



City of Lawrence

CITY COMMISSION

MAYOR
MIKE AMYX

COMMISSIONERS
LESLIE SODEN
STUART BOLEY
MATTHEW J. HERBERT

DIANE STODDARD
INTERIM CITY MANAGER

City Offices
PO Box 708 66044-0708
www.lawrenceks.org

6 East 6th St
785-832-3000
FAX 785-832-3405

June 1, 2015

Ms. Shirley Martin-Smith, Chair
Board of Directors
The Dwayne Peaslee Technical Training Center, Inc.
649 Vermont Street, Suite 200
Lawrence, KS 66044

Re: City Funds for The Dwayne Peaslee Technical Training Center, Inc.

Dear Ms. Martin-Smith:

This Letter Agreement shall memorialize the financial commitments made by the Lawrence City Commission for The Dwayne Peaslee Technical Training Center ("TTC"), at its regular meeting on March 24, 2015. Please acknowledge The Dwayne Peaslee Technical Training Center, Inc.'s (Peaslee Center) acceptance of the limitations and terms of the City's funding by signing below.

1. Refund of 2014 Real Estate Taxes: After receipt by the City's Finance Director of evidence of payment in full of the 2014 real estate taxes paid on the real estate and improvements located at the property commonly known as 2920 Haskell Avenue in Lawrence, KS ("the Property"), the City agrees to refund to Peaslee Center up to \$15,533.20, which represents the City's proportional share of real estate taxes on the Property and improvements, excluding the approximately 15,000 square feet of building leased to Hiper Real Estate Holdings, L.L.C. The City shall have 30 days to process the refund after confirming the refund is due,

2. One-time Grant of \$500,000 for Renovations and Infrastructure Development for the TTC: The City shall make a one-time grant of \$500,000 to Peaslee Center, to be used exclusively for the renovations and approved infrastructure development of the TTC on the Property. Peaslee Center agrees to cause the renovations and infrastructure improvements to be constructed of first-rate quality and in accordance with the approved site plan, the Land Development Code, City design standards and infrastructure standards, and with all other applicable local, state, and federal laws and regulations. Within thirty (30) days of the issuance of the occupancy permit for the TTC, Peaslee Center shall deliver to the City's Finance Director a comprehensive report, at Peaslee Center's expense, by Summers, Spencer, and Company, PA, accounting for Peaslee Center's use of the City's grant for the TTC renovations and infrastructure expenses. Peaslee Center further agrees to cause its Contractor to allow the City's designee access to the Contractor's records, facilities, and current or former employees of



Contractor, deemed necessary by the City or its designee, for the City, in its discretion, to perform an audit, inspection, or examination of the TTC renovation and infrastructure improvement expenses. Peaslee Center agrees it shall retain its records, and shall cause its Contractor to retain its records related to the TTC renovations and infrastructure for a period of four (4) years following completion of the TTC renovation and infrastructure project.

3. Loan. The City shall loan to the Peaslee Center the principal amount of \$143,294.50, the proceeds of which shall be used exclusively for renovations to approximately 5,587 square feet of office space located at the west entrance to the TTC, to be leased to the Lawrence Workforce Center. The loan shall be subject to the following terms:

- a. Commencing on July 10, 2015, the Peaslee Center shall pay to City the principal and interest amount of \$1319.66, in 120 equal monthly payments and continuing on the same day of each month thereafter until June 10, 2025, at which time the entire unpaid balance of principal and interest on the original principal loan amount shall be paid to City, in accordance with the attached amortization schedule.

The Annual Interest Rate shall be an interest rate of 2.035%

- b. As an express condition to the making of the loan by City to Peaslee Center, Peaslee Center understands and agrees that, until the full amount of principal and interest due under this Agreement is paid in full, Peaslee Center shall not sell or lease, encumber, or seek to encumber by way of a mortgage or any other method, that certain real estate or improvements thereto or appurtenances thereon, to the following real property:

A tract of land in Lot 1 King Industrial Park Subdivision, a subdivision in the City of Lawrence, Douglas County, Kansas described as:

Commencing at the Northeast corner of said Lot 1, said point also being the Northwest corner of Lot 37, Mary's Lake Addition, an addition to the City of Lawrence, Douglas County, Kansas; thence South 01°29'00" East, on the West line of said Mary's Lake Addition, a distance of 359.69 feet for the Point of Beginning; thence continuing South 01°29'00" East, on the West line of said Mary's Lake Addition, a distance of 728.31 feet to the North line of a Permanent Road Right-of-Way Easement described in Tract 35 of Douglas County District Court Case 13-CV- 51; thence North 80°22'24" West, on said Right-of-Way Easement line, a distance of 95.80 feet; thence South 88°59'53" West, on said Right-of-Way Easement line, a distance of 200.06 feet; thence North 18°57'05" West, on said Right-of-Way Easement line, a distance of 124.89 feet; thence North 44°44'22" West, on said Right-of-Way Easement line, a distance of 413.62 feet; thence North 88°29'30" East, a distance of 224.12 feet; thence North 01°29'00" West, a distance of 176.51 feet; thence North 88°29'30" East, a distance of 99.43 feet; thence North 01°29'00" West, a distance of 111.02 feet; thence North 88°29'30" East, a distance of 291.45 feet; to the Point of Beginning. Containing 6.484 Acres more or less all in the City of Lawrence, Douglas County, Kansas subject to Rights-of-way, Easements and Restrictions of Record, without first having obtained the approval therefor from the governing body of the City in a writing duly made, executed, and acknowledged by the appropriate City official(s).

- c. In the event the Peaslee Center shall fail to fully and timely make any payment of the principal or interest when due by the terms hereof, City shall have the right to withhold said amount of any allocations of funding made or to be made, including any gifts, grants, or aid, by City for the benefit of the Peaslee Center and/or the TCC. The amount of such withholding(s) shall first be applied to accrued and unpaid interest with the balance remaining, if any, to be applied to the existing principal balance.
- d. Peaslee Center shall have the right, without penalty, to accelerate full and final payment of principal and interest due City hereunder.
- e. Peaslee Center agrees to cause the renovations be constructed of first-rate quality, and in accordance with the approved site plan and the Land Development Code, and with all other applicable local, state, and federal laws and regulations. Peaslee Center further consents to, and pledges cooperation in, any audit, inspection or examination by the City or its designee, of the renovation expenses for the portion of the premises improved through the use of the City's loan. Peaslee Center agrees it shall retain its records, and shall cause its Contractor to retain its records related to the referenced renovations for a period of four (4) years following completion of the TTC renovation and infrastructure project.

4. Reimbursement of Certain Building Permit Fees and Waiver of IRB Application Fee: Authorized parties acting on behalf of the Peaslee Center shall pay all building permit fees associated with the development and renovations to the TTC to develop classroom, office, training, and laboratory spaces for the technical training center and the Lawrence Workforce Center, provided that the City shall within (30) days of execution of this Agreement or payment of such fees, whichever occurs last, pay them back to the respective Party which paid them. The City agrees to waive the \$1000 Industrial Revenue Bond (IRB) application fee.

5. Miscellaneous Provisions.

- a. Peaslee Center shall comply with all of the City's ordinances, rules, and procedures, and all applicable state and federal laws, in connection with development and reconstruction of the TTC and infrastructure, and further agrees to not discriminate against any person on the basis of race, sex, religion, color, national origin, ancestry, sexual orientation, gender identity, or real or perceived disability in its offering of training and other services.
- b. Peaslee Center shall ensure the reconstruction and infrastructure development is completed free of any laborer's, materialman's, mechanic's, or other liens on the Property, including the infrastructure improvements.
- c. It is expressly understood and agreed by the parties that the financial commitments set forth herein do not in any manner, create a relationship, legal or otherwise, between the parties.
- d. The City shall have no further or ongoing financial responsibility or funding obligation related to the Dwayne Peaslee Technical Training Center, the technical training campus, and/or its supporting infrastructure, other than those specifically set forth herein. The City shall have no duty or obligation to increase its financial commitment set forth herein in the event any of the Peaslee Center's other contributors, including but not limited to Douglas County, the Chamber –

Lawrence, KS, the Economic Development Corporation of Lawrence and Douglas County, fail to provide in whole or in part those respective parties' financial commitments for the Peaslee Center.

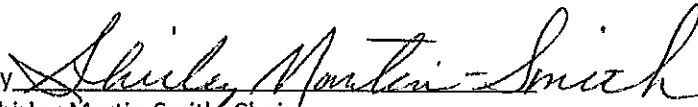
Please read the contents of this letter carefully, and sign below, if you agree to the terms hereof. If you have any questions, feel free to contact me at 832-3400.

Respectfully,



Diane Stoddard
Interim City Manager

The Dwayne Peaslee Technical Training Center, Inc.

By 

Shirley Martin-Smith, Chair
Board of Directors

Signed this 15 day of September, 2015

Peaslee Center Loan

Compound Period : Monthly

Nominal Annual Rate : 2.035 %

CASH FLOW DATA

| Event | Date | Amount | Number | Period | End Date |
|-----------|------------|------------|--------|---------|------------|
| 1 Loan | 06/24/2015 | 143,294.50 | 1 | | |
| 2 Payment | 07/10/2015 | 1,319.66 | 120 | Monthly | 06/10/2025 |

AMORTIZATION SCHEDULE - Normal Amortization

| | Date | Payment | Interest | Principal | Balance |
|-------------|------------|-----------|----------|-----------|------------|
| Loan | 06/24/2015 | | | | 143,294.50 |
| 1 | 07/10/2015 | 1,319.66 | 127.80 | 1,191.86 | 142,102.64 |
| 2 | 08/10/2015 | 1,319.66 | 240.94 | 1,078.72 | 141,023.92 |
| 3 | 09/10/2015 | 1,319.66 | 239.11 | 1,080.55 | 139,943.37 |
| 4 | 10/10/2015 | 1,319.66 | 237.27 | 1,082.39 | 138,860.98 |
| 5 | 11/10/2015 | 1,319.66 | 235.44 | 1,084.22 | 137,776.76 |
| 6 | 12/10/2015 | 1,319.66 | 233.60 | 1,086.06 | 136,690.70 |
| 2015 Totals | | 7,917.96 | 1,314.16 | 6,603.80 | |
| 7 | 01/10/2016 | 1,319.66 | 231.76 | 1,087.90 | 135,602.80 |
| 8 | 02/10/2016 | 1,319.66 | 229.91 | 1,089.75 | 134,513.05 |
| 9 | 03/10/2016 | 1,319.66 | 228.07 | 1,091.59 | 133,421.46 |
| 10 | 04/10/2016 | 1,319.66 | 226.22 | 1,093.44 | 132,328.02 |
| 11 | 05/10/2016 | 1,319.66 | 224.36 | 1,095.30 | 131,232.72 |
| 12 | 06/10/2016 | 1,319.66 | 222.51 | 1,097.15 | 130,135.57 |
| 13 | 07/10/2016 | 1,319.66 | 220.64 | 1,099.02 | 129,036.55 |
| 14 | 08/10/2016 | 1,319.66 | 218.78 | 1,100.88 | 127,935.67 |
| 15 | 09/10/2016 | 1,319.66 | 216.91 | 1,102.75 | 126,832.92 |
| 16 | 10/10/2016 | 1,319.66 | 215.05 | 1,104.61 | 125,728.31 |
| 17 | 11/10/2016 | 1,319.66 | 213.17 | 1,106.49 | 124,621.82 |
| 18 | 12/10/2016 | 1,319.66 | 211.30 | 1,108.36 | 123,513.46 |
| 2016 Totals | | 15,835.92 | 2,658.68 | 13,177.24 | |
| 19 | 01/10/2017 | 1,319.66 | 209.42 | 1,110.24 | 122,403.22 |
| 20 | 02/10/2017 | 1,319.66 | 207.53 | 1,112.13 | 121,291.09 |
| 21 | 03/10/2017 | 1,319.66 | 205.65 | 1,114.01 | 120,177.08 |
| 22 | 04/10/2017 | 1,319.66 | 203.76 | 1,115.90 | 119,061.18 |
| 23 | 05/10/2017 | 1,319.66 | 201.87 | 1,117.79 | 117,943.39 |
| 24 | 06/10/2017 | 1,319.66 | 199.97 | 1,119.69 | 116,823.70 |
| 25 | 07/10/2017 | 1,319.66 | 198.07 | 1,121.59 | 115,702.11 |
| 26 | 08/10/2017 | 1,319.66 | 196.17 | 1,123.49 | 114,578.62 |
| 27 | 09/10/2017 | 1,319.66 | 194.27 | 1,125.39 | 113,453.23 |
| 28 | 10/10/2017 | 1,319.66 | 192.36 | 1,127.30 | 112,325.93 |
| 29 | 11/10/2017 | 1,319.66 | 190.45 | 1,129.21 | 111,196.72 |
| 30 | 12/10/2017 | 1,319.66 | 188.53 | 1,131.13 | 110,065.59 |
| 2017 Totals | | 15,835.92 | 2,388.05 | 13,447.87 | |

Peaslee Center Loan

| | Date | Payment | Interest | Principal | Balance |
|-------------|------------|-----------|----------|-----------|------------|
| 31 | 01/10/2018 | 1,319.66 | 186.62 | 1,133.04 | 108,932.55 |
| 32 | 02/10/2018 | 1,319.66 | 184.70 | 1,134.96 | 107,797.59 |
| 33 | 03/10/2018 | 1,319.66 | 182.77 | 1,136.89 | 106,660.70 |
| 34 | 04/10/2018 | 1,319.66 | 180.84 | 1,138.82 | 105,521.88 |
| 35 | 05/10/2018 | 1,319.66 | 178.91 | 1,140.75 | 104,381.13 |
| 36 | 06/10/2018 | 1,319.66 | 176.98 | 1,142.68 | 103,238.45 |
| 37 | 07/10/2018 | 1,319.66 | 175.04 | 1,144.62 | 102,093.83 |
| 38 | 08/10/2018 | 1,319.66 | 173.10 | 1,146.56 | 100,947.27 |
| 39 | 09/10/2018 | 1,319.66 | 171.16 | 1,148.50 | 99,798.77 |
| 40 | 10/10/2018 | 1,319.66 | 169.21 | 1,150.45 | 98,648.32 |
| 41 | 11/10/2018 | 1,319.66 | 167.26 | 1,152.40 | 97,495.92 |
| 42 | 12/10/2018 | 1,319.66 | 165.30 | 1,154.36 | 96,341.56 |
| 2018 Totals | | 15,835.92 | 2,111.89 | 13,724.03 | |
| 43 | 01/10/2019 | 1,319.66 | 163.35 | 1,156.31 | 95,185.25 |
| 44 | 02/10/2019 | 1,319.66 | 161.39 | 1,158.27 | 94,026.98 |
| 45 | 03/10/2019 | 1,319.66 | 159.42 | 1,160.24 | 92,866.74 |
| 46 | 04/10/2019 | 1,319.66 | 157.46 | 1,162.20 | 91,704.54 |
| 47 | 05/10/2019 | 1,319.66 | 155.49 | 1,164.17 | 90,540.37 |
| 48 | 06/10/2019 | 1,319.66 | 153.51 | 1,166.15 | 89,374.22 |
| 49 | 07/10/2019 | 1,319.66 | 151.53 | 1,168.13 | 88,206.09 |
| 50 | 08/10/2019 | 1,319.66 | 149.55 | 1,170.11 | 87,035.98 |
| 51 | 09/10/2019 | 1,319.66 | 147.57 | 1,172.09 | 85,863.89 |
| 52 | 10/10/2019 | 1,319.66 | 145.58 | 1,174.08 | 84,689.81 |
| 53 | 11/10/2019 | 1,319.66 | 143.59 | 1,176.07 | 83,513.74 |
| 54 | 12/10/2019 | 1,319.66 | 141.60 | 1,178.06 | 82,335.68 |
| 2019 Totals | | 15,835.92 | 1,830.04 | 14,005.88 | |
| 55 | 01/10/2020 | 1,319.66 | 139.60 | 1,180.06 | 81,155.62 |
| 56 | 02/10/2020 | 1,319.66 | 137.60 | 1,182.06 | 79,973.56 |
| 57 | 03/10/2020 | 1,319.66 | 135.60 | 1,184.06 | 78,789.50 |
| 58 | 04/10/2020 | 1,319.66 | 133.59 | 1,186.07 | 77,603.43 |
| 59 | 05/10/2020 | 1,319.66 | 131.58 | 1,188.08 | 76,415.35 |
| 60 | 06/10/2020 | 1,319.66 | 129.56 | 1,190.10 | 75,225.25 |
| 61 | 07/10/2020 | 1,319.66 | 127.54 | 1,192.12 | 74,033.13 |
| 62 | 08/10/2020 | 1,319.66 | 125.52 | 1,194.14 | 72,838.99 |
| 63 | 09/10/2020 | 1,319.66 | 123.50 | 1,196.16 | 71,642.83 |
| 64 | 10/10/2020 | 1,319.66 | 121.47 | 1,198.19 | 70,444.64 |
| 65 | 11/10/2020 | 1,319.66 | 119.44 | 1,200.22 | 69,244.42 |
| 66 | 12/10/2020 | 1,319.66 | 117.40 | 1,202.26 | 68,042.16 |
| 2020 Totals | | 15,835.92 | 1,542.40 | 14,293.52 | |
| 67 | 01/10/2021 | 1,319.66 | 115.37 | 1,204.29 | 66,837.87 |
| 68 | 02/10/2021 | 1,319.66 | 113.32 | 1,206.34 | 65,631.53 |
| 69 | 03/10/2021 | 1,319.66 | 111.28 | 1,208.38 | 64,423.15 |
| 70 | 04/10/2021 | 1,319.66 | 109.23 | 1,210.43 | 63,212.72 |
| 71 | 05/10/2021 | 1,319.66 | 107.18 | 1,212.48 | 62,000.24 |
| 72 | 06/10/2021 | 1,319.66 | 105.12 | 1,214.54 | 60,785.70 |
| 73 | 07/10/2021 | 1,319.66 | 103.06 | 1,216.60 | 59,569.10 |

Peaslee Center Loan

| | Date | Payment | Interest | Principal | Balance |
|-------------|------------|-----------|----------|-----------|-----------|
| 74 | 08/10/2021 | 1,319.66 | 101.00 | 1,218.66 | 58,350.44 |
| 75 | 09/10/2021 | 1,319.66 | 98.93 | 1,220.73 | 57,129.71 |
| 76 | 10/10/2021 | 1,319.66 | 96.86 | 1,222.80 | 55,906.91 |
| 77 | 11/10/2021 | 1,319.66 | 94.79 | 1,224.87 | 54,682.04 |
| 78 | 12/10/2021 | 1,319.66 | 92.71 | 1,226.95 | 53,455.09 |
| 2021 Totals | | 15,835.92 | 1,248.85 | 14,587.07 | |
| 79 | 01/10/2022 | 1,319.66 | 90.63 | 1,229.03 | 52,226.06 |
| 80 | 02/10/2022 | 1,319.66 | 88.55 | 1,231.11 | 50,994.95 |
| 81 | 03/10/2022 | 1,319.66 | 86.46 | 1,233.20 | 49,761.75 |
| 82 | 04/10/2022 | 1,319.66 | 84.37 | 1,235.29 | 48,526.46 |
| 83 | 05/10/2022 | 1,319.66 | 82.28 | 1,237.38 | 47,289.08 |
| 84 | 06/10/2022 | 1,319.66 | 80.18 | 1,239.48 | 46,049.60 |
| 85 | 07/10/2022 | 1,319.66 | 78.08 | 1,241.58 | 44,808.02 |
| 86 | 08/10/2022 | 1,319.66 | 75.97 | 1,243.69 | 43,564.33 |
| 87 | 09/10/2022 | 1,319.66 | 73.86 | 1,245.80 | 42,318.53 |
| 88 | 10/10/2022 | 1,319.66 | 71.75 | 1,247.91 | 41,070.62 |
| 89 | 11/10/2022 | 1,319.66 | 69.64 | 1,250.02 | 39,820.60 |
| 90 | 12/10/2022 | 1,319.66 | 67.52 | 1,252.14 | 38,568.46 |
| 2022 Totals | | 15,835.92 | 949.29 | 14,886.63 | |
| 91 | 01/10/2023 | 1,319.66 | 65.39 | 1,254.27 | 37,314.19 |
| 92 | 02/10/2023 | 1,319.66 | 63.27 | 1,256.39 | 36,057.80 |
| 93 | 03/10/2023 | 1,319.66 | 61.14 | 1,258.52 | 34,799.28 |
| 94 | 04/10/2023 | 1,319.66 | 59.00 | 1,260.66 | 33,538.62 |
| 95 | 05/10/2023 | 1,319.66 | 56.86 | 1,262.80 | 32,275.82 |
| 96 | 06/10/2023 | 1,319.66 | 54.72 | 1,264.94 | 31,010.88 |
| 97 | 07/10/2023 | 1,319.66 | 52.58 | 1,267.08 | 29,743.80 |
| 98 | 08/10/2023 | 1,319.66 | 50.43 | 1,269.23 | 28,474.57 |
| 99 | 09/10/2023 | 1,319.66 | 48.28 | 1,271.38 | 27,203.19 |
| 100 | 10/10/2023 | 1,319.66 | 46.12 | 1,273.54 | 25,929.65 |
| 101 | 11/10/2023 | 1,319.66 | 43.96 | 1,275.70 | 24,653.95 |
| 102 | 12/10/2023 | 1,319.66 | 41.80 | 1,277.86 | 23,376.09 |
| 2023 Totals | | 15,835.92 | 643.55 | 15,192.37 | |
| 103 | 01/10/2024 | 1,319.66 | 39.63 | 1,280.03 | 22,096.06 |
| 104 | 02/10/2024 | 1,319.66 | 37.46 | 1,282.20 | 20,813.86 |
| 105 | 03/10/2024 | 1,319.66 | 35.29 | 1,284.37 | 19,529.49 |
| 106 | 04/10/2024 | 1,319.66 | 33.11 | 1,286.55 | 18,242.94 |
| 107 | 05/10/2024 | 1,319.66 | 30.93 | 1,288.73 | 16,954.21 |
| 108 | 06/10/2024 | 1,319.66 | 28.75 | 1,290.91 | 15,663.30 |
| 109 | 07/10/2024 | 1,319.66 | 26.56 | 1,293.10 | 14,370.20 |
| 110 | 08/10/2024 | 1,319.66 | 24.36 | 1,295.30 | 13,074.90 |
| 111 | 09/10/2024 | 1,319.66 | 22.17 | 1,297.49 | 11,777.41 |
| 112 | 10/10/2024 | 1,319.66 | 19.97 | 1,299.69 | 10,477.72 |
| 113 | 11/10/2024 | 1,319.66 | 17.76 | 1,301.90 | 9,175.82 |
| 114 | 12/10/2024 | 1,319.66 | 15.56 | 1,304.10 | 7,871.72 |
| 2024 Totals | | 15,835.92 | 331.55 | 15,504.37 | |

Peaslee Center Loan

| | Date | Payment | Interest | Principal | Balance |
|--------------|------------|------------|-----------|------------|----------|
| 115 | 01/10/2025 | 1,319.66 | 13.35 | 1,306.31 | 6,565.41 |
| 116 | 02/10/2025 | 1,319.66 | 11.13 | 1,308.53 | 5,256.88 |
| 117 | 03/10/2025 | 1,319.66 | 8.91 | 1,310.75 | 3,946.13 |
| 118 | 04/10/2025 | 1,319.66 | 6.69 | 1,312.97 | 2,633.16 |
| 119 | 05/10/2025 | 1,319.66 | 4.46 | 1,315.20 | 1,317.96 |
| 120 | 06/10/2025 | 1,319.66 | 1.70 | 1,317.96 | 0.00 |
| 2025 Totals | | 7,917.96 | 46.24 | 7,871.72 | |
| Grand Totals | | 158,359.20 | 15,064.70 | 143,294.50 | |

Peaslee Center Loan

Last interest amount decreased by 0.53 due to rounding.