

lawrenceartscenter

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September 20, 2017

Mr. Tom Markus
City Manager of Lawrence KS
6 East 6th Street
Lawrence, KS 66044

Dear Tom:

national advisory board

Mike Michaelis
Deanell Reece Tacha
Roger Shimomura
Susan Tate

This letter will confirm that the Lawrence Arts Center (LAC) is interested in directly acquiring 946 New Hampshire Street from the Salvation Army. As you know, that parcel of land was designated as a potential Arts Commons space in the South Project Area of the Ninth & New Hampshire Tax Increment Financing Redevelopment District, and for the time being, the City will retain five percent of the Incremental Tax Revenues to fund the Arts Commons project.

interim CEO

Cindy Maude

While we are in the early stages of our due diligence, we already know that there are two threshold matters that will impact our decision to move forward with this transaction. The first matter concerns whether the Incremental Tax Revenues would be available to LAC to acquire the property. The acquisition of the Salvation Army's property will simply not be feasible without those revenues. Consequently, LAC is requesting that the City amend the necessary agreements to allow LAC to utilize the 5% Incremental Tax Revenues for the acquisition of the property. In addition, LAC is open to entering into an agreement with the City enabling the transfer of that TIF revenue stream with a cap of \$900,000.00.

The second matter involves timing. LAC will need more than a few months to analyze and hopefully broker a deal with the Salvation Army. In addition, we understand that the amendments discussed above will take time. As a result, LAC is requesting that the City negotiate a commencement date for the Arts Commons project as far in the future as possible.



We understand that there will be other matters to discuss as we move forward. However, we hope that this letter clarifies our intent regarding 946 New Hampshire and the assistance needed with respect to those two threshold matters discussed above.

We appreciate your consideration of our requests.

Sincerely,

A handwritten signature in black ink that reads "Cindy Maude". The signature is fluid and cursive, with the first name "Cindy" and last name "Maude" clearly distinguishable.

Cindy Maude
Interim CEO
Lawrence Arts Center

