by Douglas was in the Spencer Museum of Art and the mural was inspired by the style and spirit of Douglas' work. The exhibition, mural and book received public, university, corporate, and private support. The Pollinator's mural at the Spencer Museum offer the opportunity to share the celebration of African American legacy and

impact of Kansans across the nation and the world with neighbors in Lawrence Kansas. The mural represented the museum's investment in downtown Lawrence, broad community participation, involvement of business and civic leaders and engaged dozens of community volunteers. Over time, the Pollinator's mural had grown in cultural significance when details of the 9th and New Hampshire project was announced, many stakeholders emerged offering their support through letters, emails, and phone calls to the museum, the City of Lawrence, and the artist. The Spencer had been in dialogue with many stakeholders as the City suggested they continued to be and to hear their concerns and priorities which included the National Endowment for the Arts, East Lawrence Neighborhood Association, the Lawrence Farmers Market, the family and descendants of Aaron Douglas, Marla Jackson's quilts and her textile academy in Beyond the Book Program for youth in the community. She said they gathered priorities and goals and heard peoples' thoughts in those conversations and the priorities that had emerged included the community oriented creation of the mural, the public nature of the mural, its large scale, its prominent location, a desire for a multiplier effect that the impact of the mural would be expanded rather than diminished, the critical importance of the topic, the 3 dimensionality of the mural offered by the location and scale, the idea that they could walk right up to the mural and touch it, the beauty of both the concept and the work of art, the vibrancy of the colors, and the design.

Margaret Perkins McGinnis, Director of External Affairs at the Spencer Museum of Art, said to their great satisfaction, First Management and Treanor Architects worked together to redesign the space to allow for a much more prominent centralized mural. The Spencer claimed to commission the original artist Dave Lowenstein, to create a mural that would once again celebrate the historic African American figures depicted in the original Pollinator's mural and incorporate the same community oriented approach that produced the beautiful and significant mural that was seen today. The original mural was quite expansive at 1300 square feet. The new proposed mural site was closer to 600 square feet and while it was obvious that

the scale of the mural would be adjusted, they were pleased with the effect of the new design and believed that this adaptation best met the goals and priorities identified by the stakeholders. They were confident that the new mural would express the significance of the distinguished African American Artist featured and the community spirit by which the original mural was created. The architects demonstrated the current mural scaled to fit the new space and they were very excited to see this project come to fruition as well as the opportunity to work with First Management, the artist, and the Lawrence community to develop the new mural. They were very pleased that First Management had agreed to provide \$20,000 toward the project. Based on projections that were provided by the Mid-America Alliance for the Arts, which was a regional organization that was funded by National Endowment for the Arts, the project of this scale would cost about \$50,000. This was based on a recently completed Mid-America mural project which placed murals throughout a 6 State region. They had planned to come to the City of Lawrence to request additional funds to help them to complete this project. They would like to pursue a continued conversation with the City of Lawrence and with First Management regarding some details which would include the easement. They understood that First Management was pursuing a 30 foot easement on the north side of the building and hoped that the language incorporated into that easement would also provide protection for the mural itself. Additionally, a mural at the new height of 12 feet would be somewhat obscured by cars and hoped they could have some reconsideration of the parking spaces that existed in front of the mural, perhaps to provide seating or some greenspace and allowed for a better vantage point for the mural. Finally, through this process they hoped to work with members of the Lawrence Cultural Arts Commission to develop a more comprehensive plan that encouraged and protected public art and to help propose that plan to the City Commission. She said their action plan was that they hoped that prior to demolition First Management and the Spencer Museum of Art would have developed an agreement that would govern the commission of the artwork as well as a plan for the stewardship of the mural. They hoped that the \$20,000 contribution from First Management

would be placed in an escrow to support the project and planned to work collaboratively with First Management to identify an appropriate deconstruction method for the existing mural. Once an agreement was in place, they would begin the process of envisioning the Pollinator's mural at the new location.

Hardy thanked the City Commission for encouraging them to continue to talk with City staff, stakeholders, staff of Treanor Architects and particularly Micah Kimball and Lauren Davis. She said it was truly their pleasure to exercise creativity and pragmatism with the staff First Management and particularly a pleasure to work with Brandon Rapp and Robert Green. She said they appreciated the vision and continued commitment of Dave Lowenstein to art in the public sphere.

Amyx thanked the Spencer Art Museum for their hard work and coming forward with something positive to save the mural.

Hardy said they had amazing conversations and was wonderful.

Amyx asked how long it would take to recreate the painting on the new wall.

Hardy said it all depended on the timing of the First Management project and how they would stage that mural with whatever else was happening. She said they would negotiate with the artist and get the community involved. Always with something that was worthwhile, it took a little bit longer than just doing it.

Amyx asked who the ownership of the mural would be.

Hardy said that was a good question. There were several options and would really like to further discuss that ownership with the City. Especially as the city considered its role with public art and should something like this mural belong to the City. She said was it appropriate for a University Art Museum and a private owner to be in partnership and how would they go forward into the future. She thought this was one of the aspects of cultural policy that needed to be on the agenda for building bridges so that they encouraged and fostered creative work in the

public's sphere even more. She said they weren't bringing the city a recommendation about the ownership at this time.

Amyx said there was still a lot of work that needed to be done on the agreement.

Hardy said correct.

Schumm asked if this was going to be a group of people who help paint this mural or was it going to be the artist Dave Lowenstein to paint the mural.

Hardy said they hadn't negotiated with Lowenstein yet, but one of the things that appealed to them about Lowenstein, in the beginning and was a primary aspect of the kind of work they were interested to do, especially in light of this particular topic was to involve the community, not only in painting, but the design of the mural. She said although this design was somewhat developed and that was appealing because the research had been done, there would be a lot of community involvement in the execution and re-envisioning of the mural as long as it hues towards those core values of African American Kansas artist that were so important to their heritage.

David Lowenstein said he wanted to thank the Commission for giving their attention to this important issue. He said their visual environment with stories and voices represented spoke loudly for what the City was and what it valued. Lawrence aspired to openness, diversity, and the celebration of a rich and meaningful heritage, ensuring that the Pollinator's mural and the story continued to have a significant presence in downtown said they as a community recognized the importance of the great African American artist depicted and how their legacy helped to define who they were as Kansans. He said he was grateful to the Spencer Museum and the more than 500 individuals that he had heard from for their support and thoughtful suggestions. As a work of art made by and for the community, this mural was a shared cultural trust, not unlike the way they protected and conserved important historical places and architecture, the Pollinator's and the residents stories within it were worthy of their care. The Spencer's proposal, although it was a compromise of scale, expressed that care and kept the

mural where it belonged. He also appreciated the willingness of the developer and the architect to financially and logistically support the murals continued life in heart of downtown. The Spencer Museum's proposal, when agreed to and carried out, showed that private developers, the University, City and neighborhood residents could work together in significant ways that supported the larger community. As Lawrence moved forward embracing arts and culture as integral to community life, he suggested keeping this project in mind. It demonstrated beautifully how art could be woven into the fabric of their bustling downtown, helping to fully express what it meant to be a Lawrencian and a Kansan.

Gary Anderson, Gilmore and Bell, law council for the City, said he was asked to talk about the Resolution of Intent for Industrial Revenue Bonds for this project which was on the agenda as well as hitting some of the highlights for the Redevelopment Agreement. Similar to the South Project, the developer had requested the City's assistance in issuing Industrial Revenue Bonds for the North Project, again, the sole purpose of the Industrial Revenue Bonds for the North Project would be the sales tax exemption for construction materials and for furniture, fixtures, and equipment, similar to what the City did in connection with the South Project. Again, the City would have no liability or obligation on the bonds and the bonds were payable solely by the developer. He said with respect to the Redevelopment Agreement, the agreement was very similar to the Redevelopment Agreement that the City approved and entered into in connection with the South project. As mentioned by Stoddard, there was a tax increment financing cap of 4.75 million plus interest and there was also a Transportation Development District cap of 3 million plus interest. The Transportation Development District covered both the North and the South Projects and the first \$850,000 generated from the Transportation Development District would go to the City in connection with assistance for the parking garage that the City owned. The Redevelopment Agreement provided standard benchmarks of providing evidence to the City with respect to the TIFF and TDD expenditures that were paid for in connection with the North Project, provided various benchmarks as to

when construction must commence, provided various other covenants and restrictions on the developer in connection with the project and at City staff's request there was a proposed new provision, Section 5.03b that had been inserted into the agreement and believed the City Attorney wanted to address the City Commission on that provision.

Toni Wheeler, City Attorney, said paragraph b of Section 5.03 was new language to this development agreement. It was inserted in an effort to give this City Commission and future City Commissions some additional flexibility in dealing with this project. The Development Agreement would be in place for 22 years and things might change and uses might change. She said staff recommended that more specific language be inserted and was why staff proposed the paragraph b in Section 5.03. She said staff understood that Fleming and the developers objected to this language or had some concerns about this language and City staff was certainly amenable to working with them in considering alternative language, but staff recommended the language that got to those issues, be inserted into the agreement. City staff, like the City Commission, wanted this to be a project that they could all be proud of and were asking the developers to be partners with the City and make sure the conduct and activity that went on, were beneficially, particularly given its location in downtown Lawrence, staff thought it was worthy of some more specific language in the Development Agreement.

Amyx asked if they could proceed with the adoption of the ordinance and allow staff to work with the developer in coming up with suitable language for that section.

Wheeler said yes. Staff had talked internally about that idea and it would be possible to adopt the ordinance on first reading, allowing the parties to get together and discuss an alternative language and bring the ordinance back for second reading at a future date.

Amyx asked if this project went through the PIRC (Public Incentive Review Committee) process.

David Corliss, City Manager, said yes.

Amyx said this language was obviously something that PIRC had not had the opportunity to see because the language had come up in the last week. He said if the Commission decided that some appropriate language needed to be in Section 5.03b, the Commission could adopt the ordinance on first reading, giving time for the second reading.

Wheeler said yes, staff would certainly take City Commission direction.

Schumm said one of the requirements was to run an orderly establishment. He said what happened if one of their tenants was running a questionable activity, had a legal lease, but there was some bad behavior. He said would they take 50% of the tax incentive back in year 4 or 5 even though it wasn't the fault of the landlord, but a tenant that was creating the nuisance. He asked how the city would deal with something like that scenario.

Wheeler said staff would communicate with the parties about their concerns. She said they didn't want the parties to say it wasn't really their problem and hoped they would work with staff. She said staff had been reasonable in the past in dealing with matters and she thought they would work together. She said they wanted some language in the event that their efforts at dialogue had not achieved the results that staff would like to see.

Schumm said he had dealt with different bar problems around town and the bar owners would say they had control within the 4 walls, but didn't have control on what went on outside, especially downtown where on Friday and Saturday nights, there were moving parties from up and down the street. He said that was another difficult area to maintain or pin on a specific stakeholder. He said those were things that they needed to be careful of when moving forward. The other broader question was did they see themselves clawing back a tax incentive that was put in place so that a project could be established and financing wrapped around that project. He said did they see themselves removing that incentive after it was already intertwined in a financing agreement. He said he would be hard pressed to move on that idea, especially if there were other remedies. He said the idea sounded good and there was a lot of protection, but he didn't know if they would ever get there with it. He said what was causing this was the

Oread Hotel and the Cave. He said had that issue not have come to the City Commission, they would probably not even of had this discussion and they had other remedies for that issue as well. He said he didn't even know with the situation that was going on right now, that they go and unwind a tax incentive that was built into the financing structure of a major project. He said that would be sending mix messages to people who would be relying on for 20 to 25 years to get their project completed. He said those were serious issues when trying to think through it all.

Wheeler said those comments were helpful. Staff brought this language forward and the City Commission certainly could give staff direction if they weren't comfortable with the language. She said staff wanted to provide options, in light of events, and that was staff's intent.

Bill Fleming, Treanor Architects, General Council representing the development group, said they had only been dealing with this issue for a week. He said for those who had watched Animal House, Dean Wormer stated "Don't you know that serving alcohol in your fraternity was a violation of policy" to which Eric Stratton responded, "Isn't it a shame that a few bad apples ruin it for everyone." He said Wormer's response was, "Put a sock in it." He said he wasn't trying to be impertinent, but this was bad policy and a bad idea. The reason it was a bad idea was mainly because they were being asked to borrow 4 or 5 million dollars to finance those improvements and they had to pay those dollars back. He said they had to go to their lenders and explain to their lenders that they had a source of revenue that would be used to pay those very significant costs back, over time. The lenders were already nervous and didn't like TDD's or TIFF's. He said he just dealt with a lender two months ago on this same exact issue and the lender didn't like that type of financing. It was already difficult to get lenders to loan money on what the lenders viewed, that they were not really sure they understood it. To the extent that they started layering in a lot of additional requirements that were not part of the Kansas Statutes that dealt with the Transportation Development Districts or anything that dealt with State created

programs, then they would be creating additional complexity that wasn't needed. There were plenty of mechanisms that were available for staff to address those issues. He said they didn't want rowdy, drunken, or bad behavior. They had 114 apartments and their tenants wouldn't want that type of behavior. He said frankly, he was not sure this applied to them because they weren't planning on having a bar or restaurant in their building, but it did apply to other projects that would be coming to the City Commission in the future. He said it was an important policy discussion that was needed and a decision needed to be made. He said he would encourage the City Commission to not place a lot of additional requirements. The requirements as drafted were very vague and no standard materiality. He asked if one drink by one 18 year old kid in a facility was enough to take away 4.75 million dollars of incentives. He said was that the result or would they assume that a future City Commission was reasonable. He said there were other ways to deal with those problems and issues. He said it chilled development and the use of those tools and made it much more difficult to do.

Mayor Amyx called for public comment.

Hugh Carter, representing the Lawrence Chamber of Commerce, said the Chamber was not advocating for a particular project or grant particular incentive necessarily and had stayed out of the debate related to retail and residential projects. He said it was not to say that that would not ever happen, but this year they tried to clarify what sort of things the Chamber actually stood for and what type of things they might want to advocate for. He said the Chamber provided guiding principles for policy evaluation. He said he would briefly touch on the principle of business retention, recruitment and expansion. He said it would help existing businesses to thrive whether the business was small, large or located in urban or rural areas, and have competitive business incentive package available that was relevant, flexible and simple to use as well as to maintain a vibrant economic development toolbox to assist in the expansion and recruitment of capital investment and quality jobs. The restrictive covenants being proposed, while it was good that staff took the initiative to try and deal with an issue that

was fairly specific which the most recent issue was the Oread. Restrictive covenants like that added to the tools in their toolbox would be a point of differentiation. He said he would love to have good points of differentiation when they were positives and when they compare Lawrence to other communities and say Lawrence did this a little better and make this easier but in this case, he would built upon why he thought this was one of those points of differentiation that actually work against Lawrence. He said he would name some known consequences, but additionally they could already see there was also some unintended consequences that they might not be able to quantify just yet. He said they certainly agreed that bars and clubs needed to be responsible, professional, train their staff appropriately and care enough to take action and actually themselves know what actions to take to manage those types of issues. Those establishments that had taken an inordinate amount of the City's police resources where they had injuries and safety issues which was bad for the City's quality of life and frankly that increased crime rate was something that worked against the City from an economic development standpoint as well when trying to attract investments. All that aside, they felt there were avenues to deal with those issues and as a Commissioner, they shut down and establishment named Magic. He said there might be different tools to add to the toolbox to deal with that from an enforcement standpoint, but doing it through their incentives package, in this case, there was no question that it would have an adverse impact on the valuations of a property as the banks came in to loan. The banks would factor any sort of covenants or potential claw backs, especially when having uncertainty as they had for years and were just starting to come out of it in the banking industry and investment world and when there was uncertainty that killed investment. He said the unintended consequences was not knowing how many simply won't even apply to do those sorts of things because of a covenant like that. He said this was a precedent that said it could then move on to other types of incentives. He said impacting the evaluations was one thing, uncertainty was another one. The bottom line was that as the City's economic development partner, claw backs were not the proper tool for

enforcement of what were already basic City ordinances. He said either businesses were within the law or not and if it was not, then it needed to shape up or be shut down and the City had the tools in place to do that.

Leslie Soden said she liked the 6 points that staff came up with. She said the City Commission had a certain responsibility to protect taxpayer money and make sure it was used in a responsible way. She said it was something they should look at in applying to all future tax incentive packages. She said whether the language was tightened up or not, that was great, but the spirit of staff's rough draft was a really good idea. She said she heard how this TIFF was kind of like a financial house of cards and she certainly sympathized with that, but if they were going to ask for public money and expect to not have any strings attached, then that didn't make her sympathetic and that was the point of being guardians of the taxpayer's dollars. She said she was also concerned when she read that the developer might be constructing condominiums which they would sell in the future presumably for a profit, but she didn't find that a good use of taxpayer money as well.

Laura Routh, speaking as a taxpayer and a citizen, said she applauded the Spencer Museum and stakeholders of project partners for working together to try and preserve the mural. She said she was disappointed that the developer was only putting forth \$20,000 for the preservation of what she considered to be really one of the crown jewels of public art in the Lawrence community. When she graduated from the MPA program at KU her parents came to Lawrence and that was where she had her graduation pictures taken. She said her mom and dad stood in front of that mural and very proudly had that picture on their wall. She said she thought a lot of people used the mural as a backdrop and \$20,000 was not that much money. She said she would like to address more globally the issue of public incentives as they related to the proposal that had been put forth. She said Fleming said it nicely that lenders did not like TDD's and TIFF's and argued that some taxpayers did not like those financing tools either. This incentive request represented the use of government funds to subsidize what she believed that

the private sector developer could finance on their own. She said the “but/for” provision that was defended by Springsted was applied to the earlier 9th and New Hampshire project, was abused. She said this latest request was suspect simply by association. Clearly, if a developer could get public dollars simply by asking, the developer would do it every time. As she saw it, the taxpayers were being asked to subsidize private profit for nominal public good. Of particular concern was the Industrial Revenue Bond portion of the request and that meant that the developer would pay no sales taxes on construction materials bought locally. She asked if the City Commission identified how much money that represented. If they could come up with that number she would be interested to compare it to the \$20,000 versus \$50,000 cost to preserve the mural. If the City Commission approved this incentive request, in her estimation, they were taking money out of the taxpayer’s pockets and were a direct drain on public resources. They had myriad needs that the City asserts that they could not afford. She said for public dollars there were more pressing priorities in this community than a parking ramp and another apartment building. She said she didn’t understand why this subsidy request was being given priority and why were apartments and a private parking ramp being subsidized with her tax dollars. As Snowden alluded to, she also questioned whether there was any assurance that the use of this building won’t be changed over time, thus misaligning public dollars that were invested. She said she did not believe that this development should be subsidized by the Lawrence community and asked the City Commission to reject the developer’s request.

Mike Treanor, co-developer on the project, said with the clause that the City was proposing to put into their agreement, they had approximately 5 million dollars of private money that was going into this project and then they guaranteed the 20 million dollars that it took for financing the project. If the clause was put into the agreement, not only did it take away the surety of financing the 20 million dollars, but also took away the surety of their investors for putting 5 million dollars of cold hard cash into the project to do this. It was something that would be very difficult for the project to go forward if that clause was put into the agreement.

Amyx asked Stoddard for the sales tax figure for materials.

Stoddard said she would work on that figure.

Dever asked that Scott McCullough explain to the public what was required by planning services as far a parking on an apartment complex located at this corner.

Scott McCullough, Planning and Development Services Director, said in the commercial district there were no requirements for parking and anything proposed was proposed because of the on-site demand, practical demand, of the uses of the structure. He said for this particular project there was no requirement for on-site spaces.

Dever asked McCullough to comment on the allegations made by several people that the tax incentive given had any relationship with the actual apartments or the use of those apartments.

McCullough said all the uses were included and permitted in the district and there was no direct correlation or direct link.

Dever asked if there were any dollars being spent on the structure other than any tax relief given for the construction of the apartment complex other than the parking improvements that were being requested.

McCullough said he would turn to Stoddard for the details, but it was his understanding that that would be a “no”. It was essentially an eligible expense, the parking structure was eligible and the stuff above ground was not.

Schumm said in the commercial district downtown, parking did not need to be provided to any kind of structure that was built. Either the developer would build it or the City would build it. If the City built it, last time the parking was \$18,000 a stall at the library. If the City spent the money, the money would be taken from taxes somewhere to put that many spaces either up or down. He said he didn’t understand the difference in this particular situation because the developer was providing the extra parking spaces that were not required to be put in place. Furthermore, all of those tax dollars were new tax dollars that were not going to be there if the

project did not go forward. He said most certainly it was public funds, but it was not public funds coming out of existing coffers right now, it was the anticipation of new funds that would be rebated for a parking structure that the developer would build or the City would build in order to have it function downtown. There was a lot of trade-off and didn't see that it was a direct advantage in terms of a tax windfall for the developer because those spaces had to occur one way or another. Otherwise, vehicles would be parking out in the neighborhood and the streets would be clogged. If it was for the apartment building itself, he would say they were absolutely right.

Amyx said another thing they had to take into consideration was over the last 30 years, the amount of redevelopment that they tried to encourage downtown to help downtown be stronger. The only thing the City had the ability to do was to build up and any new parking would need to go below ground or build parking structure that the City would own and maintain. He said those were real cost that the City would need to find how to pay for it. He said that would affect real property tax dollars from every existing taxpayer in Lawrence or refinancing of the parking system already in place. He said they wanted to make sure downtown constantly stayed strong and being a small business person downtown along with several of his colleagues, they understood and appreciated real dollars being spent and those were pay-as-you-go projects and had to produce in order to make ends meet on those projects. Even though the new projects were not required to provide their own parking, he didn't know where the current parking system would be able to absorb any of the parking that was required or placed on the streets and take away spaces for shoppers and visitors downtown to park. He said the City Commission needed to discuss Resolution No. 8971 and if they were going to proceed as written or ask staff to visit with the developer about what language changes were needed in

5.03b

Dever said when he read the resolution, he understood the intention and appreciated the spirit with which it was written. There were multiple issues with the language being inserted to

this document, not only at this point in the process, but in general for any further processes. He said he believed the City had multiple tools to enforce those types of behaviors and they needed to carefully craft the language and not try to do something. He said they needed to move forward with an agreement and remove the language and try to make it the best it could be so it was applicable to any situation and not discriminating against location, land use or the potential owners. He said it needed to be about what they were trying to achieve which was performance of projects where the public good was involved and needed to have those projects accountable in some way in the future.

Amyx said one of the reasons he brought up the Public Incentive Review Committee was because he supposed if they were going to have that dialogue that would be the best place to start. He asked if there was any interest from the City Commission to have staff and the developer meet about any additional language or other language that existed in that section.

Riordan said this particular addition to the resolution was quick and fast. He said he was not sure if he understood all of the ramifications of what they would do if they approved this resolution. He said there were a lot of things that could happen that they had no intentions of happening and he was also not totally convinced that even though it was for a good cause, the health, safety and welfare of our citizens, that this resolution would do that. There were many penalties that would seem to be logical that didn't work and there could be financial problems that could arise. He said he had talked to a banker and their opinion was that it would make it more expensive to build, more difficult to finance and could prevent those types of action to occur and that was independent to what they currently heard. There were too many unknowns and he would not be able to support this particular addition to this resolution. He said he was certainly interested to see if something could come through the PIRC committee where they could study this and look at the ramifications to try and educate the City Commission. He said while well intentioned, it had a significant chance of causing problems that were never intended and had difficulty supporting the resolution at this time. He said he didn't think he would tie

those two together because this was a project that was approved a year ago and they already built one building and the two buildings interconnected and there was some obligation by the City Commission to be consistent. If they were to change in the middle of the ball game, the rules, it seemed not to be fair, reasonable or consistent. He said for those reasons, he would support striking this, taking it to PIRC and looking at it to see if they could come up with something that would work in the future so that it did what exactly what it was intended to do.

Farmer said wanting to be friendly to people that wanted to spend money and help the City build density downtown needed to be weighed. He said he was reading articles last night from City's across the Country and it was interesting that the cities that were developing density in their downtowns, their only regret was not doing it bigger because it created the vibrancy culture to bring people and make it ultimately sustainable and that was what the City wanted as far as downtown was concerned. The competing value with wanting to continue to encourage this type of development was frankly when tax dollars were used to fund something, even though the developer might not have anything but a sublet on a tenant that went into a building and stuff started to happen, the City Commission looked foolish and the City and the people who invested their tax dollars looked foolish. He said they needed to encourage this type of development and at the same time, make sure the interest of the public was protected. He asked what mechanisms the City would have in place right now to fix something should it go down.

Corliss said they had some tools but they were not as trustworthy as staff wished. If it was an establishment that did sell alcohol, if that happened in the future, they would get an appropriate change in use. The City did issue an occupational license, but where staff had difficulty was the ability to revoke that license if there was a problem and would usually need to go to the State and request a hearing. He said as Hugh Carter mentioned the City had some success, probably more from telling the state the city had a problem and to do something about it then actually a judicial administrative means which was with a club called Magic behind

McDonalds, off of 23rd Street where the City was successful at least in getting a change in ownership. He said the developer would be great for a 22 year run, but the City didn't have a lot of great tools regarding the City's ability to work with those types of situations. Clearly, the developer had a lot on the line as well with a huge investment. He said they played strongly in that they had a financial incentive not to have problems in that establishment as well. The City's intent was to show the City Commission that they could have some more explicit language, but it might not be something they would want to pursue. Staff was clearly working hard to make this project happen and would leave it for City Commission consideration. He said when there were obviously situations that occur on any property it was not necessarily their problem just because something bad happened on their property because it would happen on anyone's property. He said it would be up to the City Commission and future City Commissions and how they thought about this situation as well. He said he saw it as a partnership where the City would be moving forward with the developer for a couple of decades and they did not know what the future held and did the Commission want to be more explicit. There was any number of provisions that the developer had to follow through on, regarding following the law and the City could terminate the agreement if they didn't follow that law or didn't meet their pledges and if the City didn't meet its pledges, the developer had recourses against the City as well. It's a partnership over those years.

Farmer said in the spirit of that type of language in setting a partnership, this seemed quasi reactionary to what went down at the Oread and kind of unfair, due to the timing of this project was all being dumped at once. He said staff needed to look at what mechanisms the City had, but because of all the things that had been brought up doing it with withholding incentives was going to be the best way to do that. He said he didn't know if that was being a good partner because it was ruling by intimidation, dictatorial almost. He said they also needed to protect the public's money which had competing interest. He said it might not be the best answer, but it was incumbent upon the City Commission to figure out what that was. He said

looking at this first and taking a step back, removing the language for right now and moving forward with the development agreement was something that he would support.

Amyx said to be fair, there projects that were in the pipeline right now operating under the current language and agreements. He said PIRC could start a dialogue concerning this matter at their next scheduled meeting for consideration.

Schumm said during the dialogue with PIRC they certainly need to get a hold of some major lenders to see what their reaction was to that type of covenant being placed on a loan.

Amyx said that was a good idea. He said earlier during this discussion he asked for the sales tax figure for materials from Stoddard.

Stoddard said the sales tax exemption only related to the materials that were used in construction. Typically, when they worked on calculating what that estimated sales tax amount might be they looked at a range of if assuming 30 to 50 percent of the total project would be, material cost and then apply the local sales tax amount to that cost. She said that was a range between \$187,000 to approximately \$312,000 with using the 30 to 50 percent which was the local share and was the City and County amount of 2.55 percent sales tax. Of course the biggest benefit to the developer came from the exemption of the State share of the sales tax which was 6.3 percent.

Amyx said Routh was correct that that was a large amount of money, but at the same time there was buying power from the individuals that were going to be living in the facility and they would spend a lot of money in this community. He said that should be figured into that balance too. He said the City Commission decided not to add the additional language in Ordinance 8971, 5-03b. He asked if there was a specific action the City Commission needed to take on the mural.

Corliss said he did not believe that a specific action was needed. He said it was his understanding that they were waiting on the group that had presented a strong consensus as to

how to move forward and take those necessary steps and recognize that staff was available to help if the they needed to discuss this item more.

Amyx said a private agreement would be worked out between the developer and Spencer.

Hardy said yes, but however they would be coming back to the City with a request.

Corliss said he assumed that would be a monetary request.

Hardy said correct.

Corliss said one item he clearly wanted to draw City Commission attention to was the easement that was also being granted to the development. Conveniently, it was on the north side of the project where the new mural would be located. He said it was essentially an easement on the City's parking lot that the City would not build on that parking lot. It was important for the development because if the City built to their property line, that would diminish the value of the views for that property. He said staff said it would be unlikely that the City would build at that location and if the City entertained something on that site sometime in the future, a breezeway type connection midblock would be appropriate. He said he didn't want the City Commission to approve all of those things and not have that pointed out to the City Commission.

Hardy said they would appreciate some consideration of protection of the mural included in this easement.

Dever said it was on the north side of the building which was where the mural would be just like it was now.

Amyx asked if the new side of the mural was going to be in this easement.

Corliss said the new side of the mural would be essentially where the existing mural was now, but of a different configuration. He said for some time, through this project, the development had requested an easement that would run with the apartment complex to make sure there wasn't something built within 30 feet.

Amyx asked that Diane Stoddard be involved with the agreement to see if the mural would be in that easement for protection.

Corliss said the mural would be on the building and needed certain legal protections that ran with that mural so they never have that issue.

Amyx said if they granted the easement, then the mural could stay at that location.

Corliss said it didn't touch the mural, but it was just on the City's property.

Dever said it wouldn't allow development within 30 feet of the existing wall into the City's parking lot and by de facto protected the view ability of the mural even if the City sold that lot and built a breezeway through that area and there would be a place to see the mural. He said it would be viewable and not destroyed by another building butting up against it.

Corliss said correct, that was all of the City's easement.

Dever said originally it was to protect the use and ventilation of the existing apartments and now, as a secondary purpose, protecting the accessibility of the mural.

Schumm said somewhat because the mural would be on their property. He asked if they could ask the developer for a six inch easement on their property so that it could protect that mural into perpetuity.

Corliss said there was the artist community that was very familiar with those issues and their protections. He said they had a property owner that was building the structure and investing. He said they had a meeting of the minds as to how to protect that mural and if there were things that the City could do to be part of that, they could certainly find ways to do that. He said he didn't know what that level of an easement would necessarily do for the City. He said this was just an easement that stated the City had a parking lot and would never build on it unless somehow they mutually agreed to vacate that easement that ran with the property into perpetuity.

Bill Fleming said they were happy to enter into an agreement with the Spencer Museum of Art and have some discussion about having access to maintaining it, insurance requirements

and all those type of things. He said he didn't really want to see that as some type of a separate easement that would run into perpetuity. He said some day maybe this building would be torn down in 200 to 300 years, and the mural would get torn down or relocated. He said they weren't going to agree that the mural could stay there in perpetuity because they couldn't place that type of restriction on their building, but could come up with a reasonable agreement and working with the Spenser Art Museum.

Riordan asked if they could tie the easement to the fact that the mural was still at that location and grant the easement as long as the mural was at that location.

Amyx said the City's easement would run with the mural being maintained on the north side of the building.

Fleming said now they needed to decide who would maintain the mural and what happened if the mural had graffiti written on it. He said there would be a lot of issues and thought it would be better to have a separate agreement with the people that were putting in the mural and keep this separate easement simple and not tie the two together which was his recommendation.

Amyx said there were a number of items to consider and he asked the Commission what their role was with the mural to allow the private agreement to continue to work and have incorporate Riordan's suggestion about the easement and the City's easement would run with the length of the time the mural was going to be established.

Riordan said the most important thing was the financing. The easement and the mural were somewhat tied together. He said he didn't know if the easement and mural needed to be done concurrent with the other recommendations. He said there might be some benefits of delaying that aspect. He asked if the easement needed to be approved tonight with the rest of the recommendations.

Fleming said they needed to get the easement done because they had to do financing and go through their process of getting lenders to look at the project. He said as part of the

process they would have a survey done and look at all the easements and restrictions of record. He said it was important for them to keep their project moving and be on time to get the easement done. Again, the easement was being requested because of the mural, but for life safety issues to provide fire access and fire separation in between the buildings and was the reason they were asking for an easement and were not really anyway tied to the mural. He said it was the City Commission's prerogative to tie it to the mural.

Amyx said the agreement would be between Spencer and the developer which could be done before the second reading of this ordinance.

Moved by Schumm, seconded by Dever, to close the public hearing. Motion carried unanimously.

Moved by Schumm, seconded by Farmer, to adopt on first reading, Ordinance No. 8971, approving the North Project Redevelopment Plan and the redevelopment agreement

Moved by Schumm, seconded by Dever, to adopt Resolution No. 7066, a Resolution of Intent to issue up to \$24.5 M in Industrial Revenue Bonds for the North Project.

Moved by Riordan, seconded by Farmer, to adopt on first reading, Ordinance No. 8979, approving the Transportation Development District.

Moved by Schumm, seconded by Riordan, to approve an easement onto the adjacent City-owned parking lot property for the North Project, subject to final adoption of Ordinance No. 8971.

Moved by Farmer, seconded by Riordan, to approve a restrictive covenant agreement requiring the developer to maintain the parking garage structure in the North Project, subject to final adoption of Ordinance No. 8971. Motion carried unanimously.

4. **Considered an extension of the use of right-of-way and closure of the northbound lane of New Hampshire, from 9th Street South to the Arts Center for the remainder of the 900 building project or December 31, 2014.**

Chuck Soules presented the staff report.

Amyx asked if staff had an idea of when the North Project would begin and whether or not they were going to request closure of traffic along New Hampshire to the north.

Soules said there was a traffic control plan but yes, the northbound lane would continue to be closed while the North Project would begin on July 15th.

Amyx said they talked about the parking situation because they would lose parking along New Hampshire Street with this closure. He said the Commission had taken action earlier to start charging for parking on the top floor of the existing parking garage in the 900 block of New Hampshire across from the Arts Center, but now possibly delaying that until some of the parking freed up along the street again. He said he suggested delaying the charging for parking until Labor Day.

Mayor Amyx called for public comment.

Micah Kimball said one of the considerations when they had presented the project previously which they didn't foresee was that they had the crane set off of the alley side and thought that was where the crane would be located and now it had to be on the New Hampshire side. He said when looking at the site plan there was a large street and the drop off for the hotel which was all partially over the garage. The parking garage extended below the sidewalk in order to get the width of the garage and to get the adequate turning spaces. He said they could not place the crane directly over that extension of the garage due to the heavy loading that was required which was part of the issue they were having. Also, the reconstruction of the storm sewer was not anticipated and they had to come back and do that as part of the project. He said those were the compounding efforts that were why the street closure had extended beyond what they had anticipated when they first presented their project.

Moved by Schumm, seconded by Dever, to approve an extension of the use of right-of-way and closure of the northbound lane of New Hampshire, from 9th Street South to the Arts Center for the remainder of the 900 building project or December 31, 2014. Motion carried unanimously.

The City Commission recesses at 8:41 pm

5. **Consider approving the following items related to Rock Chalk Park:**

a) **Rock Chalk Park Project and Kansas Relays event:**

- i) **Consider approving a temporary certificate of occupancy for the track and soccer building and the track stadium to accommodate the Kansas Relays;**
- ii) **Consider approving the lighting plan for exterior lights associated with Rock Chalk Park and the City Recreation Center;**
- iii) **Consider approving a temporary use of public right-of-way event permit for use of no parking signs, as identified on the attached map, for various city streets on Wednesday, April 16, 2014 to Saturday, April 19, 2014 for the Kansas Relays;**
- iv) **Consider approving a "Signs of Community Interest" request for approval of two directional signs at the intersection of West 6th Street and George Williams Way for the Kansas Relays event provided a TCO for the track/soccer building and stadium has been issued; and**
- v) **Consider approving the trail master plan for multi-use trails to be located on Rock Chalk Park, the City Recreation Center site and adjacent Park properties.**

The City Commission reconvened at 8:51 pm

Scott McCullough, Planning and Development Services Director, presented the staff report.

Amyx said they talked at an agenda meeting about other times in the past where staff issued Temporary Certificate of Occupancy. He asked if staff was following the same kind of routine and requirements on this project as they had done in previous projects.

McCullough said yes. He said when staff was presented with an instance where parts of a building or in a special event where someone wanted to do an open house but they weren't ready for a permanent occupancy permit, as an example, staff had worked with the Polar Building to open up certain floors of that building and there were floors that weren't open to the tour. He said staff would apply the building and fire codes and look for certain site plan elements that had to be in place in order to support and accommodate the public.

Amyx said he had concerns and wanted to make sure it was safe for people who were at this event. He said they felt it met the necessary life/safety requirements that existed on this site, plus the addition of having the Fire Department and staff present in the event that something happened.

McCullough said the fire code element was obviously a key component and at this time there were options. One option was that all systems would be fully operational, tested, inspected, and approved by the fire department and as a back-up and a more probable scenario a fire watch would be employed which that would be 2 full service trucks with personnel and an ambulance for the duration of the event. It should be noted that the occupancy permit would only be issued for that specific time period, a day or two before the relays actually take place and a day after to let everyone setup and tear down.

Amyx said regarding the lighting plan, just to the south was Mercado's property and asked if staff approved residential use that didn't exist yet and was fairly close to the southern boundary of Rock Chalk Park.

McCullough said yes, as a future residential use.

Amyx said it was equally as close, if not closer than Graham's property.

McCullough said that area was significantly closer at about 800 to 900 feet.

Mayor Amyx called for public comment.

Rick Hurd, attorney for Jack Graham, said he was present in December to address the Commission on this subject. He said he wanted to thank McCullough and Corliss for taking the time to come out to Graham's property because it was helpful to everyone. He said they might reach different conclusions about what was viewed that evening. He said on behalf of Graham, he want to thank city staff for making the effort to be there. He said back in December when they met, they asked the City to hire an independent engineer to do an analysis of the photometric information that had been provided by the manufacturer. It was their contention, at that time, that it wasn't really a photometric plan, but photometric information. He said when

they left that meeting, it was his understanding that the City was not going to hire an independent engineer and there was discussion about who should foot the bill for that. In mid-January Graham retained an independent engineer to review the plans and his expense and they requested wiring plans and other information which was provided by the City. On March 11th, they received the one page letter from Candela, the company that was retained by the City to evaluate the plans, together with several pages of drawings. He said he understood that was done at the City's expense. Following that emailed report for Candela, he sent an email to McCullough with some questions about the Candela report and McCullough responded within a few days and forwarded their questions to Candela for a response and the responses were indicated in McCullough's email which they appreciated. There were three important points he wanted to make about the response from Candela. 1) The report was based upon the calculations provided by the manufacturer and this was hardly an independent analysis; 2) The report did not evaluate glare it stated "these calculations that we performed do not evaluate glare, they only evaluate the quantity of light that hits the ground" which was a critical omission; and, 3) The report indicated that the hoods and shielding used by the contractor were reasonable, but not the absolute best that could be found on the market. He showed a drawing from an engineer in St. Louis that illustrated the types of hoods that were available in the market place and how this could be made better than the existing shields and hoods on those light fixtures. The code indicated that the requirement was to minimize the impact to the maximum extent possible, but it was their submission that the hoods and reflectors used by the developer were not minimizing the impact of the maximum extent possible. He said this hasn't even been analyzed as to whether this would improve the situation. He said yesterday evening when they met, the lights were turned on so they could see the effects first hand and McCullough indicted that all the lights were turned on and it created a worst case scenario. He said he submitted that it didn't because it didn't include the tennis court lights or the parking lights. As far as the stadium and the softball fields, yes the lights were both on. He said he wanted to be careful

presenting a photograph to the Commission to make sure they understood that every camera that was out on that deck last night probably had a different view of the world. The shot that Graham took, the camera had a slightly telephoto lens to it when it was not yet dark. When he took the same view a little later, they could see that from his advantage point, it was much more noticeable. Neither the developer nor the City's Engineer had every measured or evaluated the amount of light that was classified as glare. He said this was the problem they would have with this facility. He said Graham used a light meter while standing on the deck that showed 3 to 4 foot candles of light standing on the deck. The light lit up his bedroom sufficiently so that they could even do hand puppets on the wall, there was that much light from the glare coming from those lights. In fact, the comment was made that he had to pull the blinds to make it truly dark in the room. There was absolutely no stopping Rock Chalk Park, this train had left the station. He said they weren't expecting to stop Rock Chalk Park. The impact on Graham and all future residences in the area, including those to the south and Mercado, was a permanent and significant reduction in the quality of their living environment. It was unfortunate that this wasn't addressed earlier for example, if you looked at the plans there were 4 banks of lights on the west side pointing east. There were 2 banks of lights on the east side pointing west and it might have been able to be flipped around, but they won't know the answer to that because it already a done deal. Repeatedly, the City had indicated that the way they've mitigated the adverse effects of stadium lighting was by restricting hours of use. Currently, the SUP allowed the stadium lighting and the softball lighting to be on until 11:30 pm, 7 days a week, 365 days a year. He said he hardly saw how that was mitigating anything by restricting hours of use of those particular lights. It was doubtful that a multi-million dollar facility like this was built with the intent to use it sparingly. If the City believed that Rock Chalk Park Stadium and softball lighting would only be used for 20 days of the year, then put it in the SUP or restrict the stadium and the softball field to use by KU only. They didn't know what other groups were going to use those facilities. The staff report didn't contemplate the use of the stadium and softball field by any

parties other than KU. The fact was that nobody knew how many nights per week it would be used throughout the year. He said he had two requests for the City Commission to consider, given everything that's happened. The first request was to restrict the stadium and softball field lighting to the same schedule as a tennis court during the week, 10:30 pm, Sunday through Thursday, allowing the lights to be on until 11:30 throughout the week was simply unreasonable to the neighbors. The stadium and softball lighting could still be used until 11:30 on weekends, but help them out during the week by restricting it to 10:30 pm. This was a minor compromise and it would greatly help the neighbors. The second request was to require the contractor to install the best possible light hoods and shields, particularly on the softball field lights. This should have been done in the first place and it was a reasonable request to mitigate the impact on the neighbors. If the City was truly committed to having the best possible project, those were both reasonable requests.

Frank Jansen said the City Commission had dealt with Gene Fritz before with artificial turf when it should have been grass and the Varsity House should have been moved, but it wasn't. He said at Rock Chalk Park that was a place that some of the public tried to stop from taking place. The City Commission was apparently dealing with something that KU Athletics had already left the station. There were probably other people in town that noticed the fact that KU Athletics and Kansas Relays had already put forth that this would be at Rock Chalk Park. He said he was curious to know what the definition of this Commission meeting was to approve this and ask if KU Athletics had a backup plan, if this was not approved. A woman wished that KU Relays would be back in its original location instead of Rock Chalk Park. He said he would like to know what was going on.

Amyx said ultimately the decision would be up to the City Commission on whether or not to approve the location change for the temporary certificate of occupancy at Rock Chalk Park.

Debbie Van Saun, Senior Associate for Kansas Athletics, said their backup plan was not to have the relays. She said they didn't have a place to have the relays and their existing

facility, Memorial Stadium, was not adequate for running the relays. She said they were looking forward to having the event hopefully, at Rock Chalk Park.

Hurd said one of the issues the City Commission was being asked to approve was the trail plan and asked the Commission to defer that plan for further discussion. He said from Lawhorn's article in the newspaper there was an 8 foot fire pit on the east side of the recreational center which was close to Graham's home. He said that fire pit was new and was not on any site plans. He said he didn't know about it until today. He said he would like to have the opportunity to talk with staff about that issue further and asked the City Commission not to take final action at this time.

Bob Etsel said he was the Park Commissioner in the City of St. Louis and was in the first three meetings that created the first rail trail in the State of Missouri which became the Katy Trail and was certainly very involved in watching this project. He said he understood the situation with one individual that was living to the east of the park and understood that the lighting was noticeable, but he thought they would want to keep a balance in terms of the expenses because light was noticeable from one person's deck. He said it was visible light and was not x-rays that would be harmful for that person. He said there had to be a balance to a certain extent in terms of what the Commission would do. He said in terms of the fire pit itself, he really liked that idea and as a runner that did a lot of cross country runs, in the fall and winter it was really nice to have something where there was warmth for the runner. He said a pit, if done right, was an iconic addition. He said while there were some concerns and people talked about those concerns, those pits were very popular around Colorado and there were 30 pits at Lake Clinton that didn't seem to be causing problems. He said he liked the idea of adding the fire pit and was far enough away from the building. If it was a problem in the future, he suggested putting a lid over it and pad lock it down if they needed to.

Schumm said Etsel had been very active in trying to give good information based on his experiences with his knowledge of both running and working in Parks and Recreation types of

settings. He said he had been very involved in the trail and it was really nice and tuned up to where he thought it was going to be a great asset for the City. He said he was convinced the trail was in good shape and should go forward. The fire pit was an extra accent and meant to be operational for a cold run. Most runs were in the morning. He said he didn't know the final design of the fire pit, but could include a sheet metal top that bolted down so that someone at night couldn't use the pit and have an instant party. He said it was a good feature for the park and envisioned the trail as something extra special and hoped to see additional amenities put into the trail later on as funds become available for things such as benches, water fountains, and maybe art.

Jansen said the Commission was voting on whether to have the Kansas Relays or not.

Amyx said the Commission was voting on whether or not to grant a temporary certificate of occupancy.

Schumm said one of the items on the menu was to approve the trail.

Farmer said he was beside himself with the continuing nonsensical opposition to what was going to be something that everyone in this community would be incredibly proud of. He said he fought to get the public money to have the light plan done for Graham and would have never expected to have an analytical review of why the light plan the City paid to get was inadequate. He said frankly it was an unrealistic expectation for there to be no light spill from anything. He said as he was driving home from work he could see the lights on at memorial stadium. He said he understood where they were coming from and hoped the trees would help. If the folks the City hired with the public's money, because the City dropped the ball and had to own up to that, said it was adequate, he thought they shouldn't have this match back in forth of what was and wasn't adequate. He said the special event permit application and the notice to be sent to Graham was completely fair. He said it was on KU Athletics if the City Commission chose not to approve the temporary certificate of occupancy. He said people advertise stuff prematurely all the time and was nothing new. He said again, this was so contentious and

hoped they could get to the point as a community when they all stop gripping and moaning about how this project had not gone in an ideal manner and they could get behind it and support it and not let this just be the continuing thorn in their side. He said the Commission toured Rock Chalk Park and it was incredible. He said he was excited and it would be great for the community, great for Lawrence, great for the citizens and neighborhoods. It was exciting because the City had a partnership with KU and talk about all of the procedural things that didn't go in the right way, the bottom line was that at some point they needed to make sure those procedural things didn't happen again and that was where their focus needed to be and not just continuing to gripe about what happened in the past. He said he hoped they could move past this and really get behind this project and not to keep finding ways to nitpick, gripe, and to raise conflict with things. He said he was incredibly tired of it and hoped to get to the point where everyone was on the same page as a community.

Riordan asked if KU Athletics would have any problems of restricting lighting until 10:30 pm on the weekdays.

Van Saun said there were several sports that would be at that location. She said she dealt with softball and could speak to that sport more easily. She said typically, 10:30 pm would not be a problem, but there were situations with weather delays and double headers because of weather delays with softball and it would be difficult to say that it would never happen. She said 11:30 pm was very realistic and 10:30 might be pushing it a bit if they had a weather delay and had to have a double header.

Stanley Redwine, head coach for KU track, said as this related to track he believed the same, 10:30 pm was definitely possible, but there was always a weather delay which could delay the meet. He said if they had to delay the meet because of weather, there were no lights, no time for the meet and they would need to suspend the competition. He said it would make for bad facility.

Schumm asked if both Van Saun and Redwine were saying that usually their meets or games were over before 10:30 in the evening during the week.

Van Saun said yes. She said soccer and softball typically didn't play during the week, but might occasionally.

Redwine said the same with track, it was mostly on weekends.

Amyx said he was someone that had questioned the process of the project, but his responsibility, at this time, was that the Commission was being asked to approve a temporary certificate of occupancy to allow KU to hold their event at this site. He said his job was to make sure that it was safe for the public to attend the relays. He said the Planning Director, staff, and the developer had done an incredible job of making sure that that site was ready for the relay. As far as the lights, he said the governing body and staff had done everything to make sure that lighting plan had been done and was appropriate. He thanked Schumm for his work on the trail master plan and it was time to move that plan along. He said he had been voting against the expenditure of money and would continue to do so, but he understood he couldn't stop the project. He said his job right now was to make sure it was safe for the public to be at that location during the Kansas Relays. He said he would recommend approving the items that were listed.

Schumm said this had to do with the thickness of the asphalt filings. He said as he recalled, at one of their earlier meetings, they talked about an 8 inch base crushed to 6 inches. He said this called for 6 inches crushed to 4 inches. He asked if what was proposed, sufficient.

Mark Hecker, Assistant Parks and Recreation Director, said 6 inches would be sufficient and was what they used on a number of their soft surface trails.

Chuck Soules, Public Works Director, said he agreed.

Amyx said he lived close to Holcom Park where there were lights. He asked what the difference was in lighting at Holcom Park as compared to Rock Chalk Park.

McCullough said part of it was the difference in recreational lighting versus the ability in using televisions and video. He said it was a more intense lighting and more lighting was needed at the fields at Rock Chalk Park versus a typical park.

Hecker said Holcom Park lighting was an old system and the glare reduction wasn't anywhere close to what was at Rock Chalk Park or some of their newer lighting facilities. He said Hobbs Park was recently lighted similar to Rock Chalk Park. The glare and light spill was much less than Holcom. Again, Holcom lighting system was pretty old.

Schumm said regarding the trail signage or directional objects in and along the way because it did cut back on itself in several places and asked if it was the developer's responsibility.

Hecker said it was easier to get the trails in place and then go in and figure out where they actually wanted signs to appear because there were so many crossings and angles and it was easier to go in after the fact. He said they do a lot of "you are here" signs throughout the systems.

Schumm asked if it would be advantageous to put any kind of marker in the crushed aggregate itself with arrows to direct people which way to run and if that was so, he asked if it could be done at this time.

Hecker said again, he would do that after the fact.

Amyx said regarding the hoods, he assumed that the site plan and the requirements for the lighting were with NCAA standards.

McCullough said he understood the lighting was design to meet the NCAA criteria. He said that was a package that was looked at in order to meet that design criteria and of course look at budget, reasonableness and whatever design, package or lighting systems that met the criteria at the right cost was the one they would employ.

Amyx said as well as meeting the criteria and continuing to meet the City's code.

McCullough said and met the City's Code in term of being reasonable in its mitigation efforts and as he tried to portray that there were several variables. He said the shield would affect properties differently. There were going to be properties due to topography that the shield would have more or less impact in effect for. He said the shields were an attempt to mitigate glare from adjacent streets and nearby properties.

Amyx said the notification that would be given to Graham regarding the events that would take place and asked how staff would notify other residential property in the area.

McCullough said upon City Commission direction it might be more appropriate to pick a circumference and notify per that circumference.

Amyx asked about the distance staff used for notification on site planning or changing of zoning.

McCullough said 200 feet in the City.

Amyx said that distance was something that was reasonable.

Schumm asked how many days in advance notice.

McCullough said there was no requirement right now, but staff would need to be reasonable about giving notice before it was approved. It was probably more like a 10 day notice.

Schumm said for a different use other than an athletic uses, there had to be a special SUP or special request of the City Commission.

McCullough said correct.

Amyx asked if there was notification of that SUP.

McCullough said no. The SUP was placed on the City Commission agenda.

Schumm asked if all of that could be tied together.

McCullough said that was what staff was attempting to do. He said they would need to have enough time to provide notice with the Commission's meeting date and a link to the application materials.

Schumm said that would be for non-athletic events.

McCullough said that account for athletic activities were for instance runs or field events which would not require a Temporary Event Permit. If they did the Lawrence Originals Food Festival in the parking lot, that would require a Temporary Event Permit.

Amyx said if staff was able to utilize the 200 feet notification with a 14 day requirement that was ample time.

Moved by Schumm, seconded by Riordan, to approve a temporary certificate of occupancy for the track and soccer building and the track stadium to accommodate the Kansas Relays, the lighting plan for exterior lights associated with Rock Chalk Park and the City Recreation Center, a temporary use of public right-of-way event permit for use of no parking signs, as identified on the attached map, for various city streets on Wednesday, April 16, 2014 to Saturday, April 19, 2014 for the Kansas Relays, a "Signs of Community Interest" request for approval of two directional signs at the intersection of West 6th Street and George Williams Way for the Kansas Relays event provided a TCO for the track/soccer building and stadium has been issued, and the trail master plan for multi-use trails to be located on Rock Chalk Park, the City Recreation Center site and adjacent Park properties. Motion carried unanimously.

- b) **Consider approving the naming of the recreational center at Rock Chalk Park as "SportQuest" and direct staff to develop needed marketing materials in preparation for facility opening.**

Megan Gilliland, Communications Manager, presented the staff report.

Dever said he Googled the name and the first thing that came up "SportQuest" a facility already named this.

Gilliland said there was a Christian based ministry called SportQuest, but staff thought it was different enough because they were naming a facility, but felt that it was a different use since it was a facility name, a physical name and they could still use SportQuest. She said it would knock out being able to use the twitter handles SportQuest because they've used that,

but they had some other ideas in mind. She said there was another facility named SportQuest that was no longer and had filed for bankruptcy.

Amyx asked about incorporating the name Lawrence.

Gilliland said they looked at that and one of the names that Miller Meiers came up was One Lawrence as a unified name for the facility. She said the next agenda item talked about sponsorships and entitlement, but they felt like the name SportQuest either way with an entitlement sponsor or without an entitlement sponsor. She said if for some reason the Commission approved and they did not get an entitlement sponsor, then they could certainly use Lawrence SportQuest as the naming. One concern was to not make it too long or too wordy. She said they already know that commonly people would refer to the area as Rock Chalk Park and wanted to use something along with Rock Chalk Park.

Jana Dawson, representing Miller Meiers Communication Arts Agency, said she wanted to discuss revenue generation so they didn't go down the path of the SportQuest that already filed for bankruptcy and wanted to be sure they were generating revenue for this facility. She said the City Commission was keenly aware that this facility would be different from others in that they needed to generate revenue to help off-set some of the operating costs. She said part of this agenda item was that the City Commission approve the name and directing staff to develop the needed marketing materials in preparation for the opening. She said that was a pretty broad statement and there wasn't a lot of direction there right now with regard to what the Commission was expecting when it came to developing marketing materials and what path they wanted to go down. She said she was present to talk about the fact that the City needed to spend some money to make some money. She said she was talking about a very different type of facility from others they had within the system. She said she had been an advocate for the Parks and Recreation Department for a long time and staff did a fabulous job with their programming, their overall operational management and staying with budgets. She said Parks and Rec staff had consistently done that and thought they would consistently continue to do that

with this facility, but they hadn't been tasked in the past with having to extensively market a facility which she thought would be needed for this facility to be successful. They had a great opportunity right off the bat, it was new, it was exciting and everyone wanted to be a part of it. The City Commission toured the facility today and this could be a real gem and crown jewel for this community. She said what would be more important than just the name was what they would do with the name, once they had it identified. She said with the name SportQuest there was a lot they could do with that name if they did it right going forward and creating a unique personality and experience for people who came through this community. The problem they might have was that people get caught up in that mentality of the facility being new and if they build the facility people would come to this community. Certainly, people would come try the facility out, but if they weren't going through the extra effort and steps to make sure that they were creating an experience for people that was different, that differentiated Lawrence from other facilities that were out there and would not get them back. She said that had a substantial effect on the ability to generate sponsorship revenue and on-going revenue for the facility. If they really wanted the marketing manager to be successful, the marketing materials generated upfront, would be an integral part of the marketing manager to be successful in generating those revenue dollars. She said when taking a look at what the City would allocate with regard to putting together marketing materials for the facility, she hoped the Commission would take that into consideration that they needed to be looking at the opportunity to put some dollars in to drive higher dollar revenue generation to off-set the operating cost and take a little bit of burden off the taxpayer and putting additional taxpayer into the facility because it could be off-set through sponsorships and additional income through the people at the facility. The City Commission had the opportunity to make a strategic decision in that direction to really take a leadership role in moving the facility forward and elevating it toward some positive revenue for the facility.

Mayor Amyx called for public comment.

After receiving no public comment, Schumm said he learned of the name through the newspaper because he hadn't read the agenda until late yesterday. He said he had been involved in this project from before day one. He asked if they were building this facility for people outside the City or for the people inside the City. He said he firmly believed that they did it for the citizens, primarily, but yet did it big enough so they could be involved in the tournament play. The name felt like more of a sports challenge than a health and recreation center. Also, the word "Quest" was difficult because there were a lot of companies by the name of "Quest" regarding testing. It almost sounded like they picked up a sponsor when they really hadn't picked up a sponsor. He said from his position, he was not thrilled with the word "Quest" and it seemed it was an athletic facility for champions, to be the best, and to be a sports club that was going to win. He said he really didn't think that was what it was at all. It had that element to it, but believed it was put in place for the recreational opportunities of the citizens. He said he was having trouble with the name. It was not that he couldn't get over it, but that was where he was at the moment.

Dever said he had been a little bit involved in this previously talking to Dawson to get a feel for what was out there. He said he thought they moved quickly and he would like a little more time to talk and come up with a final decision on the name.

Riordan said he wasn't against the name or for it, but struck him as okay. He said it did emphasize a lot the outside interest where he wanted to emphasize the "in Lawrence" interest in this facility. He said most of the people going to this recreation facility would be hopefully, Lawrence citizens. He said he could certainly live with the name, but it didn't strike him really great when he first heard the name.

Farmer said he liked the Ad Astra name because there was something about that name that captured the essence of who they were as a State and as a community. He said he didn't think the folks clamoring for Lawrence to be in the name would have such an issue if it were named Ad Astra. He said this was something that he would defer to folks way smarter than him.

He said Schumm's comment about whether or not this was something for citizens or folks outside of the City, but then again you have to spend money to make money. He said he would be fine moving forward with the name, but if the City Commission wasn't ready to, then he certainly thought it needed everyone's full support. The only problem was if they kept pushing this off, it was not as good as making a decision.

Amyx said the only reason he brought up incorporating Lawrence into the name was because it was important for him. He said in everything they did on this project, that they forgot where they came from.

Dawson said she wanted to reiterate the process that they went through to get to this point. She said they initially had a discovery session with staff and spent a substantial amount of time in meetings with staff to walk through the key words that who they wanted to be communicating about the facility. She said from that they came back with some proposals with different names and the meanings tied back behind those names. She said they wanted there to be strategic thought behind each one of the names, but also wanted there to be staff buy-in, a name staff was comfortable with and could get behind. She said that was where the SportQuest came from in all those discussions. She said there had been a lot of thought process put into this name. She said like anything there was a defined scope of work and the more time they spent going through, the less money they had to do some of the more tangible things that would make the revenue generation impact that they needed to have. Again, that was something the Commission needed to keep in mind that if they wanted to keep talking through all of this, whether with staff or the consultant and whether they were involved with it, time was money. She said the other part was that they also had the next piece of the presentation and that was the entitlement portion of this and they couldn't move forward in selling the sponsorship and entitlement until they had a name and marketing materials to support that name. The longer they put that off, the more difficult it was going to be to get those sponsorships in place in time for the opening. She said they weren't talking about having a

bunch of 3x5 vinyl banners slapped up all over the facility, but they wanted it to be integrated and make a powerful statement and be a project they could all be proud of, but it took time to develop all of those things. She said for her personally, SportQuest wouldn't have been her first choice, but it was certainly a workable choice.

Amyx said he felt like he was left out of what the name of the building should be.

Farmer asked if it would be helpful if a Commissioner sat as a liaison with staff and Miller Meiers to have those conversations.

Amyx asked if Farmer was volunteering.

Farmer said he would do it.

Dawson said she would be glad to take the Commissioners through the process that they went through and show the Commission some of the names.

Ernie Shaw, Interim Parks and Recreation Director, said it came back to what the next subject, but Dawson alluded to the fact that they were running out of time. If the Commission decided to look for entitlement sponsors and primary sponsors it took 3 to 6 months. He said without a name they would be holding the doors without a name and not being able to look for sponsors. He said they were out of time.

Dever said he respected the need for a name and the fact that they were out of time, but entitlement sponsors were important to the long-term value of this facility and for its sustainability, but he didn't want to just pick a name because he was in a hurry. He said he had been involved and had several conversations with Dawson, but he thought they could get to where they needed to be. He said they had less than a week to talk about the name and they spent years of their lives developing it. It was only fair to inject a commensurate level of thought. He said the Commissioners were the ones that would be made fun of if no one liked the name. He said he wanted to make sure he understood the value of this, but completely understood that they were in a hurry. He said it had only been 5 days since the name was released.

Schumm said he presumed that after this article hit the newspaper there would be a lot of discussion and could generate a lot of interest in terms of finding the right name. He said he was not ready to go with the proposed name. He said he had too much of his time and energy in that place and didn't want to name the facility something that he really didn't connect with. He said within a week or two weeks they could come up with something that everyone could agree with.

Amyx said the direction was to direct the Vice Mayor to meet with staff and Dawson to go over the naming possibilities and they could report back next week.

Farmer said bringing this item back for the meeting on April 22nd would be more feasible.

- c) **Consider authorizing payment in the amount of \$17,500 to Premier Sports Management for Phase III of RFP No. 1315. This will also include a twenty percent (20%) commission on all title/presenting sponsorship sales made for the recreation center at Rock Chalk Park.**

Ernie Shaw, Interim Parks and Recreation Director, presented the staff report.

Mitch Wheeler, Premier Sports Management, said regarding their materials on sponsorship, they had broken into two categories. The first category was entitlement sponsor which would only be one and on the presenting sponsors, they recommended 2, but no more than 3. He said they believed the potential would be somewhere between \$225,000 in annual gross revenue and a maximum if they hit everything at the high end, around \$350,000 and then the City would net out their fee at 20% commission as well as the signage expenses.

Dever said regarding the 20% of the gross payment from the potential sponsor, he asked if that was after the cost associated with signage or was that prior to the cost associated with signage.

Wheeler said prior and would be based on the contracted amount.

Dever said if they agreed to \$350,000, Wheeler would get \$30,000 of that money upfront, regardless of what type of signage requirements they might have.

Wheeler said all of that would be presented in a package for approval. He said at the time it was presented for approval the Commission would know who the sponsor was, did it connect well with the sports, health and wellness theme; and, they would also know the signage costs. He said they wanted to be able to get sponsors out to the facility and walk them through and talk to the sponsors about how they could engage with those companies that had already made a commitment, established themselves in the health and wellness areas and how could they articulate their messaging their brand connected to a facility like this. He said for example, if someone was going to sponsor one of the areas like the gym and running track. Instead of just putting that giant Gatorade signs or giant Nike signs, they wanted to challenge the sponsor to come up with creative messaging. He said they wanted to engage in health and wellness in a more meaningful messaging versus just sponsor logos.

Schumm said regarding the commission of 20%, he asked if that was one time or each year.

Wheeler said that would be each year because they would also be responsible for managing the relationship with that sponsor and they would become the point person and managing that all the way through the contract.

Schumm said regarding the name, he asked how many words it should be limited to.

Wheeler said it would be for instance, HyVee presents Dicks Sporting Goods SportQuest. He said the presenting would be at a lower level than their entitlement. Again, that would be presented as a package so that they would know that in advance when approving it.

Dever asked if it was reasonable to have a name and maybe another name, plus the City's name.

Wheeler said that was fairly common practice.

Schumm asked if Wheeler had any advice for the City Commission in terms of the amount of words to be used.

Wheeler said obviously it was better if the sponsor's name was like "HyVee" versus a "Dicks Sporting Goods".

Schumm said he didn't mean the sponsor's name, but what the City Commission wanted the building to be referred as.

Wheeler said one word was ideal, but at most two words.

Dever said the City Commission was told that they couldn't start marketing unless there was a name and asked Wheeler to explain.

Wheeler said they could engage with sponsors and begin the conversation because it would take a 3 to 5 month period in most situations. Every once in a while they had a first meeting and get a "yes" and there was usually an approval process through a company so it took time to get that done. He said they could begin engagement, but frankly what they were waiting on was being able to walk the facility with the sponsor so they could see where they would like to place their logos on the building. He said they could begin the process, but the sooner the better so the sponsor knew what kind of name they would be engaging with to make sure the it was something the sponsor wanted to be associated with.

Dever asked if the name of the facility would preclude them from being a sponsor.

Wheeler said if he was representing someone, they might agree on the signage and fee, but he would want to know the name of the facility before signing a contract, if he was representing a sponsor.

Amyx said the Commission would want Premier Sports Management to be sent out with all of the things to make those contacts.

Wheeler said the better marketing materials would make it an easier sell.

Schumm said for instance, if they had HyVee Ad Astra Rec Center, he asked if HyVee would have its own logo with whatever lettering the City had.

Wheeler said correct.

Shaw said if the naming of the park was approved staff would like to have the signage, mural, and the sponsorships in the facility and up on the walls before the doors were opened to the public which would take time to do.

Moved by Schumm, seconded by Dever, to defer the naming of the recreational center at Rock Chalk Park for two weeks. Motion carried unanimously.

Moved by Schumm, seconded by Farmer, to authorize payment in the amount of \$17,500 to Premier Sports Management for Phase III of RFP No. 1315. This will also include a 20 percent commission on all title/presenting sponsorship sales made for the recreation center at Rock Chalk Park. Motion carried unanimously.

6. Consider the following items related to Yankee Tank Estates Benefit District:

- a) Conduct public hearing and consider adopting on first reading, Ordinance No. 8976, establishing maximum assessments for Yankee Tank Estates Benefit District.
- b) Consider setting April 29, 2014, as bid date for Project Number PW1338, Yankee Tank Estates, Phase 1, Street, Storm Sewer and Waterline Improvements.

Chuck Soules, Public Works Director, presented the staff report.

Amyx asked if 100% of the costs of the improvements would be paid by the improvement district.

Soules said correct.

Moved by Schumm, seconded by Farmer, to open the public hearing.

Amyx called for public comment.

After receiving no public comment, **it was moved by Schumm, seconded by Farmer,** to close the public hearing. Motion carried unanimously.

Moved by Schumm, seconded by Farmer, to adopt on first reading, Ordinance No. 8976, establishing maximum assessments for Yankee Tank Estates Benefit District and set April 29, 2014 as the bid date for Yankee Tank Estates, Phase 1, Street, Storm Sewer and Waterline Improvements. Motion carried unanimously.

7. **Consider the following items related to the 23rd and Iowa reconstruction and geometric improvements:**
- a) **Consider authorizing KDOT to award the project to Amino Brothers Company;**
 - b) **Consider allocating an additional \$950,000 in infrastructure sales tax funds to pay for the balance of construction costs bringing total project funds to \$4,250,000; and**
 - c) **Consider authorizing the Mayor to sign a City/State Local Public Authority Agreement for construction engineering inspection services for the 23rd & Iowa project.**

David Cronin, City Engineer, presented the staff report.

Amyx said the two options were to approve staff's recommendation or send it back to rework and delay the project for a year, not knowing the cost involved a year from now.

Cronin said if the City Commission decided not to fund the project this year, staff could reconfigure the sequencing or the traffic phasing, but staff wasn't recommending that by any means because they wanted to keep it open to unrestricted traffic at those three movements or delay the project for a year. Typically, KDOT was fine with awarding a project if the City had the funds but if not, KDOT was fine with delaying the project, but they also had some federal funds in the project that staff might not be able to use if they were to delay it another year.

Riordan asked Cronin to go over the costs because the total cost was a million more than staff projected. He said Cronin mentioned the state would take part in those costs and there were federal funds. He asked about the actual cost to the City.

Cronin said the City cost would be approximately 2.5 million dollars, but right now they had \$500,000 in bonds allocated to the project and 1 million dollars in infrastructure sales tax. In essence staff was asking for an additional \$950,000 from 2015 dollars that staff would put to the project. He said it would be 2.5 million and KDOT had approximately 1.7 million dollars in funds.

Riordan asked about the Federal Funds.

Cronin said \$500,000 in geometric improvement funding and \$200,000 in highway safety. He said those were matched 80/20 and 90/10. He said obviously they would max out the amount of \$500,000 and \$200,000 with City participation.

Amyx said they had a solid bid based on the design and the engineering. He said City Commission had demanded that traffic be allowed to move through that intersection. He said the choice they had was the recommendation that was before the City Commission. He said he didn't know what the cost would be a year from now and if losing \$200,000 in federal funds that could be added into the bill. It was one of the most important intersections in this community. He said he recommended that the City Commission approve the project.

Dever asked what they would not do in 2015 with the \$950,000.

Corliss said they would have less money in the infrastructure sales tax fund which they had devoted toward residential street work. He said the City Commission hadn't approved the 2015 Pavement Management Program. He said they were looking at doing a lot of work on Bob Billings Parkway and was probably one of the projects that would have a little bit less resources, but they might be looking at doing some debt financing, not only in 2015, but in 2016 and 2017 and not only work on Bob Billings Parkway, but probably some response to the interchange and there had been some discussion about additional turning lanes which would be larger projects which they might not be able to do in 2015 and might need to look at 2016 and 2017. He said that was why staff was comfortable in recommending this project. He said when speaking to the merits of the project the Mayor was correct in asking about the cost. The cost was that they would have less money for that type of project in 2015, but would be looking at a multi-year effort to respond to Bob Billings Parkway as it had that interchange at K-10. He said the City Commission would be spending some time with that issue in the future. Staff didn't really have that plan to present to the City Commission at this point, but whether they wanted to do traffic signals, roundabouts, and turning lanes, staff didn't know yet. Those would be a multi-year effort to work on that over time.

Amyx said this project along with 6th and Iowa were right at the front.

Corliss said the City Commission approved setting a bid date for 6th and Iowa which would happen in a few weeks.

Mayor Amyx called for public comment.

Moved by Schumm, seconded by Riordan, to authorize KDOT to award the project to Amino Brothers, allocate an additional \$950,000 in infrastructure sales tax funds, and authorize the Mayor to sign a City/State Local Public Authority Agreement. Motion carried unanimously

F. PUBLIC COMMENT: None

G. FUTURE AGENDA ITEMS:

David Corliss, City Manager, outlined potential future agenda items.

G: COMMISSION ITEMS: None

H: CALENDAR:

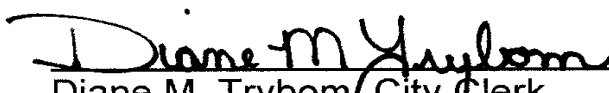
David Corliss, City Manager, reviewed calendar items

I: CURRENT VACANCIES – BOARDS/COMMISSIONS:

Existing and upcoming vacancies on City of Lawrence Boards and Commissions were listed on the agenda.

Moved by Schumm, seconded by Farmer, to adjourn at 10:40 p.m. Motion carried unanimously.

MINUTES APPROVED BY THE CITY COMMISSION ON AUGUST 12, 2014.


Diane M. Trybom (City Clerk)