



City of Lawrence

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CITY COMMISSION

MAYOR
MIKE AMYX

COMMISSIONERS
LESLIE SODEN
STUART BOLEY
MATTHEW J. HERBERT
LISA LARSEN

March 29, 2016

The Board of Commissioners of the City of Lawrence met in regular session at 5:45 p.m., in the City Commission Chambers in City Hall with Mayor Amyx presiding and Commissioner Boley, Commissioner Herbert, Commissioner Larsen and Vice Mayor Soden present.

A. RECOGNITION/PROCLAMATION/PRESENTATION:

1. Proclaim the month of April, 2016 as Child Abuse Prevention Month
2. Proclaim the month of March, 2016 as Mathematics Awareness Month

B. CONSENT AGENDA

It was moved by Commissioner Boley, seconded by Commissioner Herbert, to approve the consent agenda as below. Motion carried unanimously.

1. Receive minutes from various boards and commissions:

Bicycle Advisory Committee meeting of 02/08/16
Lawrence Cultural Arts Commission meetings of 01/10/16 and 02/10/16
Planning Commission meetings of 12/14/15, 01/25/16, and 02/22/16
Public Health Board meeting of 01/25/16
Sister Cities Advisory Board meeting of 02/10/16

2. Approve claims to 293 vendors in the amount of \$3,659,134.81; manual checks to 2 vendors in the amount of \$303,415.45; payroll in the amount of \$3,453,714.39, for a total claim of \$7,416,264.65.
3. Approve licenses as recommended by the City Clerk's Office.

Drinking Establishment
The Bottleneck
MT Bottle Enterprises Inc.
737 New Hampshire St.

Expiration
March 31, 2016

Minsky's Pizza
934 Mass LLC
934 Massachusetts St.

April 4, 2018

4. Bid and purchase items:



- a) Set bid date of April 12, 2016, for Bid No. B1612, Project No. PW1604 – 2016 Microsurfacing, Patch, Overlay and Concrete Maintenance Program.
 - b) Set a bid date of April 19, 2016, for Bid No. B1604, Project No. UT1502 – Sunnyside Avenue Waterline Replacement.
 - c) Award Bid No. B1610, Project No. PW1607 – W. 8th Street Reconstruction from Kentucky Street to Tennessee Street, to Sunflower Paving, Inc. in the total amount of \$119,677.50.
 - d) Award the purchase of 3000 tons of de-icing salt in the amount of \$152,310 and approve the purchase of 700 interlocking precast concrete blocks to construct a temporary bunker to contain the salt stockpile, in the amount of \$35,000.
 - e) Award the purchase of two half ton trucks for the Parks and Recreation Department to Laird Noller Ford, for a total of \$42,430, following the one percent local purchasing policy.
 - f) Reject bids for Project No. PW1534, 11th Street and Mississippi Street public improvements, and set bid date of April 12, 2016 for HERE project sanitary sewer service lines and waterlines to be included in Project No. PW1417.
 - g) Approve purchase of one (1) one-ton truck for the Fire/Medical Department, from Laird Noller Ford, for \$31,850.
5. **REMOVED FROM THE CONSENT AGENDA FOR A SEPARTE VOTE.** Adopt on first reading, Ordinance No. 9210, authorizing the issuance of \$7.8 million in Industrial Revenue Bonds for the 800 New Hampshire project.
 6. Receive state forfeiture fund reports for the Police Department for 2013, 2014, and 2015.
 7. **REMOVED FROM THE CONSENT AGENDA FOR SEPARTE DISCUSSION.** Authorize the City Manager to enter into an agreement with Alicia Kelly and Katy Clagett to implement an Intersection Repair Community Mural Project at 10th Street and New Jersey Street and approve a temporary use of right-of-way permit for the intersection to be closed April 23 for the purpose of installing the mural.
 8. Authorize the Mayor to sign a Mortgage Subordination Agreement for Julee A. Smith, 2516 Crestline Court.
 9. Authorize the Mayor to sign a Mortgage Subordination Agreement for Beth Murphy, purchasing 2130 Rhode Island Street.

Vice Mayor Soden removed Consent Agenda Item No. 5., adopting on first reading, Ordinance No. 9210, authorizing the issuance of \$7.8 million in Industrial Revenue Bonds for the 800 New Hampshire project, for separate vote.

Mayor Amyx: Vice Mayor, I assume this is for voting purposes only.

Vice Mayor Soden: Mm-hmm (affirmative).

Mayor Amyx: Any additional comment? Is this the last thing that we have to do on this, other than the second reading?

Diane Stoddard:
Assistant to the City
Manager: Correct. Second reading.

Mayor Amyx: Any questions or comments on this item? Any public comment on this item (None)

Moved by Commissioner Boley, seconded by Commissioner Larsen, to adopt on first reading, Ordinance No. 9210, authorizing the issuance of \$7.8 million in Industrial Revenue Bonds for the 800 New Hampshire project. Aye: Mayor Amyx, Commissioner Boley, and Commissioner Larsen. Nay: Commissioner Herbert and Vice Mayor Soden. Motion carried.

Vice Mayor Soden removed Consent Agenda Item No. 7., authorizing the City Manager to enter into an agreement with Alicia Kelly and Katy Clagett to implement an Intersection Repair Community Mural Project at 10th Street and New Jersey Street and approve a temporary use of right-of-way permit for the intersection to be closed April 23 for the purpose of installing the mural, for separate discussion.

Vice Mayor Soden: I just wanted to point this out and spotlight it because I think it's really great. I'd like to see us do this all over the City, if we can. Just wanted to say my support.

Mayor Amyx: It is a good looking design.

Commissioner Larsen: I think it's a great project.

Mayor Amyx: Any questions or comments? Back to the Commission. I think like all the rest of you, I think it's a great project. It highlights part of East Lawrence and that's pretty cool.

Moved by Vice Mayor Soden, seconded by Commissioner Larsen, to authorizing the City Manager to enter into an agreement with Alicia Kelly and Katy Clagett to implement an Intersection Repair Community Mural Project at 10th Street and New Jersey Street and approve a temporary use of right-of-way permit for the intersection to be closed April 23 for the purpose of installing the mural, for separate discussion. Motion carried unanimously.

C. PUBLIC COMMENT: (None)

D. REGULAR AGENDA ITEMS:

1. **Receive recommendations from the Affordable Housing Advisory Board regarding the Transitional Housing Voucher Program and consider awarding \$100,000 to the Lawrence Douglas County Housing Authority.**

Casey Toomay, Assistant City Manager, presented the staff report.

Commissioner Herbert: Can you talk a little bit about, or maybe Shannon can about the decision to provide the 24 months of assistance versus the 12 month model.

Casey Toomay: I'll let Shannon visit with you about that one.
Assistant City Manager

Shannon Oury: So as most of you know we've run a transitional housing program since the 90's and it is a 24 month transitional housing program. We partner with a bunch of agencies in town and we put together housing assistance and supportive of services. That program has worked very well for all the years we've been doing it. We have about an 83% success rate because at the end of 24 months, all of those families have the option they successfully complete, to receive a regular Section 8 voucher that the Housing Authority administers. The 24 months is really important to us because of our waiting list. It is a HUD mandate that we take families or households off the waiting list as they come in to the program. So you have a wait list date of when we received your application. Twenty-four months gives us enough time that all of these families who we then will give the voucher to because they have then become eligible for our Section 8 Program. It puts them to the top of the list. So we're not skipping anybody by quickly assigning a voucher as soon as these families graduate from the transitional housing program. What we don't want to see is a gap in their assistance. So the situation would be we do 24 months out this fund of money and then they're not at the top of the list yet and so now we might have three to six months for them that we can't provide them assistance until we can issue our next Section 8 voucher so that's why the 24 months is so important to us.

Mayor Amyx: Other questions? Okay, thanks Shannon. Casey, anything else to add?

Casey Toomay: I don't think so. We're just looking for approval of those parameters and then we'll move forward with working with the Housing Authority to get those funds transferred over to them.
Assistant City Manager

Mayor Amyx: I did think of a question Shannon and thanks Casey. So when we talk about the list, what kind of effect, number wise, will it have?

Shannon Oury: Okay, so our regular transitional housing list has 61 people on it right now and generally with the funding that we have been receiving, we can only house ten to twelve families per year, off of that list. We have created a special list for the Shelter guest and that list is obviously moving much quicker. Right now, we have two families housed, two families with a voucher looking

for a place to lease up. One of them has found a location. Two families that were issuing their voucher, this week or next, depending on when we get the final paper work and two additional families who are eligible. So we have two families already in line and we've been working very closely with the Shelter and they've been a great partner in this of trying to make sure. I mean our application is no easy task to complete and particularly if you've been homeless and you don't have all your documents. So we will have eight families already in the system and then we're actively working more so we have people ready to be housed.

Commissioner Boley: Do you have information on how long these families have been in the shelter?

Shannon Oury:
Lawrence/Douglas County
Housing Authority

Well, Trey's here. He may be able to give you better information, but I do know we have one family that was there, he indicated for 400 days and so I don't know the total length of time. It's very difficult and we've used a lot of resources to help find a location for a family of eight. We have another family on the list of seven. Our staff and Trey's staff and other community partners have to help find a unit that's that big. The other thing, I know there was some interest in individuals working or having sources of income. All of these families either have social security disability income or are working. So all of the households, all these eight households, that we already have in the pipeline, they all have a source of income. There was another concern about single parents. Half of all the families that we're serving in this eight are single parent households.

Commissioner Boley: What was the concern with regard to the single parent family requirement?

Shannon Oury:
Lawrence/Douglas County
Housing Authority

I think just the difficulty with a single parent trying to carry the whole load of a family.

Commissioner Boley: But, I mean having a requirement specifically for single parent families. You found that to be unhelpful.

Shannon Oury:
Lawrence/Douglas County
Housing Authority

I think this family of eight that we're talking about is a two parent household. There's just no possible way they can afford market rate rent and so that's why we're making the request, to not add additional requirements on it. It's because each situation is so very unique and we want to help that family of eight because there's no possible way they could ever afford. I think that's why they were at the Shelter for the time they were because it's impossible. It's very difficult to find a unit and even when you find it; it would be very difficult for this family to pay for market rate for a six bedroom unit.

Mayor Amyx: Thanks Shannon. Any public comment on this item? (none)
Okay, back to the Commission. Well you know, this item was brought to the Commission, I think, on the last night of the budget process. Was it not? It seems to me that's what we go through the budget process for, is to make sure we set priorities that we have and that we fund them at that point and you'd have those debates and they come in at different times during that process. I think this probably happened. I may have questioned at the time, but I understand the need here. I've looked at it and realize it's something that's probably pretty important, but I want everybody to understand, this was part of the budget process that we went through last summer and the decision was made by a majority of the body. In fact, I think a unanimous majority of the body to approve the budget. I really believe how the process should work. Anyway, that's where we're at. Other comments?

Commissioner Larsen: I just think this is a great opportunity for us to continue to chip away at the Affordable Housing situation. I would still like to set some point to find a stream of money that we can fund it every year, but this is a good move in the right direction.

Vice Mayor Soden: I definitely agree with that and chipping away as well. That's just what we're doing is chipping away and there's definitely an economic development impact of this as well that I don't want anyone to forget about. Just providing housing stability, gives those people and children stability as well and probably they'll do better in school, if they're not now. Just stable housing is really an important foundation for everyone to succeed in life.

Mayor Amyx: Anyone else?

Commissioner Herbert: One of the things we want to look at, I asked that 24 month question because one of the things we have to look at with affordable housing is that it's incredibly expensive and when we look at the size of the waiting list, to solve that problem is going to take a mountain of money and anything we can do to get that 24 month period chipped down to 12 months, enable us to potentially double the amount of people we can serve. That's why I ask that question and I'd like to see us get to a point where we're able to achieve that in 12 months and thereby double the amount we can serve with the same amount of money. Ultimately, this is a situation where quantity is the name of the game. We're trying to fix a huge problem and unfortunately, the money doesn't go very far when it has to extend over a 24 month period, per family.

Commissioner Boley: I just appreciate my fellow Commissioners supporting this project. It's a start and as someone said, chipping away at the program, at the problem. I think we need to continue the effort to not only fund the Affordable Housing effort, but also to try to find systemic answers for the bigger problem. Thank you very

much.

Mayor Amyx: Okay, so if there's nothing else.

Moved by Commissioner Larsen, seconded by Commissioner Herbert, to approve the program parameters as recommended by the Affordable Housing Advisory Board and award \$100,000 from the City's Affordable Housing Trust Fund to the Lawrence Douglas County Housing Authority. Motion carried unanimously.

2. **Recommendations from Transient Guest Tax grant fund committee for funding for 2016.**

Megan Gilliland, Communications Manager, presented the staff report.

Commissioner Boley: In the revised memo there are some events that have recalculations. There's a line that says "third party in-kind cash", can you explain what in-kind cash is? My understanding is cash is cash and in-kind is in-kind. I'm trying to figure that out.

Megan Gilliland:
Communications Manager We used the same budget form that the Lawrence Cultural Arts Commission has used for years for their grant program and there are four line items. There's the request of the City and above that, they explain how they would use the money from the city and then next to that as the requestor's contribution and generally, how they would be using that money. I guess it could be titled differently in the future, but it was cash that was being given to the event. I know, for example, on the Free State Festival that's where they listed the \$30,000 from the City and \$30,000 from the CVB. Those monies have a home within their budget to pay for something as part of the festival and then there was an in-kind match. The difference between in-kind cash and in-kind match is in a match, you don't usually receive, there's no transaction of funds. There's no in lieu of support. A lot of times, events will go after in-kind matching support from media outlets, like the radio station or newspaper and they provide some sort of a service or they provide support to and event, but no funds.

Commissioner Boley: That's in-kind right?

Megan Gilliland:
Communications Manager That's in-kind. There's cash which is again, transaction....

Commissioner Boley: ...I know, but if you look at the memo, there's a line that says third party in-kind cash. I'm struggling with this computation in the revised memo. We're talking about third party in-kind cash.

Bryan Kidney: I think it's just an outside source funding.

Commissioner Boley: But is it cash or is it in-kind?

Tom Markus
City Manager I think it was supposed to be cash isn't it?

Commissioner Boley: Because our cap is based on cash, not on in-kind

Tom Markus
City Manager Yes, that's right. You're policy states it excludes in-kind and would suggest it has to be cash.

Megan Gilliland:
Communications Manager Is that the one you're speaking of specifically?

Commissioner Boley: Yes. I mean there're three and I'm sure you did the computation for all of these.

Mayor Amyx: The downtown shot put had \$5,000, third party in-kind cash; the Tour of Lawrence is \$10,000 and then the \$161,000 to the Free State Festival.

Vice Mayor Soden: In-kind is usually services provided, cash is just cash donation.

Tom Markus
City Manager I think the confusion is using the terminology, in-kind. It should just state cash. If that's what it is. That's your point, right?

Commissioner Boley: I couldn't tell what it was, that's my problem.

Tom Markus
City Manager So Megan is the \$161,000 cash from other organizations?

Megan Gilliland:
Communications Manager The application on the website, they list the cash and what was the cash and then in-kind is listed here. Is there a representative that can speak to this?

Susan Tate:
CEO
Lawrence Arts Center I will say that all the city forms has in-kind cash, that actually means cash so you're right, it's a vestige of some other form that it says in-kind cash. We understood that column to be just cash, but your question is a good one. Just cash, is that your question?

Commissioner Boley: Yeah

Susan Tate:
CEO
Lawrence Arts Center I agree with you it's confusing, that's the cash column

Tom Markus
City Manager So the cash that you see up there on this column should total \$161,000. Is that what you're telling me?

Susan Tate:
CEO
Lawrence Arts Center That's what I...

Sarah Bishop:
Grant Writer
Lawrence Arts Center

Hello. I wrote this grant and I can tell you that on the application we have the request from TGT as you can see there. We have the requestor's contribution so that's cash that the Lawrence Arts Center is giving to the project. Then we have a third party cash match which is donors that would include donors and sponsors as well as what we get from the City of Lawrence, what we get from Explore Lawrence and then we have the third party in-kind match which includes what Megan was just explaining as sort of what she means by in-kind match being medium matches, right, so that included Lawrence Journal World, Kansas Public Radio etc...etc...various organizations that don't actually write us a check as she just said, but that give us services in exchange for recognition to our festival.

Commissioner Boley:

Okay, so the \$60,000 from the CVB and Explore Lawrence is included in the \$151,000.

Sarah Bishop:
Grant Writer
Lawrence Arts Center

Right, so there's \$60,000, \$30,000 from the City of Lawrence and \$30,000 from Explore Lawrence or the CVB and that is part of the third party cash match.

Commissioner Boley:

Okay...and the requestor's contribution is a cash contribution or is that the expenses that you're incurring for this?

Sarah Bishop:
Grant Writer
Lawrence Arts Center

That's a cash contribution for spending money.

Commissioner Boley:

Okay, right...excellent.

Mayor Amyx:

Other questions.

Megan Gilliland:
Communications Manager

I think while you're on the budget, I just like to point out for every grant, the way that we came up with the 25% to make sure that they were underneath the 25% cap, is we took the TGT Grant request, so for this one, for example, it was this column plus this column, plus this column for your total event because we excluded the in-kind matching funds since no transaction were occurring and take that times 25%. So we did that consistently for all of them and I did that kind of on the fly in the meeting because we were checking numbers and Matthew Herbert is your Commissioner rep and can attest to the process.

Commissioner Boley:

Great. Thank you.

Commissioner Herbert:

Do you mind if I speak to that. It's not a question, but I think it bears at least if not to tell all of you, it bears a public conversation. The process that we went through as the board in making these decisions, this is the first time we have done this and I think all of us that served on the board would admit that the process was not perfect in any way, shape or form, but you

could certainly go minute by minute at that meeting and criticize elements of it and probably be very valid. What I would say is this, while the process was not perfect, the process from my seat was fair. You know the joke could be made that it was fairly bad for everyone of course, but the point is that when people left we knew any time you have a situation where you have 240 some odd thousand dollars in a request and a 150 thousand dollars to divvy out, people are going to leave angry. There's no way that that money is going to breed as it sits on the table so ultimately some people are going to leave empty handed and other people are not. Our goal or at least my personal goal as a Commissioner on that board was, while I'm okay with people leaving angry because people leave angry at me every Tuesday night, something that I've got quite accustomed to, what I did not want to happen, was people to leave upset that they had been cheated. While people were upset at the process, at the imperfections of the process, I think in all of its imperfect form, it was a fair process. So while we can argue about the method used to calculate the 25%, the point that I'm getting at is the method that was used to calculate the 25% was used for every single applicant in an exact same fashion.

Mayor Amyx:

Okay...thanks Matt.

Commissioner Larsen:

I just have a quick question. I noticed on the spreadsheet up there that you've got for a third party cash match, \$151,000, but on your memo you've got third party in-kind cash at \$161,000.

Megan Gilliland:
Communications Manager

I believe there was an addition error. When I was going back and I've checked these numbers several times, when I totaled up on their application, this is the method that they used in the meeting for calculating that 25%. This number, \$151,000, should actually be \$161,000 according to their application, so that's the number. I think I mentioned that in the second memo that we put out on Monday that I did find a mathematical error. The question of the 25%, after we went back to look at how do we capture that, this is actually, I believe, the mathematical equation that we should have used. It all depends on where you take the \$60,000 out. Math can be done a lot of different ways and it wasn't done in a mistake or an error, but I think that after we sat down and looked at it, we thought that this is the better way to calculate it moving forward and so when I took a look at the 25%. The total event budget is \$269,500, 25% of that is \$67,375, less the \$60,000 equals \$7,375 so they could have been eligible for \$7,375. I also think it bears noting that when you look at it with that mathematical formula and you ask yourself where is the money coming from, which is transient guest tax funds from the City and if you're going to say that the match or the cap needs to take into account any transient guest tax funds that are being applied because the Convention and Visitors Bureau is funding out of the Transient Guest Tax where

rightfully they should be funded. I felt like I needed to point out that the operating budget for the CVB does have money for the shot put and for the Tour of Lawrence. If you're going to consider it that way, I felt it was only fair to provide you with that information. However, that does negatively impact the Tour of Lawrence and Downtown Shot Put which the committee did feel like were events that fit well in this program and they would have not been eligible for any funds, when you consider what is in the CVB's operating budget.

Commissioner Herbert: I think it's particularly worthy of noting that not only would Tour of Lawrence be negated effectively by that, the Tour of Lawrence was the number one priority on that list, correct?

Megan Gilliland:
Communications Manager It was the event that I think the committee felt met the goals the most and in all fairness, again we were trying to take a program where we've had out of cycle requests before and we've had different ways of funding these things and we're trying to put them into a program. 2016, we knew was going to be a hard year and if we continue with this process, we should not have this issue going forward because we're going to know the process. Shot Put and Tour of Lawrence have both come to the City in previous years and Bob's here and can answer that and have been told to come to the City for their gap funding for lack of a better word and so I did instruct them to go through this grant program because I was trying to limit those out of cycle request so that is where that came from.

Mayor Amyx: Other questions? (none) Okay, thanks Megan. Porter, did you have anything additional?

Porter Arneill:
Director of Arts and Culture Just here to backup Megan and answer questions if needed.

Megan Gilliland:
Communications Manager Like I said, I really hope, after you have your deliberations tonight, I hope you give the advisory board direction to come back to you. There's a lot of things they want to talk about and make it better for the next cycle.

Mayor Amyx: Thank you. Public comment on this item. (none) Back to the Commission.

Commissioner Herbert: I want to take a quick minute. I know we have, I think, most all of the advisory board here tonight. For those in the Community that our advisory board was made up and essentially perfect thirds. We had a third of our board represented as City staff or City Commission as I played the role, we had a third of our board made up as members of the public appointed by the Mayor and a third of our board made up by hotel operators. While there are things tonight that may be criticized in the way we operated, I think that's one thing we absolutely did right, is

the makeup of that board. We've made sure that hotel operators had a seat at the table as they absolutely deserve, given that this money is being generated by them with the taxes upon their guest. We made sure that the community had a seat at the table, as it absolutely should, as these are the people that are supporting these events and then of course the City had a place at the table since we have to make these changes on a legislative level. I just want to take a minute and appreciate those individuals that took part in this. It was wholly uncomfortable process. We sat with our backs to a bunch of people while we made judgments about them. It was not particularly a fun experience I'll be honest with you, so thanks for putting me on that Mike. At the end of the day, like I said, I want to reiterate that the process from where I sat was fair to all who applied. Some people certainly left angry because they did not receive the funds they requested or any funds at all, but that's going to be the nature of the activity when we have more request than we have money and I think the process we did, I'll stand by it.

Vice Mayor Soden:

Well, I'm satisfied with the corrected calculation and if you ever want your heart bleed go to the Social Services Advisory Board and watch them narrow down a million dollars in request to 400 and some odd thousand dollars. So I totally get that. It is a difficult position to be in, even when you're just in the audience. I certainly appreciate all of the people that put on these events. It's hard the first year when you have a pilot program, banging out the process, but I appreciate the recalculation.

Commissioner Larsen:

I really appreciate Megan pointing out that the budget for this equal about 1.8 million dollars that's being spent just to put these efforts on and so those who put these on just really thank you for bringing that type of business to Lawrence as far as the economic development. Thank you.

Commissioner Boley:

I'd like to thank the folks that put these events on and the people who served on this board. Matthew, I really appreciate you working on this and I'm really interested in making progress in this process. I'd be very interested in what we can do going forward to make this process better and I really appreciate not getting these out of cycle budget requests. I understand that there will be some, but the goal is, I think, a good one to allocate this money as we go through this process rather than bit by bit in our weekly meetings over the year.

Mayor Amyx:

I've got to thank everybody who agreed to serve on the committee that I had the opportunity to appoint. Any time that you know, the Mayor calls and asks you if you would serve on something and say yes and you didn't realize all the fun you were going to have by being able to do this.

Commissioner Herbert:

That's weird; I don't remember you calling me.

Mayor Amyx:

You just stood up and I said there's your guy. It's tough because you realize there's not a whole amount of money to go around and you still got to make the decisions. One thing is that I've got to thank all the folks that have applied and the great job that you do in bringing so many people to town. I thank our hotel folks and just everything that you provide from guest that we had, come to the community. I mean that's great so that they can leave and say that they had a good time while they were here. Anyway, I think the process works and Matt, I appreciate you telling us how the process did work and that it was administered fairly. I think that speaks volumes. As we look at this tonight, being able to concur with the recommendation of the advisory board is an easy deal because of the work you all did. If there are no other questions or comments. Megan, in addition to concurring with the advisory board's recommendation, do you need specific direction on where we go from here or what we direct the board to do?

Megan Gilliland:
Communications Manager

Well, as we pointed out several times through this process, obviously, the final funding allocations are your responsibility. So I guess I would ask that you approve the funding allocation so we can start the process, actually securing funding agreements and things like that. If you, as a board, as a Commissioner, are in agreement with the things that we felt like were process and policy concerns, what I'd like to do is get the group back together in a May/June timeframe, talk through it and come back to you with some changes. If you proceed with the revised funding allocations, I think that it leaves a little money in the program for the remainder of the year. I don't know how much was in it earlier, but the board did try really hard to keep a 10% reserve and then as they realized that money was dwindling, they went ahead and spent it all. So that would provide you with a little bit of money. It's really your call on what you want to do with the funding, shot put occurs in about three and a half weeks if I remember correctly, April 22nd, the Tour of Lawrence is a summer event and Free State Festival is a summer event as well so I think they would appreciate at least knowing their funding allocations.

Vice Mayor Soden:

What would the reserve normally be used for in something like this, if you kept it as a reserve?

Megan Gilliland:
Communications Manager

The intent was to and Matthew can speak to this just as well, but the intent was to keep a 10% reserve so that if there are any events that came up in between now and at the end of the year, that were good for the goals of this program, they could come back to you with a smaller cycle. So that's what they could be used for. The other thing is that again, we have that policy question as to, if you include grant money in the 2017, budget, I

think the board would really like to know if you would encourage them to start allocating some of those funds in the fall cycle for this year. That was the intent, once they had thought they had spent all the 150 as they wanted to come back and have some questions and talk about that for the funders that may be coming for 2017.

Vice Mayor Soden: So were you anticipating you only meet twice a year in that's just for funding allocations for the kind of bi-annual deadlines?

Megan Gilliland:
Communications Manager We anticipated two funding cycles. I wouldn't say two meetings a year. I promise the committee that we wouldn't take a ton of their time, but obviously, we have some work to do on process and making sure we're okay with that moving forward. Once we get the process nailed down, I anticipate about four meetings a year, the advisory board. One where they get to receive brief presentations maybe from those who are asking for funding and then a date for actual deliberations and recommendations to the City Commissioner, twice a year, two times a year.

Commissioner Larsen: That will be in the spring and fall?

Megan Gilliland:
Communications Manager I think I have like a March and September cycle in the original application.

Commissioner Boley: Would you give guidance to us on how we value the in-kind services provided by the City to these events.

Megan Gilliland:
Communications Manager That is one of the things we're going to be coming back to you on. Like I said it really has a lot to do with public works and public safety. Like I said, there're some events that don't need that support, but there're some that do. Some events know kind of the value of that and they included that as their in-kind match and we didn't feel like that was fair because some don't know the value of that, nor do they necessarily needed to tell.

Commissioner Herbert: That was the difficulty we faced was it creates a not fair situation when dealing with applications of events that have already existed and already happened. We can go back to Free State Fest last year and we can know the exact cost of barricades and we can know the exact cost of policing whereas with a Live on Mass application, that had never happened, it's all hypothetical and that makes for frankly, an unequal comparison.

Commissioner Boley: I think it's hard to do apples to apples comparison on those. We should be really concerned about the cash out for the program and then deal with these other things. That's my take on it.

Megan Gilliland:
Communications Manager I know from the very outset of this meeting when we met, I think February 18th was the date with potential funders to talk about the application, that was one of the very first questions that

somebody asked and they said, "Do you mean that we may be having to write a grant for police and fire and public works, does that need to be included in our grant because we could be writing grant only for public safety and public works." We want to get that answered for them because I think, you have to make that determination or maybe the advisory board has to make that determination. There's a definition of kind of what a community event is and what we support as a community.

Commissioner Herbert:

Another conversation we had was with use of funds. There were a lot of issues that came up at that meeting. Every applicant has to place on their application, how the money would be used and one of the things, in talking with several hotel operators, not just ones that served on the board with me, but some additional hotel operator that they kept coming up was they like to see the funds being put towards advertising and things that can specifically target more people to bring them in. Ultimately, events that occur with a population that's already going to be there, kind of a contained population doesn't really benefit hotels in any way whereas events that can bring in people that otherwise wouldn't have been there, obviously do. Any marketing you can do with City money can in theory, come back to benefit the City. That was one of the things that came up. Several of the applications there was quite a bit of debate because of the use, the way the money was being used was not necessarily for marketing purposes. So that's something to look, I think as a board member to look at in the future is, do we want to put restrictions on the ways in which the monies are to be used. To be perfectly honest with you, from my prospective, is almost more important than putting parameters, you know, a 25% parameters, a seemingly arbitrary number as to say, well only 25% of your funding can from the City. I think it's more appropriate to look at parameters that look at how the money is used and not necessarily the ratio of money, city to private donor.

Mayor Amyx:

So then the goal that's going to happen right now, is that you have identified these items before us and that you're going to go back as a committee, going to meet further and will those recommendations then come back to the City Commission for final approval and adoption?

Megan Gilliland:
Communications Manager

Yes, before the second cycle. We would have kind of a revised application, revised process for you.

Mayor Amyx:

Then I would suggest that we go ahead with the revised recommendation that we have tonight and expect the recommendation back from the advisory board in the near future about how they're going to make the process better and get our approval on that.

Commissioner Herbert: You know, Mike one thing that I would caution us from doing is if we adopt the revised numbers tonight, we effectively are doing two things that concern me. First of all, we are leaving money on the table essentially. When you have groups that were unfunded who sat in the room listened to the priorities we laid out and ultimately did not receive funds. Meanwhile, here we are saying well we decided by only giving the Arts Center half of what they asked for, we're just going to set this money back on the table without serving a purpose and in effect, that makes that money useless for the original purpose that we set this whole program up for. I realize that as we look at the process, we find mistakes and things we can do better, but my personal recommendation having sat in the room, having listen to individual hotel operators as well as individuals from the public as well as individuals from the City, as they laid out their priorities for what programs they thought were the best, we chose to fund those that were the best, we chose not to fund those that made the bottom of the list. My recommendation would be that we go with the original plan that we recommended that day we sat in this room.

Commissioner Boley: And not worry too much about the 25%.

Commissioner Herbert: And not worry about this arbitrary number that we placed on it, four months before the meeting happened.

Commissioner Boley: You have a certain amount of sweat equity in this.

Commissioner Herbert: There was a lot of sweating.

Commissioner Boley: That's what I'm saying. You were in the room, if that's what you think we ought to do, I tend to say Matthew, and I appreciate the work.

Commissioner Herbert: I mean, because we we're talking about the Tour of Lawrence for one thing. That was the number one priority and we would effectively take money from it.

Commissioner Boley: What I'd like to see would be that we take a look at the policy.

Commissioner Herbert: No for sure, that's why I opened my statement was that this was not a perfect process, but I will own the process because it was a fair process. All applicants were treated equally.

Mayor Amyx: So the original advisory board funding recommendation takes the balance to zero.

Commissioner Herbert: Correct.

Mayor Amyx: And that doesn't take into consideration the 25% cap.

Commissioner Herbert: It does take into consideration the cap.

Megan Gilliland:
Communications Manager I would say 90% definitely fall underneath the 25% cap.

Commissioner Herbert: It falls within the 25% cap that we use that day.

Megan Gilliland:
Communications Manager Yes.

Mayor Amyx: The original 25%. Got it. Feelings on that?

Vice Mayor Soden: Well, double dipping to me is the basis of being fairer. I brought that up when we approved thisI don't think it's fair that some people are allowed to come repeatedly and to get money from different pots that City Hall has, you might say. I have a little issue with the 25% in a different way only because I think that's not fair to smaller events. You know, when you have, let's say, a \$4,000 event...

Commissioner Herbert: I would disagree with that on the basis that the number 2 priority was Art in the Park and that was \$1200.

Vice Mayor Soden: I'm speaking generally now. So I think they needed to be weighted a little differently, besides the 25%, I was actually starting to agree with you a little bit on that versus someone at 25% of their project is \$40,000. I don't think that's fair, at all. So it needs to be weighted somehow differently.

Megan Gilliland:
Communications Manager That is definitely one of the things that I've already started and Porter has a lot of grant experience too. That's one of the things that we want to do. You know we did a facilitation, kind of understand what are the things that rose to the top, but I will tell you there was also a point where one of the advisory board members said, "Do you realize you're about ready to not provide fireworks in the Old Fashion Christmas Parade." We had to go back and think about that because there should be some weighting on those events too that we've historically as a community gotten behind. So those are already things that we're thinking back on our agreement. I do honestly think that if you create a process like this, this year is going to be the challenge and you're going to know the process that we go forward and I don't think you're going to have this issue in 2017, if we stick to the process.

Vice Mayor Soden: So the Old Fashion Christmas Parade; was it not funded at all.

Megan Gilliland:
Communications Manager No it was funded at \$8,000. I think they asked for \$10,000 and they got \$8,000.

Commissioner Herbert: And Vice Mayor, that was one of the items that some of the discussion revolved around the use of the money, because as I

recall, and I hate to... I hope I'm not lying here, you've got the applications in front of you, but as I recall, none of the funds were for marketing. Is that right? I really hope I didn't just lie about that, but I recall that conversation and that was one of the reasons why it got put towards the end. Ultimately, they were not given what they requested, but they were given the amount that they have historically received and so it was on par with the previous commission offerings, but it's certainly not what they had requested.

Vice Mayor Soden: What I would prefer to see, is that this remaining money that I guess we would call your reserve now, after the revised calculations, see that to go to other festivals, events I guess is a better word for it. You're just splitting the money to more people now.

Megan Gilliland:
Communications Manager They did have marketing Matthew...

Commissioner Herbert: I might be on the wrong one then. I'm sorry.

Megan Gilliland:
Communications Manager It's alright. Again, it's really your purview, what you guys decide.

Vice Mayor Soden: I'd like to see the committee meet again and just decide where to put that extra money from the revised calculations.

Mayor Amyx: We actually have a recommendation from the advisory board, Vice Mayor and then after the 25%, then the changed 25%, that's where we got the revised number. Is that right?

Commissioner Herbert: Well we did not meet as an advisory board though.

Megan Gilliland:
Communications Manager No, that's just staff doing the calculation.

Mayor Amyx: The advisory board's recommendation is the advisory board's recommendation. Okay?

Vice Mayor Soden: The revised was from yesterday.

Mayor Amyx: And so the recommendation from the advisory board which would include the downtown men's shot put and the Tour of Lawrence which were a couple of the extremely popular events, couldn't be funded because of all of the other things.

Vice Mayor Soden: 25%

Mayor Amyx: 25%, right.

Commissioner Herbert: With respect to the advisory board members and the effort they

put in effectively, if you adopt the revised budget as opposed the one we submitted, you're taking the number one priority and you're killing it, which to me doesn't speak to at all.

Vice Mayor Soden: But we're already funding 25% of it, so you can say we're killing it or defunding it because we already are funding it. You can't say that.

Commissioner Herbert: I didn't say you're killing the activity, I said you're killing the original true recommendation of that board.

Vice Mayor Soden: Because they didn't take into account the 25%.

Commissioner Herbert: We took into account, the same parameters we used for every applicant that day.

Someone said (Markus) I think there was different interpretation when the committee took a look at the policy. So when staff took it up, I think the literal interpretation suggests that the three needed to be modified and that's how this occurred.

Commissioner Herbert: Okay.

Commissioner Boley: So next year we wouldn't have that problem.

Tom Markus
City Manager If you follow the literal interpretation next year, you shouldn't have that same issue.

Commissioner Herbert: I think you adjust for future years to fix it, I don't know that you change the rules of the game after the scores have been kept.

Vice Mayor Soden: Well, that was the problem I had is that the rules were not clarified before you guys met. That's the issue here.

Mayor Amyx: But I'd say they did a pretty good job.

Vice Mayor Soden: They did a great job. It's nothing against them.
Mayor Amyx: To be able to meet the intent, that was set forth.

Vice Mayor Soden: But the double dipping is extremely important to me, in terms of fairness and I just want to clarify again, these are events that are being funded by the City and someday. This isn't a decision to zero fund anybody and that's why I think from the revised calculations that take into account 25%, that perhaps you can go back and fund other events that were knocked off the list, that are not receiving any City money. I think actually that to me is more fair use, but I could be out voted.

Megan Gilliland:
Communications Manager I don't want to interrupt you by any means, but one of the first conversations I'm going to have with the new CVB Director is about budget and how they budget for special events and things

like that and it may be that in the future, they fully fund through their budget, these types of events so that they're not even a question in this. Again, that's a clarification that I really needed or I need from you guys, that they are a separate 501(c)(6), but since they're funded through the transient guest tax program. It's a little bit of an anomaly, but we can fix that in the future.

Mayor Amyx: Commissioner Herbert, if I read this right, are the only request that we're talking about here are the men's shot put, the Tour of Lawrence, and the difference between the \$15,000 and the \$7,300 to the Free State Festival. Are those the projects?

Commissioner Herbert: Those are the three that had adjustments made in the second staff memo.

Mayor Amyx: Vice Mayor, your suggestion is, is that they all receive other funds from the City to call it a double dip.

Vice Mayor Soden: Right.

Mayor Amyx: But based on the recommendation of the advisory board that they have, they met all of the criteria that was laid out for them to make a decision and recommendation on.

Vice Mayor Soden: Right.

Mayor Amyx: So the advisory board did their job.

Vice Mayor Soden: Yes they did. This is nothing against them.

Mayor Amyx: None at all...okay. Well, Commissioner Herbert makes a very strong case because you know we have three extremely popular events that bring lots of folks to town and lots of guest. I think if that is the intent, that's probably where we need to be heading. Okay?

Vice Mayor Soden: So this policy will be fixed in time before the fall.

Mayor Amyx: Before the fall deal.

Megan Gilliland:
Communications Manager We will also have gone through the budget cycle, you'll have seen the CVB 2017 proposed budget, by that point in time as well because that has to happen with your budget deliberations, in June and July.

Vice Mayor Soden: And you're going to find a way to weigh the smaller ones.

Megan Gilliland:
Communications Manager I think Porter and I need to sit down and really review some ways to do some sort of matrix scoring for the events.

Vice Mayor Soden: I will go along with it this time, but if this happens again in the

fall, I will vote no.

Commissioner Herbert: Could you put back up the original list of the people we're funding? I totally understand what you're saying, but I do want to point out that some of the top priorities were very small asks. This was not a situation where the people who asked for the biggest money came first. Art and the Park were like a \$1200 ask or something like that.

Megan Gilliland:
Communications Manager Art in the Park was eighteen hundred dollars and they received eighteen hundred and fifty for dollars.

Commissioner Herbert: Then the Watkins ask was?

Megan Gilliland:
Communications Manager Eighteen hundred dollars.4

Commissioner Herbert: Eighteen hundred dollars. I mean there were quite a few of them that where these were not international conferences, but from what I saw, the six individuals on the board, it didn't matter that the ultimate objective was, what are the events that we want to maintain in our city that can bring people in, they can spur activity; they can spur heads and beds. Like I said, Art in the Park was the number two priority that day and that was an eighteen hundred dollar ask. I think it was fair in terms of sort of your big fish and your little fish.

Mayor Amyx: Anyone else? So Matthew it's your recommendation and Vice Mayor I appreciate the comments that you bring up and I appreciate your willingness to go along with us and with the understanding that we will correct this during this season before the next funding cycle begins. Your recommendation is to authorize and approve the original advisory board recommendations, correct?

Commissioner Herbert: Correct.

Mayor Amyx: As outlined in the staff memo. Any additional comments are questions.

Moved by Commissioner Herbert, seconded by Commissioner Boley, to approve the original Transient Guest Tax Advisory Board recommendations for FY2016 funding and authorize the City Manager to execute grant agreements with the grant recipients; and directed the Advisory Board to develop program recommendations for the City Commission to review before the next cycle of funding, if funding is approved for FY2017. Motion carried unanimously.

The City Commission recessed at approximately 7:02 p.m. for 5 minutes.

The City Commission reconvened at approximately 7:07 p.m.

3. **Consider the following items related to the Sales Tax Reserve Fund:**

a) **Discussion of the Sales Tax Reserve Fund**

Bryan Kidney, Finance Director, presented the staff report.

Vice Mayor Soden: One thing that I thought of was the fact that one of the original parts of the 1994 ballot language talked about the property tax really, which that to me, seems like a direct connection to affordable housing. I don't see affordable housing, if we start funding things out of it now, that that falls in the category of general governmental. Actually, see, the property tax relief is just part of affordable housing, we're just continuing that.

Commissioner Larsen: I wasn't here when we set our priorities. The Commission set their priorities back, I think, last fall, or when they did. One of those priorities is affordable housing. I agree with the priorities, by the way, 100%. I think affordable housing goes to both economic development as well as public safety, even mental health, so that's also on our goals, the City Commission goals. For us to find a way to find a revenue stream for affordable housing, I think it's extremely important, and it meets several of our goals. I would like to see staff come up with a way to find a funding stream for that. I also believe 100% that Parks and Rec is one of our core duties also, and it's extremely important to this community, and it should be. By law, they are owed a portion of that sales tax revenue fund. It's the right thing to do to make sure that they receive some of the funding. I still would like to see us come up with a way to address our priorities as a Commission and I'd like to see staff do that.

Mayor Amyx: Excuse me, but as somebody who helped with trying to get this passed in 1994, I want to tell you, it was very clear that reduction of ad valorem property tax was something that was extremely important as part of this question. If we think we're going to dance around that, I think that we need to be really, really careful of that.

Vice Mayor Soden: That's going to stay in there.

Commissioner Larsen: No.

Vice Mayor Soden: I didn't mean to make it like we're pulling that out. No, that stays.

Commissioner Boley: Let me ask a couple questions while we've got Bryan standing there. This, as you say, I'm going to geek back at you a little bit on the accounting stuff. We've got this classified as a special revenue fund in our audited financial statements, and the definition is, an account that's established to collect money that must be used for a specific project. In 2016, and in future years, what are the specific projects for which the ballot language requires that this money be used?

Bryan Kidney:
Finance Director: Again, I think that's an interpretation of what the governing body feels that the ballot language says. The special revenue, again, I have put

that definition on there. A special revenue fund is a way for a government agency is to set a place that citizens can go to and say, "What are those dollars being used for?" It can be pulled out and looked at with more scrutiny. That's why that would be referred to as a special revenue fund.

Commissioner Boley: What I'm getting to here is if we can contrast this with the infrastructure sales tax, there's a fixed rate on the infrastructure sales tax, there's a fixed term, there are fixed uses, and there's a sales tax audit committee, to make sure that the expenditures that we use that money for are as envisioned in that ballot language. For this sales tax, there's a fixed rate. There's an open end. It's been around 22 years and it's going to keep going. This was built to last. There's a fixed rate. There's an open end to it. There's general governmental purposes are what are required, and there's no sales tax audit committee, because there's nothing to audit, because it's general governmental purposes. Now correct me if I'm wrong, Bryan-

Bryan Kidney:
Finance Director I'm not an attorney. I'm not going to interpret that language.

Stuart Boley: I'm telling you, you help me out, because this is really important, I think, to our understanding of what this tax is.

Toni Wheeler:
City Attorney I will say that there is a distinction between the special sales taxes that were passed in 2008 and the general tax. They were passed. There is a general sales tax that is recognized by law and then there are special sales taxes. The one in 2008, you're correct, is a special sales tax. It is for a limited number of terms for the 10-year period, and we do have an audit team that reviews the expenditures. The audit committee was not required by statute. It was something that the Commission felt would give the voters greater comfort that the reasons that the funding from that sales tax was compliant with what the voters had passed. I just want to make sure that you understand that the 1994 sales tax is a general sales tax, not a special sales tax, and so there are some differences in it that you've pointed out.

Commissioner Boley: It's a general sales tax but we're putting it in a special revenue fund. Okay. We don't want to geek out too much. I just want to make sure that we understand that there are some differences. Tom?

Tom Markus:
City Manager I think, just weighing in, when these issues come about in the ballot language, typically it gets described somewhat general and somewhat specific. It gets described generally so that it's a long-term issue, so that you have some flexibility, but it gets described specifically because you want to get it approved, and you have to sell those things. I think in terms of the millage reduction, the past practice on that would suggest that that can't necessarily, I don't think, just be substituted for affordable housing.

Vice Mayor Soden: I don't want to take that away.

Tom Markus:
City Manager

I think what you could do, if you go back to what Bryan said, and you listen to the language, it says, "But not limited to," or something in the preamble of the language that gives you some flexibility. Having said that, this whole affordable housing issue, it was discussed during my interviews, and the big challenge is to try and figure out what a revenue stream is to support this. When you give direction to the staff, the management, to go back when we prepare this budget, and you tell us to take a look at this, we'll take a hard look at this. When we had a discussion with Justice Matters, one of the things I said to them was, "You don't necessarily want to just be talking about affordable housing 10 years from now. You want to get started. You want to build into that." My question to them was, "Are there enough organizations in the community, right now, that have the capacity to take on \$3,000,000?" What I would say to you is that if we're going to go into this fund and we're going to start allocating or considering that allocation, you don't start at the full load, you start building into that, build the capacity, get them some wins with affordable housing, and I think that will help. I think that will get you where you want to go. At the same time, I think you have to give us direction that we need to come back to you with other alternatives so that we do create a stream. When we talked, again during the interview process, we talked about different methods and how to go about that and scattered sites and all of those good things I think that make affordable housing fit into a community. At this point, I think, there is some flexibility to do some of these things here, but I would start very carefully, very slowly, build some success. I would heed the words of the Mayor. He was around when this thing was put together. I think you have to stay somewhat close to what the parameters were that were used for selling. I think there was built-in flexibility at the same time, at that point. If you don't take too divergent of a path to start with, I think you'll find that the community will be receptive to that and you can start to build in there, and maybe we can find during that process some other alternative sources to make this all work better.

Vice Mayor Soden:

I do just want to go on record, clarifying, do not want to take away the five mills. It is not anything I'm interested in doing. What I was saying was more that the property tax really points to a spirit of affordable housing, and so adding affordable housing to the mix I think is still within the spirit of the '94 ballot.

Mayor Amyx:

I apologize, I misunderstood.

Vice Mayor Soden:

No, it is very good to clarify that.

Mayor Amyx:

Like I say, as somebody who helped carry it, I feel very strongly about that.

Vice Mayor Soden:

I'm saying that I don't think affordable housing is general governmental. I think it's still clearly within the spirit of this.

Mayor Amyx:

Other questions of Bryan?

Vice Mayor Soden:

I'm really glad that it's going to be budgeted for 2017. I think that's really important. I'm looking forward to that, instead of getting things piecemeal.

Mayor Amyx:

Bryan, question on that is, as we look at budgeting this, and I think that that's exactly where that discussion needs to take place is through the regular budget process, and just so that we have all the necessary discussions at that time as we look at all the items that we do. When I look at like Parks and Rec and I look at the next items that we have on the agenda, how do you budget for an HVAC system that, I don't know, when they break?

Bryan Kidney:
Finance Director

First of all, you plan that something's going to break. We have so many facilities. We know that something's going to break. It's just a matter of the amount and scope. For instance, one of our elevators. We've got to come up with funds for that. My hope is we'll get to a point, and with Lawrence, it doesn't really have this in place yet, in that we have a really good... we tie a depreciation of our assets. I'm going to geek out a little bit, but we know that when we build a new building, Sports Pavilion Lawrence is a good example, that we know historically over time, we've got great facilities, people have great engineers that can get to a pretty good point, an estimate of, "This is what's going to break down and when," or at least this is the amount it would be. Our goal then as we're budgeting is that we're bringing forward to you, not only again the vehicles and the personnel expenses and things, but also just as important, an expenditure line item or a plan that this is how we're going to keep those core services going into the facilities that they have. It really is more of a planning process that we need to make sure that using the techniques that engineers and the facilities people have to come up with what those amounts are and to adequately fund those. I think the city's done a really good thing here by having this line item across here is \$500,000 for annual maintenance. Now, I'm sure our Park and Rec folks will say that's not nearly enough, especially when you're trying to also maybe take some CIP items out of that also. I've seen their list, it's pretty long. I think it's a great start, and it's something, and I applaud the thought process behind it. I know our utilities department does something similar. My hope is when we get into the CIP and our overall budgeting process that we're putting plans in place to take care of this. It says, "Here's what this is and this is what we think we need in order to keep these facilities going." I didn't answer the question. I don't know.

Tom Markus:
City Manager

I won't geek out, but what I'll tell you is, you can calculate useful life's of a lot of this equipment and you can start to establish reserves, and this stuff doesn't all follow a useful life pattern, but if you have some reserves, then you can use that reserve then to fund those things as they come about. Right now, we're in a situation, where these elevators out here, a \$200,000 bill to fix them, and you're going to see that, it's out of budget cycle, it's one of those things that wasn't necessarily anticipated. Do we have the funds available to do that? Probably. If they aren't in some reserve fund, they're going to probably come out of balance or contingency, whatever is available to do that. Obviously, for all sorts of reasons, you have to have those elevators running.

Commissioner Larsen: Bryan, I just took a look at the spreadsheet that you gave us, this little spreadsheet which has all the countywide sales tax plan on it. The bottom number there is a carry forward number each year.

Bryan Kidney:
Finance Director

Correct.

Commissioner Larsen: You see that? What's that money saved for, or is that money that could be potentially allocated?

Bryan Kidney:
Finance Director

That's money that could be allocated one time.

Commissioner Larsen

One time?

Bryan Kidney:
Finance Director

Again, just like if you look in '15 and '16, you see that that amount goes down, because we doubled up on our debt service in that fund. I think that's another thing that we need to be doing coming forward, what is the correct fund balance to have, what's the right balance to have in this fund that's going to be part of our 2017 process or budget process. You're seeing fund balance, the actual cash on hand there in that fund.

Commissioner Larsen: Because I just did the little basic, real basic math. I can't geek out like you do, I'm sorry.

Bryan Kidney:
Finance Director

I shouldn't use that word.

Commissioner Larsen: It looks like even if we would do this, it's just a number I'm throwing out, I'm not saying this is what we should do, just 500,000 to affordable housing based on that imbalance, that it still keeps us throughout the projected years here at about \$3,000,000 for a final number at the bottom.

Bryan Kidney:

Right. As I said, the line item says basically revenues over

Finance Director expenditures. You'll see that starting in '17. This current plan shows that it's going to be a surplus of close to \$600,000, and through the life of it, between \$500,000 and \$600,000. Again, that each year goes into surplus, unless there's a program. I anticipate during this budget process, during this CIP process, we might find more projects than what we have in these fund balances. I would anticipate during the budget process whether it's affordable housing, whether that that 500,000, 600,000 is probably not going to be there in our plans.

Commissioner Larsen: There is money available based on these bottom numbers.

Bryan Kidney:
Finance Director Absolutely. Based on these revenue projections, they're fairly conservative revenue projections. I believe it's at 2%, although who knows what that's going to be.

Commissioner Larsen: Flip a coin.

Bryan Kidney:
Finance Director Then the expenditure, the good thing, the expenditures are pretty set. When you issue debt, you've got a really good idea of what it's going to be. We do have an amount of money set aside specifically for maintenance and CIP for Park and Rec items.

Commissioner Larsen: So like for projected 2016, for an end fund balance, we're looking at 2.5 million it looks like.

Bryan Kidney:
Finance Director Correct.

Commissioner Larsen: Is that correct?

Bryan Kidney:
Finance Director Correct.

Commissioner Larsen: Is that money that could be used for this year?

Bryan Kidney:
Finance Director One time.

Commissioner Larsen: One time.

Bryan Kidney:
Finance Director If you spent that 2.5 million dollars-

Commissioner Larsen: I'm not suggesting we do that at all. I'm just saying there is money there on that bottom line. Parks and Rec is getting what they have asked for at least, but there's still money left over from that fund.

Bryan Kidney:
Finance Director Right.

Mayor Amyx: One of the things that we'd need to know is what are the ramifications of spending that down, even if it's one time, what effect does it have

on the city as a whole?

Bryan Kidney:
Finance Director

Well, I think a good example of that is the Emerald Borer. Right now this only has one year of funding on that. When we come back in 2017 budget process, we're going to be asking to continue that annual program. I think it's the next five years, five to eight years, depending on how that works out. Again, originally when we first brought that issue to you, we put those funds in here, those expenditures in here, just to show that we did have available money, capacity somewhere to take care of that program. We knew that this program was something that we, the governing body, wanted to take care of, but that's a great example. You take those eight years, multiply it times \$400,000, there's that fund balance. If you use those 2.5 million dollars now, it's not going to be there for that program.

Commissioner Larsen:

I understand. I'm not suggesting we do that at all. I'm just saying there is money there that potentially could be, some of it possibly could be used.

Commissioner Boley:

Bryan, I'm going to go back to the geek thing here. To simplify matters and increase transparency, it looks to me like we could just wrap this money into the general fund and stop using this special revenue account. What, if any, reasons do you see for us to continue with our current practice?

Bryan Kidney:
Finance Director

Again, I think, again, transparency. If the governing body would like to show specifically how that money is used in a place where you can pick up and look at. Another thing with the special revenue fund is that fund balance does carry forward into each year. Those are two things that I would say that that's a reason to keep it in the special revenue fund. Obviously, if you move it in the general fund-

Commissioner Boley

We're not putting the \$10,000,000 in the special revenue fund.

Bryan Kidney:
Finance Director

Correct.

Commissioner Boley:

When we talk about the \$10,000,000, there's some of it here and there's some of it there, and it's hard to track. That spreadsheet is not particularly easy to follow. It might be if you're an accountant.

Bryan Kidney:
Finance Director

It took me a while.

Commissioner Boley:

I'm just saying, we talk about 10,000,000 here, we talk about 2,000,000 there. I'm just saying that it seems to me like legally we could do that.

Bryan Kidney:
Finance Director

Sure. There's nothing legally saying that these funds would be in the special revenues. In fact, legally, there might even be more of a case that they're all in the general fund. However, again, I'm just looking

back to, you know I'm the last person to say it, but that's the way we've done it, but there's a consistent way. There's something to be said about consistency, that a person can go back and go ask, "What was that money used for?" This goes back and says, "Historically over the last 22 years..." Please don't ask me to do that. I could find that. However, there's a place you'd go to, to say, "Where's those funds at?" That is a little bit more difficult, I realize the calculations how we get there. That's something that we could work on as part of our budgeting--

Commissioner Boley: I'm just saying it's a possibility.

Bryan Kidney:
Finance Director ...documentation about, "Here's how this works out." I'll use grass next time.

Commissioner Herbert: Really quickly here, this might be the elephant in the room, but Commissioner Boley, I had read, I think it was your quote in the paper, you talked about how priorities have changed in the last 22 years, people in this community have changed in the last 22 years. I guess the million dollar question, or the three million dollar question becomes, in that we've had this for 22 years, it presumably hasn't been voted upon in 22 years, it's been designed to be a somewhat permanent sales tax. In my editorialized opinion, I would say that I think sales tax is one of the most regressive forms of taxation we could place upon a community. Do we have at any point any plan to actually put this back before voters realizing that the people in this community have been here.

Bryan Kidney:
Finance Director First of all, it's a county tax.

Commissioner Herbert: But do we ever have an opportunity for people to speak on the existence of the 1%?

Bryan Kidney:
Finance Director I think this is a good form.

Commissioner Boley: How are we going to make payments on Rock Chalk Park? That's what--

Commissioner Herbert: I just think that that's the elephant in the room is that--

Commissioner Boley That's 20 years, man.

Commissioner Herbert: ...for 22 years we've said, "Here's the reason why we're charging you this 1%," and then there's been no real further discussion.

Commissioner Boley: That's why we're here.

Commissioner Herbert: Right.

Commissioner Larsen: I do want to say that I agree with Tom regarding the need to go into affordable housing cautiously, build up to it as we go over the years, because we do want to make sure that those who are spending that money are good stewards of that money, and we can proceed with that with caution, but work towards building it.

Mayor Amyx: Any other questions? Go ahead.

Vice Mayor Soden: I'm trying to think of how to--

Commissioner Boley: Are we doing public comment?

Mayor Amyx: We'll do it in a minute.

Vice Mayor Soden: ...to word this, is Monday in our meeting, I was asking about your experience and Tom's experience with other cities in terms of having a line item for contingency, emergency items, because of course the police have equipment that they may get through a grant, but then they have no way to fund repair, replacement of those times. Is that something that other cities struggle with as well? Is that something that we need to look at adding to our overall budget? If so, then would it be by a department, or would it be an overall line item for all departments? How would that look?

Bryan Kidney:
Finance Director: I'll touch on this, but I might turn this over to the City Manager since he may have some different thoughts and ideas. I'll just speak to the Kansas Budget. Kansas Budget is by the fund. Your law is by the fund, fund level, not a department level. Generally speaking, looking at other, either communities I've worked for or communities that I've been a financial advisor for, typically you would see this reserve at a fund level. Generally, you see an operational budget that does not include, for the most part, a fund balance reserve as an expenditure lineup. Typically, you would see that as, here's the revenues we believe that's coming in, here's expenditures, operational expenditures that we believe that it's going to take to meet the goals of the citizens. Now there might be some reserves in there a little bit, like the gas prices might be this or something, there might be something in there, but generally speaking, then you would see where the city feels that it's fund balance should end up, where its ultimate reserves are. We talked about this, I think, early on when we first started talking about the 2016 budget. Each community needs to make that determination what they're comfortable with. Typically, a lot of that comes from input from your finance and definitely your City Manager about, "Here's where we really think that the fund balances should be," based on, first of all, our bond ratings. Of course, the reason we want their bond ratings, why they picked what it is, is because we've gone and said, "We need this much reserved for economic, something economically happens, let's say the state comes in and exempts a large portion of our sales tax. How long would it take us to recover from that, or how long would it take us to do something?" That's a part of how much fund balance we want.

Then of course, something if a true emergency happens, say a tornado comes through and unfortunately takes out a large retail area. Between those two issues, staff, working with the governing body, needs to come up with, here's how much reserves and fund balance you'll see, or we think you should have in there. That's where you see the line items here, fund balances. I'm anticipating as we bring forward the 2017 budget, you will see how much staff estimates through our projects what revenue will come into the city and then what the City Manager truly believes it's going to take to operate based on your expectations and the goal. Then we'll have, at the end of that, how much fund balance we feel is prudent to have. I'm not sure if that really answered, but that's your typical, if you go to national government budgeting things, that's what you're looking for in how you budget. You budget first how much money do we feel that will take care of rainy day or economic development or something that happens unexpectedly, and how much do we need to make those goals, and not just look at it from year to year, but actually look at that over 10 years. I'm not sure if the City Manager has anything to add to it.

Tom Markus:
City Manager

The only thing I would say is I think it's a fairly common technique to have an internal service fund. Basically that fund acquires the equipment, takes care of the equipment, the central garage fund. They charge rent back to each department based on the rolling stock, for example, in each operation. That includes a cost to the vehicle through amortization and it includes a maintenance charge. That all gets paid back to the fund that that fund is overseen by one of the departments. The department then manages that fund with expectancy that there's a certain turnover in rolling stock. There's that extreme, which I think is probably the more sophisticated probably, the better approach to it, because you get a lot of economies of scale in that versus doing separate line items for the police department has the need for so many vehicles and they plugged them into each of their line items. I think there's a lot of ways to approach that. Again, Brian and I are relatively new. We're looking at the budget, we're trying to figure out ways that we can, I think, streamline some of the processes, at the same time, build efficiencies into that. There's lots of ways to go about it. I like the internal service fund approach.

Vice Mayor Soden:

We learned about that in Washington, D.C. They talked about that. One thing that I'm really interested big picture at getting at with these kind of contingency emergency funds, whether you decide to do it that way or another way is that so then you have, the department has more authority to replace those items that you know they're going to fail, because they're mechanical. All mechanical equipment fails at some point. Instead of it always coming back to City Commission as the final decision maker, I don't know if that's crazy to give away that decision authority or is that something that is more in keeping with what the City Manager decides or...

Tom Markus:

We are looking at your purchasing policy, as we speak. I think it's a

City Manager bit micro-managed at the legislative level. I think it needs to be reviewed and refined. If you just wait until a piece of equipment is really on its last legs, you're creating some inefficiencies in your actual--

Vice Mayor Soden: That's a problem.

Tom Markus:
City Manager ...operations of the department. If you schedule those replacements, subtracting the salvage value of the vehicle that's going out and the new one that's coming in, you'll find that I think that that's probably a much more efficient way of dealing with equipment. In fact, a lot of places, they look at scheduled years of replacement. Frontline fire equipment is given so many years. It moves to the second line, and after 15 to 17 years, that piece of equipment is pushed out. I think that's a better way to go about it than just necessarily waiting for a major failure to occur.

Vice Mayor Soden: I know with the recession, that was one of the ways that they controlled the budget was delaying the replacement of vehicles, of course, and other things, and that's something I want us to get back to.

Tom Markus:
City Manager If you set up those funds, and it's like I said with the housing, if you start, you start adding and putting some money aside and being prudent about how you do it, before you know it you'll have good reserves, you'll be in a much better position, and you won't have to just slice and dice when the tougher valley parts of the economy occur. You can get through those a lot easier if you planned in advance. It takes time to get there.

Vice Mayor Soden: I'm looking forward to you two working on it and finding ways to improve it.

Mayor Amyx: Thank you. Public comment on this item? Any public comment?

Greg Robinson: Good evening, Mr. Mayor. I've just got a couple of issues of general observations of this, nothing too specific. One of the things Mr. Herbert actually brought up, I'm glad he did, was basically, this thing is in perpetuity. Voters in '94 had the options of deciding what they wanted to do with it with some general language that then allows future commissions like yourselves to do whatever you want really, what you decide and interpret a language to be. What we need to do is revisit this, because Mr. Herbert, correct me if I'm wrong, Mr. Herbert, but you just spoke in Topeka recently about the overreach of Topeka into our business. By doing this, by taking away our ability to decide for ourselves through our own vote of where we want our money to go, that's the exact basis that Topeka is using to come in and tell you that, "No, we get the say," and they want to make that say. By keeping this in perpetuity and just using it however you want, I'm not saying you're misusing this at all, don't take it the wrong way, but the thing is, is that giving them ammunition in Topeka to tell you

and take away your authority, because this is one of these taxes that we never get any say about. It's just there, it's taken out of our pockets, and that's the end of it. Then you can do whatever you want with it. That's why some of those things in Topeka get supported. We're kind of a lone wolf out here as Lawrence, but this is the type of things that they can use as examples that we have no control over as taxpayers to stop a runaway commission, and I'm not saying you are, I'm just saying that that can be used as ammunition to do that. For example, tonight, and correct me if I'm wrong, I think, I can't remember who brought it up, but somebody said about a revenue stream for a police facility. Did I hear that correctly? To look at this fund?

Mayor Amyx: Right.

Greg Robinson: I would argue that this tax in '94 was never a discussion about funding a police station. In fact, this would be a slap in the face to the last election we just had. If you were to take a regressive sales tax, which you've agreed, is a regressive, oppressive type funding mechanism that was rejected by our voters at the last election, and then turn around and use the exact same kind of funding source as the revenue stream. What a slap in the face to the voters and the people who actually turned out to say no. That again is fuel by Topeka to tell you all and restrict your powers so that we have a say in what we do. I don't want that. You don't want that. I agree with Mr. Herbert when he went up there and said his comments. Again, we have to look at it as a whole, what are we doing, what are our actions versus our words, and this action, by continuous, perpetual tax on the people without any say whatsoever other than this generic form of, "I don't really like affordable housing," or, "I really don't think it should be a police station," but you guys decide, when we have no vote. We can't go to the polls and say no. Anyway, that's my general comments. Thank you.

Mayor Amyx: Thank you. Yes sir?

Joe Douglas: I live at 2804 Oxford Road. I was living there in 1994 when I voted for the sales tax. I've been a psychiatrist at Bert Nash for nearly 15 years, but before that I was a medical director of the Community Mental Health Center in Topeka. At the time of the vote in 1994, I really didn't expect that I would get some direct benefit from the vote. I ended up with a comfortable office in the County Health building for quite a number of years now. I do think that was a wonderful investment. I think it was the support of health services that I was voting for when I voted for the sales tax, especially the construction of the County Health building. I'm not sure today that I would be as willing to vote for a sales tax, for exactly why you said. As a homeowner, I think I would rather pay more property tax for a good cause. At any rate, I think that the fund has done a lot of good over the years. I'm really pleased that this fund will be directed by you all and by future commissions as part of the general budget process in a

thoughtful, prospective way, rather than dealing with items as they come up. I also certainly agree with the goals that you set for 2016. They all are intertwined and they all are essential for a healthy community, a prosperous community. From the perspective of community mental health, I particularly am interested in the goals for support of mental health and affordable housing. Those two really do go together. I'm just constantly reminded in working with clients how stressful it is to be homeless or to have the threat of becoming homeless or simply to have inadequate housing and to have to worry day in and day out about how to deal with that. It just makes sense that people have only so much time and energy to put into taking care of themselves, taking care of their lives, and it really makes the work that we do, at least at Bert Nash, and I think at the other agencies, makes us inefficient and ineffective to an extent when the people involved are worried about where they and their children are going to sleep that night. Housing and food have to come first. Mental health is important. Vaccinations are important, and other things are, but food and housing come first. I really want to thank you for the wonderful start that you've made both tonight and previously in dealing with affordable housing for our community. I really hope that you can keep all this in sight when you look at this money in the future. This fund has been contributing roughly a million dollars a year to health services in our country, mainly through payment for the County Health building, but also the maintenance of the building. That's a lot of money and that's done a lot of good. I think it's reasonable that some of that could be continued in some fashion. I'm sure any of the agencies would have suggestions if you wanted any on how to spend that. Thank you very much for what you do.

Dennis Constance:

Good evening. I attend the First United Methodist Church, which is one of 20 congregations partnering with Justice Matters. I serve on our affordable housing steering committee and I'm here tonight to speak to you on behalf of Justice Matters. I've got to say I'm glad to hear some of the earlier discussions that have occurred this evening already about affordable housing. I'm glad to hear some of the discussions about the whole budgeting process. It's an important step in taking this valuable issue and getting it out there into discussion and solving this problem in the long haul. We're here tonight to help you chip away at this affordable housing shortage. It's your responsibility as elected officials, and we believe that it is your passion as well and to lead this city and one of the primary ways that you do this is through your decisions about how to spend public dollars. Tonight, as you take a look at the sales tax reserve fund and discuss the priorities of the city at this time, we want to remind you of the results of the 2014 community survey. Next to job creation and stability of downtown, quality housing for all income groups was ranked as the most important issue that citizens of Lawrence wants to see addressed. Quality housing for all income groups is what we want for Lawrence. Justice Matters stated this in our assembly last spring when we brought together 1,700 people of faith. In just a couple of weeks, we will affirm it again when we gather at another

assembly at the Lied Center. We will do this because as people of faith, we are compelled to work for a world in which all human beings have what they need to live and housing is a fundamental human need. Here is what we also know. Investing in affordable housing is not only the right thing to do; it is a smart thing to do. In a report from the Enterprise Community Partners Incorporated, which is a national group that creates and advocates for affordable homes, you can find all kinds of reasons why affordable housing is a good investment. Quote, "Studies have found that money put into affordable housing produces benefits in the form of jobs, local incomes, sales, increased property values, and property tax revenues." For example, the National Association of Home Builders estimates that every 100 typical tax credit apartments generate as a direct result of their creation approximately 7.9 million in local income, \$827,000 in taxes, and 122 local jobs within one year. Now, on an annual basis, once these projects are in place on an annually recurring basis, the same development produces 2.4 million in local income, \$441,000 in taxes, and 30 local jobs. We think that is a pretty good bang for the people's bucks. We thank you for all that you do to lead Lawrence.

Mayor Amyx: Thanks, Dennis. Yes ma'am?

LaRisa Chambers: Good evening. As a patron of the trails and parks and Free State or Indoor Aquatic Center and Carl Knox Natatorium and all the wonderful trails, I just would like to encourage you to keep this revenue stream in perpetuity to Parks and Recreation, because it's, I think, one of the crown jewels of our city. Many, many people use these facilities and the parks and the trails. As we know, things are going to break down, chlorine level machinery and pumps and all of the equipment that it takes to run these beautiful facilities and keep the parks and trails maintained. I would just encourage you to keep that in mind and keep this revenue stream going to Parks and Rec. Thank you.

Mayor Amyx: Thank you. Other public comment? Yes sir?

Joe Casad: My name is Joe Casad. I had a whole prepared speech but I think the discussion has gotten beyond that point at this time. I just had a couple comments. I just want to thank the Commission and applaud your efforts to take a very big look at this very important matter. As several speakers have said before, the bond question, the ballot question did not specifically target this money to a specific cause. It is general government purposes and the funding was not limited to the things in that list. Of course, I think we all appreciate what's done by Parks and Rec Department. I am concerned, however, although I've used Parks and Rec's services all my life, as have my children and my parents, I'm concerned about the appearance that this money is solely the property of Parks and Rec and that it's going to take what it needs and whatever is left over will go to all these other things. That's not really what the bond says. It's really up to you, our elected officials. You make the choice. You aren't here to rubber-stamp a

policy from a previous board based on a reading of the ballot text that you can see with your own eyes. As the staff memo states, "A major reason for having a special revenue fund is to provide an extra level of accountability and transparency to taxpayers that their tax dollars will go towards an intended purpose." We discussed this a little bit. It's all fine to have it say it that way, but there is no intended purpose for this other than general government purposes without limitations. The intent of the 1994 ballot question was to make funds available to you, our elected officials, as you set a course for the city based on today's needs and today's priorities. If you do that, you will indeed be providing a fresh start for city government that you all said you would provide when you came to sit at this honored table where you now find yourselves. Thank you and God bless Lawrence.

Mayor Amyx: Thanks, Joe. Other public comment? Anyone else? Thank you all. Questions of Bryan, Tom, anyone else?

Bryan Kidney:
Finance Director I was just going to follow up that there's no action requested or part of this item that we'll take whatever input as we go forward in the 2017 budget, or if there's any other action that the governing body deems necessary.

Mayor Amyx: I would suggest that one of the things that we may want to do as a Commission is to take this item up earlier in the process as we all give direction in building the budget.

Commissioner Boley: Mr. Mayor, I really appreciate your willingness to schedule this discussion for tonight and we've had it. I'd like to point out before we just say we're going to worry about 2017, there was \$100,000 in the affordable housing trust fund when we began this year. We added \$100,000 with our 2016 budget. Those funds have been expended on the project over on the Lasalle Street, and what we voted on tonight. We're essentially done for 2016 and it's not even April yet. I'd like to send this back to staff and say, "Hey, let's come up with a plan." I'm not saying we're going to do \$3,000,000. I agree that we need to ease into this, as Mr. Markus said, but I don't want to leave nine months and not do anything more on affordable housing.

Casey Toomay:
Assistant City Manager I just want to add that there is another 75,000 that's going into the trust fund from the 8th and New Hampshire that we actually received, so--

Commissioner Boley Okay, so there's \$75,000 that came in not through these purposes, but with the bond we voted on earlier.

Casey Toomay:
Assistant City Manager As far as being done.

Commissioner Boley: We're essentially done for this year, and I don't want to be done this year. I don't want to be done this year. I want to do some more. I'd like to send this back to Bryan and say, "What can we do now, this

year? What's reasonable?" That's my take. I don't want to just wait for 2017 for more money.

Mayor Amyx: So do a midyear budgeting?

Commissioner Boley I don't know the technical stuff. I have to rely on you guys.

Commissioner Larsen: I think it would be a good way to at least get this jump-started a little bit more. If we could find something or some way to provide additional funding for affordable housing this year. The project that we did on Lasalle, one thing to remember is we put \$100,000 into it, but they actually leveraged four to one, so they actually turned it into \$400,000 through their leverage, and that's a huge return for our money.

Mayor Amyx: One of the things that I think we need to be careful of, and this is just me talking right now, is we look at, at the same time, and everybody appreciates the concerns that you bring up about not being able to do anything for the next eight or nine months, one of the problems that we have is like the list of things that we're going to vote on here in a little bit. What are the expenditures that are going to be necessary to take care of problems that may exist over the same eight or nine months? I see in this balance we're talking about some negative numbers there. I get a little bit concerned about that. What was the statement? Spend more than came in just because of the payments, the final payments that we have on the golf course and the Health Department building. I don't know. The direction's fine, but I think that we need to take into consideration, at the same time we're going to be short, maybe look like we're not doing anything in affordable housing for a while, but let's don't create another problem that we can't get out of at the same time. Tom?

Tom Markus:
City Manager We had this discussion again during the interview process. I think one of the things that I think you can do is when you're working with incentives that involve residential, and quite frankly, we have some of those projects, I think we need to possibly move into a discussion on our incentive policies that I think you wanted to get to eventually too. I think that there's an opportunity there. I'd feel a bit hypocritical to go back and start extracting funds mid-budget-year when I've made the points I've made about the over-hire recommendations. I think from my perspective, I'd rather focus on the incentivization policies and seeing not just about extracting a donation, but actually including some affordable housing into these projects that have been approved or in the future will be approved. We put affordable housing into student complexes up in Iowa City, and quite frankly, the developers didn't have any major reservation about those things. The advantage of it is you're scatter-siting it. You're not concentrating it in one single building or one single area. When you're talking about using incentives, there's a bargaining process that goes on, what's the public good that's being achieved, so in addition to what I would rather see going into the '17 budget process to make amendments, I

think we should move into the discussion about what's the potential in terms of our incentivization policies and what either money can we extract for the fund as a part of that or actually create units in some of these buildings that are affordable. Again, I think that concentration, as we've seen around the country, I think it creates a stigma about product. I think that's harmful. By scattered site, I think it balances the school issue with FRL distribution and everything else, so I'd rather see us move in that direction in the interim. It doesn't have to be over, Stuart, but I think we can't just focus on one source. I think there're other sources to be looking at, at the same time.

Commissioner Boley: I appreciate your comments. Thank you.

Commissioner Larsen: That was real good.

Commissioner Herbert: Tom, thank you for making those comments. The scatter site in particular, as somebody that's spent my whole professional career working in schools, I can tell you that the stigma of the haves and the have-nots is present constantly. While building affordable housing is vital, I think it's a real missed opportunity when we build affordable housing in areas full of affordable housing. I was real happy to see the Lasalle project go as our pilot project, but at the same point, I had a knot in my throat as I looked up and down Lasalle and had Shannon Oury tell me, "Oh, that's a tenant-to-homeowner house, and that's a this type of house, and that's a that's a that's a ..." That's not what we need to be doing. That's not it. We have got to scatter-site this or else we are going to build a situation of haves and have-nots, and we have not solved a problem if that's what we built.

Vice Mayor Soden: I'm very much interested in working on that policy as soon as we can. I think that's going to be great. We definitely need one, because in the past, the payment in lieu of taxes, that is arrangements that have been made, I haven't been comfortable with those, so having the policy in place for that, and then just for instance, 8th and New Hampshire, just having inside of that building permit affordable housing is something that I think that we really could've went for and achieved. I feel like that was a missed opportunity. Even though we are getting some money out of it, I think there was a longer-term goal we could've achieved. I definitely feel like that's something I want to work on sooner than later. One thing I did want to mention that I always try to remind myself when I see at the bottom line giant numbers that are fund reserve balances, those are projections. It's only March. We can't really forecast out that far what the bottom line really is going to be. Those are just projections. I think it's something that is really good to perhaps if we do end up having a really large bottom line, just carrying it over to the next year when we get our arrangements figured out more. I don't mind waiting a little bit, as long as we're working on policy in the meantime. I think that's really key.

Tom Markus: I failed to mention when we talked about fund balances a little bit, but

City Manager as Bryan will tell you, when the rating agencies take a look at a community, that's become more and more important. You want to keep realistic fund balances. I think Bryan's efforts to create a reasonable fund balance policy will service well when we go through the rating. The rating obviously translates into better interest rates when we need to borrow money, issue bonds. I think we have to keep that in mind. It may just be a delay of an expense, but to keep a reasonable fund balance is really a critical part of how we get reviewed as a risk in terms of bond issues. That's critical to us too.

Commissioner Larsen: I think, as this conversation has developed, it just shows how many pieces to this puzzle there is. It's almost endless, it seems like. It seems to me that under Mr. Markus's guidance that we're going to have a really good handle on how to decipher the pieces that are needed that fit the best.

Tom Markus:
City Manager I said to a group earlier, we don't want to be talking about this in 20 years. We want to look back and say we actually accomplished something in 20 years from now. It's chipping away at it and increasing the chips every year we go about it.

Commissioner Larsen: That's right. Thank you.

Mayor Amyx: Okay, we'll look forward to the 2017 budget discussion and also the policy suggestions that you'll be bringing forward, and we'll have those discussions also.

Tom Markus:
City Manager You bet.

Mayor Amyx: Brian, thank you very much. Thanks to everyone for coming this evening on this item. The next item is to consider the following purchases from the sales tax reserve. One is to authorize staff to develop specifications and set a bid date

- b) **Consider the following purchases from the Sales Tax Reserve Fund:**
- i) **Authorize staff to develop specifications and set a bid date for the replacement of the HVAC unit for the leisure pool at the Lawrence Indoor Aquatic Center.**
 - ii) **Award bid for the Baldwin Creek Trail Project to R.D. Johnson Excavating, for \$335,561.55. This project is an 80/20 grant from the Federal Recreational Trails Program and the cost to the city will be approximately \$67,111.55. Consider authorizing the Mayor to execute the Greenspace, Pedestrian and Recreational path Easement, and to execute a petition to be filed before the Board of Douglas County Commissioners to vacate certain Greenspace, Pedestrian and Recreational Path Easements.**

iii) **Award bid to replace the HVAC system at the Holcom Parks Recreation Center, to A& H Air Conditioning and Heating for \$52,581.24.**

Mark Hecker:
Assistant Director
Parks and Recreation

What we're talking about tonight is we have 3 major HVAC units on the top of the Indoor Aquatics Center. These are pieces of property that no one ever sees usually. If they don't work, we have a major problem. You can see the picture there is the scope of these things. They're basically the size of this room. There are 3 of them. One does the leisure pool, and 2 of them do the lap pool. The one that we're having an issue with right now is the one in the leisure pool, and that's significant because that's the only unit for that room, so if that unit goes down, that room is basically not functional. What we're asking to do, we had planned to move this into the 2017 CIP basically funding derby. What we're going to need to do is move it up into '16 and go ahead and get moving on this is what we're requesting tonight. If you look at some of these smaller pictures down here, and they mean nothing unless you've crawled inside of an HVAC unit before, but this is the main fan that moves the air. There's actually cracks in the housing here. That will continue, we hope, through the summer. It may not. The biggest problem we have ... These are all just motor housings that are rusted at the bottom of the unit. It's bad. The biggest problem we have is the cracked heat exchangers. We have 1 heat exchanger that's been tagged out. In other words, it can't be used anymore because it's cracked and will pump carbon monoxide back in the facility, so we're running on 1 heat exchanger. It's important in that facility because we actually heat and cool all year long to control humidity. It's the weirdest, probably, facility we own because we have a big pond inside of a building, so we have to heat or cool 2 degrees higher than the water temperature. Our current water temperature in our leisure pool is 84 degrees, so we have to keep that building temperature at 86 degrees or we produce rain. We really push a lot of chlorinated air through these systems. That's why you see them looking so rusted and terrible, and that's why the lifespan of these is much shorter than some of them, like at Holcom or at East Lawrence Center, where we're just running a gym. These are unique units. Honestly, we've known this is coming for probably 2 years. We were hoping we'd get to 2017 and be able to schedule it, but the way we're looking right now, we probably need to do something with it shorter term. Our goal is, if you'll approve it tonight, we go do specifications, bid the project, we'll come back to you with the recommended bid, and we hope to start the project in August when we do our normal shutdown. We usually shut down as soon as kids go back to school. We have a couple weeks there before the swim season starts for the fall. We'll drain the pools. We do all of our maintenance. What we want to do is try to push this project through in that time period, if possible. Questions?

Mayor Amyx:

Questions? Okay. Thanks Mark. Let me ask public comment on this item. Any public comment on setting the specification and the bid date? Okay.

Mark Hecker:
Assistant Director
Parks and Recreation

One other note I might make, you asked about prioritizing projects. This is truly something we do weekly. We have a list of projects that run forever and ever and ever. When something big like this comes up that's unexpected, basically we go into the project list and say, "Okay, let's take that one, that one, that one off for this year, and we'll put this one in." You can see the list of things we're going to pull off for this year, and we'll come back and try to catch them next year. It's an ongoing process. We have X amount of money, and we just spend it as best we can.

Mayor Amyx: Okay. Any other questions or comments of the staff? Your suggestion is to take action on all 3 at one time. Is that okay?

Commissioner Larsen: That'd be fine.

Mayor Amyx: Okay. Then, the next one is to award the bid for the Baldwin Creek Trail Project, R.D. Johnson Excavating \$335,561.55.

Mark Hecker:
Assistant Director
Parks and Recreation

This is a project I think you've seen 3 or 4 different times as we went through the grant processes and looking at it. It's basically a project that's funded through the Federal Recreation Trails Program, so they do 80% funding, we do 20%. That's a pretty advantageous grant proposal. If you recall, this is part of the bigger Lawrence Loop idea that's been talked around the community quite a bit. This is this pit segment right here. You can see the green part is the trail that's already been built. The red parts are trails that are under construction now, so we have the SLT Trail, the Burcham River Trail, and then the Baldwin Creek Trail are the 3 we're working on right now. We're excited to get this to the actual construction stage. We've been working on design and easements over the last, probably, 8 to 9 months. In this proposal, there's a couple of easement agreements that we need to finalize, and what those did, basically, was move the existing pedestrian easement that the city had over the top of the utility line and moved it to a more advantageous location. It allowed us to stay away from the creek. This is the new, and this is the old. In one instance, we're asking for the easement for the new pedestrian easement, and the other thing we want to do eventually is go in and vacate the old pedestrian easement that went through those properties. In this one, we're asking for 3 different action items. One is to approve the bid to R.D. Johnson, which we'll have to fully fund that whole project and then we'll be reimbursed once the projects done. I want to make sure that's clear. Then, there's a couple of easement items there.

Mayor Amyx: Question. There's a big difference between the Johnson bid and the second-low bid, a huge difference. Am I missing something here?

Mark Hecker:
Assistant Director
Parks and Recreation

No, R.D. Johnson Excavation is almost been a friend of Parks. He has worked with us on so many trail projects. I really think he just has it down to where he knows exactly what that's going to cost, where some of the other contractors may be guessing a little bit on what it

takes to build that trail. I would guesstimate he's built 3/4 of the trails in the city, so he's got it down to a science, I think.

Mayor Amyx: Okay. I just saw \$175,000 difference. I just thought, "Well, okay."

Mark Hecker:
Assistant Director
Parks and Recreation You know what's great about that, the grant funding was capable of going up to \$400,000, and so we're well within the grant funding.

Commissioner Herbert: He really left money on the table.

Commissioner Boley: How close to the Naismith Valley Park Trail would this put us, Mark?

Mark Hecker:
Assistant Director
Parks and Recreation To the Naismith Valley or to the...

Commissioner Boley: Yeah, to that-

Mayor Amyx: Baldwin Creek probably.

Commissioner Boley: I'm talking about the Naismith Valley Trail. This loop here is just south, directly south, and then also east and west from the Naismith Valley, which ends about 29th Street.

Mark Hecker:
Assistant Director
Parks and Recreation Yeah, there's actually a spur that goes out to 31st St. now, then there's a new trail all the way along 31st that goes out to Haskell, so there's a spur that went right past Menards and hooks back to Naismith Valley. What's cool about that is you could actually ride from far out east and go right up through that valley and get all the way up to KU on our trail system, so that's almost a spur off of the loop. There's a number of other spurs throughout the city that come into the city. Clinton Parkway is one that's not really shown on there, but it comes all the way into Iowa. It's really a cool system when we start laying it out on a map and go, "Wow, there's only 3 or 4 spots we need to fill in."

Mayor Amyx: Now, we've got a pedestrian light there on 27th Street.

Commissioner Boley: Right. I've taken it from 29th essentially up to 23rd with just crossing that pushbutton light at 27th. I have to go back and take another look down there at 29th and see where it goes because it seemed like it ended to me.

Mark Hecker:
Assistant Director
Parks and Recreation Yeah, it goes through there.

Commissioner Boley: Okay, I just missed it.

Mark Hecker:
Assistant Director The new part that most people don't know about is the part behind Menards that goes into Naismith. The piece out here in Rock Chalk

Parks and Recreation Park is something we have our eye on for a couple of grant proposals maybe very short term here in the next month or two. We may be bringing those to you so we can fill in this little gap out here.

Commissioner Larsen: I think you've done a really good job of leveraging grants. This is fantastic.

Mark Hecker:
Assistant Director
Parks and Recreation Thank you.

Commissioner Larsen: The loop's looking really good.

Mark: Public Works is a big part of that, too. They're leveraging the KDOT end of things. We work with Wildlife and Parks and the Sunflower Foundation, so we triple-team it a little bit.

Mayor Amyx: Okay. Any public comment on this item? Okay. Last but not least is to award a bid to replace the HVAC system at Holcom Park's Recreation Center to A&H Air Conditioning and Heating for \$52,581.24.

Mark Hecker:
Assistant Director
Parks and Recreation This is the item you saw March 1 when we went out for a bid. Good price again. We were estimating it's going to be a \$70,000 project, so we came in quite a bit under that, which is great. Just a reminder, if we don't do this when we have no air conditioning in the lobby, meeting rooms, or offices of that facility, so that's why that one's kind of a push item right now. We'll probably start getting complaints in the next month or so. Right now, it's okay.

Commissioner Herbert: Mark, I don't mean to go back to the first item, but the first item talks about authorizing staff to set a bid date, and then I look down at this third item, and it doesn't look like we received a single bid from a Lawrence-based company. Is there any effort to do a little outreach to try to get some localized bids? I know A&H is out of Baldwin, and Lippert's out of ... Where are they out of? Not Lawrence. McElroys is Topeka. Wilson Group is, again, not Lawrence. I can't recall where they're at, but it doesn't appear we got a local bid at all.

Mark Hecker:
Assistant Director
Parks and Recreation Yes, I'm not sure why.

Commissioner Herbert: If we're going to spend tons and tons of money, it'd be really nice to spend it here.

Mark Hecker:
Assistant Director
Parks and Recreation I'm not sure why. We put them out, and we invite all vendors to bid. I'm not sure. A&H is our contract vendor that they do all of our just smaller stuff, so they're pretty familiar with our facilities.

Mayor Amyx: Okay. Questions on this item? Any public comment on the HVAC system at Holcom Park? Okay. Back to the commission. Mark,

appreciate it. I think we probably ought to do these before summer gets going.

Commissioner Herbert: It's got to be replaced. I just wish we could get some local vendors up there.

Mayor Amyx: Great thing to point out, Matt.

Moved by Commissioner Larsen, seconded by Commissioner Herbert, to authorize staff to develop specifications and set a bid date for the replacement of the HVAC unit for the leisure pool at the Lawrence Indoor Aquatic Center; award the bid for the Baldwin Creek Trail Project to R.D. Johnson Excavating, for \$335,561.55. This project is an 80/20 grant from the Federal Recreational Trails Program and the cost to the city will be approximately \$67,111.55. Consider authorizing the Mayor to execute the Greenspace, Pedestrian and Recreational path Easement, and to execute a petition to be filed before the Board of Douglas County Commissioners to vacate certain Greenspace, Pedestrian and Recreational Path Easements; and, award the bid to replace the HVAC system at the Holcom Parks Recreation Center, to A&H Air Conditioning and Heating for \$52,581.24. Motion carried unanimously.

4. **Receive presentation from Frank Male, Lawrence Landscape, regarding the interchange at Kasold Drive and K-10. Consider approving a request for a temporary signal at Kasold Drive and E. 1200 Road and K-10.**

Frank Male, Lawrence Landscape, presented the staff report. He said what they would like is for the Commission to send a letter to KDOT supporting an on demand signal at K-10 and Kasold interchange and lower the speed limit until redesigned K-10 leg is completed; and, relocate the Wakarusa interchange Eastward to create the K-10 and Kasold interchange with connections to Wakarusa Drive, 31st and Kasold, and the Browns Grove Bridge/458.

Mayor Amyx: Questions to Frank? That's all you need?

Frank Male:
Lawrence Landscape Obviously, the letter's non-binding. I'm just asking that they take another look at this and not just go bulldoze forward with what they have planned and have a little consideration and community input. I think there're some viable alternatives out there.

Mayor Amyx: I think, on behalf of the city, and speak for the county a little bit, too, we did send a letter back in October asking that a consideration be given to this intersection remaining open along with the area up at Farmer's Turnpike and the north end of K-10, and I think equally as important there. One of the suggestions I may have, and I appreciate the amount of work that you've put into this, Frank, is maybe rather than asking for specific things, actually send them a letter that says something, I was thinking, maybe to look at any and all alternatives at that intersection rather than just these particular things. These may be things that they just say "no" to, but I think if we open it up and say, "We'd like for you to investigate ... Before you just pull the hammer down, let's look at everything. We're stakeholders here along with the county, and it would only make sense to look at all of that. Obviously, whatever changes I think that is going to be made into

their design is probably going to be a request for participation of some sort between the city and the county. Keith Browning and his bosses only have so much money, so we're going to try to squeeze them for every dime we can get. I think that would be something that we may want to look at.

Frank Male:
Lawrence Landscape

You're the expert.

Mayor Amyx:

No, I'm not. I'm just thinking that that may be something that we might really want to do that way.

Frank Male:
Lawrence Landscape

That's fine with me.

Mayor Amyx:

Okay.

Commissioner Herbert:

Frank, I really appreciate your effort on this. I'm not speaking for the whole commission. I'm just speaking for myself here, but that is a really crucial intersection, and it's crucial because of the absence of a good alternative if it closes. I serve on the MPO board and was at the meeting when the community showed up. He's not exaggerating when he say he has the backing of the community. This room was full. It was standing room only. Stuart can tell you, MPO meetings; normally it's about a 40-minute devotion of your life. It's over before it starts. We were here for a while because everybody got up and spoke. That intersection matters, and there are ways that it can be addressed.

Frank Male:
Lawrence Landscape

It was consensus. There were some different opinions. There was some roundabouts thrown out there, but it was--

Commissioner Herbert:

Don't tell Mike that. Mike, there were no roundabouts.

Mayor Amyx:

You're losing me, Frank.

Commissioner Herbert:

I didn't hear any of them. You sure you don't want to be specific on that letter?

Frank Male:
Lawrence Landscape

I did not.

Mayor Amyx:

Okay, go ahead.

Frank Male:
Lawrence Landscape

I appreciate that. Yeah, it was well-attended. We did that in four days. That's how much time we had to ... There's a website, and if we wanted to, we could have filled the room tonight, but we want to respect your time and attention. Thank you.

Mayor Amyx:

Any other questions of Frank.

Vice Mayor Soden: I'd be happy to send the letter. Thank you.

Mayor Amyx: Thanks, Frank. Any public comment on this item?

Greg Robinson: I appreciate the presentation. It was very well presented, can certainly sympathize and appreciate his concerns. The major concern I have with this proposal, or at least trying to get a consensus of the commission on what it should or shouldn't do, is that the one concern I have is engineers design things for certain reasons. When we start messing around with controlled access highways that are designed to move great volumes of traffic in great numbers at a specific speed, when you arbitrarily just reduce a number for a road, my understanding from my work, but engineers have told me is roads are overdesigned. By that, I mean if the road is 65, they actually design it for 75, so when you try to arbitrarily shut it down to 55, you're inviting unsafe driving behaviors because people want to drive what the road was designed to do. What you're end up doing is causing more accidents because of that. Again, I'm not one of these guys to get up here and say, "Hey, the sky's falling. It's a safety issue," but again, when you start monkeying around with the numbers and the engineers' estimates, who are paid and professionals to design these things, you really got to take those things into account. The inverted diamonds he's talking about sound like a great idea down at YSI with frontage road back. Whether or not there's enough KDOT road right-of-way, because I think there's a 100-foot setback, whether or not there's enough room to still squeeze a frontage road, I don't know. That's engineers to decide. Again, I just wanted to address the comment about the speed limit. If you're going to do this or make a recommendation, you keep the speed limit the same, because you can't just arbitrarily put the foot on somebody to tell them to slow down when the road is not designed to go that slow. We had that same issue on West 6th St. when the city saturated that road during that 85th percentile road survey with police. It tried to slow everybody down to get that percentile down. Couldn't do it, could not do it. What did it come back? Percentile's what it is. The road is at its speed limit to what it is. That was before, Mr. Mayor, you probably remember, before Queens Ridge was in and all those other roads and development was out there, that was basically a highway. When you try to arbitrarily, I won't say "you" personally, but when it was decided or tried to get an arbitrary lower speed limit put there, even with police saturation and ticket writing, they couldn't get the speed limit down. Just please, if you're going to consider this, which I don't think it's a bad idea, by the way, but don't monkey with the speed limit because you're causing more problems than it's really worth. Thank you.

Mayor Amyx: Thanks, Greg. Other comment?

Roger Anderson:

Mr. Mayor, members of the city council, thank-you. I live at 1120 East 1200 Rd., which is actually in the county. I wanted to step up here to talk a little bit about Frank's proposal. I've been a supporter of that proposal. I spoke here at the MPO meeting on 2/17 about what was going on out there. At that time, my recommendation was there's no reason for anybody to anything at this particular moment. KDOT doesn't have the funding, and what our understanding was that road, that intersection was not going to be closed until the funding for the four-lane had been put in, and Ryan that day spoke to the point that that may be five years down the road. I do appreciate the commission's foresight in saying, "Let's not restrict ourselves maybe to this exact proposal." What we've tried to do as a citizens' committee is offer alternatives to what KDOT's proposing as the \$336,000 they're going to spend to put cul-de-sacs on that road to close it at the first of August. I didn't realize that, at the MPO meeting that it was going to be the 1st of August until I went out and talked to Wayne at First Student. He's the superintendent of the bus company, and he's the one that informed me that KDOT informed him, via phone call that on August 1st that was their intention was to close that road. I've subsequently also talked with a number of people in the community as far as the sheriff's department. I've talked to Mike, the Fire Marshall over in Wakarusa. The major concern is if that road is closed that anything right around that area, you're going to have a quicker or a more response time as far as emergency response in that area. As the county widens out, that's maybe not so much true, but let's say we have an incident at Frank's tree farm where a gentleman has his leg crushed by some sort of a machine. I was informed by Mike over at Wakarusa that if that intersection's closed, it's going to take him over a three minute more response time to get to that person that's had some sort of injury. Basically, where I live is going to be affected by the closure of that road based on emergency response times from Wakarusa and/or the sheriff's department. What I found when talking to these people, and I've got names if you want me to name them here. I was going to wait until the KDOT meeting comes up to bring all these people together because I believe that's a more appropriate time, and I don't want to take up a lot of time. I'm just saying that your recommendation of, "Let's wait and see what happens," and I've heard from Keith about lowering the speed limit, we're going to have more rear-end crashes, this kind of thing and that kind of thing. All this is speculation, not only from KDOT about the amount of traffic that's going to come across the trafficway when it actually opens that leg. The guy that just spoke here about lowering the speed limit doesn't understand that it goes from a four lane to a two lane right there at the bridge that went to nowhere over 59. Again, I just want to issue caution as we proceed further so that we can understand all the different ramifications that are going to be affected by this road closure. I just want to heed caution to everybody that I talk to. I've talk to the county commissioners. I

wanted to talk to you, and I want to talk to Ryan Barrett again with KDOT to make sure that all the alternatives, and maybe this is not, like you said, the one that's going to actually come out and help everybody out, but I just want to make sure that everybody's thinking about the future and about emergency response times, about the community out there, about the future growth of Lawrence going south. That's where I'm at and hopefully opening some eyes when I get up here to speak. Thank you for your time, and I appreciate it.

Mayor Amyx

Thanks. Any other comment?

Hugh Carter:
Lawrence Chamber of
Commerce

Good evening, Mayor, Commissioners. I just wanted to briefly bring you up to date with the chamber's interactions on this issue and what our intentions are, at least at this point going forward. Thank you, Mayor, for mentioning the letter in October because it deals with 2 different issues: this Kasold intersection and, as you said, the potential closure of Farmer's Turnpike, access to Farmer's Turnpike off of the South Lawrence Trafficway. We got an influx of calls at the chamber simultaneous on both of these issues, the closure of Farmer's Turnpike, which our latest understanding is that that is the top recommendation now of, at least KDOT staff, is to close that access versus leaving it open. About the same time as that happened is when the stakeholders received notification, not sure what the glitch was that they got the 4-day notice, but for whatever reason, you've seen it's a pretty good list of stakeholders, and Commissioner Herbert pointed out the number that were in the room. We've been getting the calls that would, I think, probably substantiate that. There're a lot of good folks that have some good thoughts like the proposal that you've seen tonight. I don't want to make any assumptions that this work has been done in a vacuum and that these types of alternatives haven't been considered. It might be that it's a little bit more of an education of us of just what the Corridor Study has entailed and some things that, perhaps shame on us, we're just not aware of yet and hadn't followed it closely enough until it was just about to happen. I think just the response to this particular issue on Kasold as well as the potential actual ramifications of the closure on access to Farmer's Turnpike warrant further discussion. When KDOT chose to do this project, it was because it was one of their top-rated economic impacts. They started a new method. It's been a few years ago, modeling the economic impact of each of the highway projects and trying to prioritize them based on economic impact. The estimated regional economic impact of completing the SLT was \$3.8 billion with a B. I have no way to quantify, or I don't know how much that would be locally, but I know that looking at how our exits are handled in the access around Lawrence potentially has very significant impacts. Just I think there's enough concerns here. Our interaction was, upon receiving this influx of calls, made a phone call to Transportation

Secretary Mike King and asked him to present to the chamber membership on both of these issues so that we could have a little more in-depth discussion and understanding of them, asked that they would please consider slowing down a bit. I understand they have committed to having another public meeting per the last MPO meeting. That's not scheduled yet, but we've now opened up that meeting. That's next Friday morning, the 8th. It's going to be at the Lied Center with Secretary King and a couple of staff members. We've opened that to the public now as well, so definitely all commissioners, staff, County as well, we'd love to have you there. We intend to go ahead and send a letter that reiterates what both the city and county had said back in October that we really believe that, for many reasons, Berry's one of our largest employers out there, and for their employees to have to pay a toll to get to work, and they lose access to get over to 59 easily. It definitely impacts the value and the viability and sale marketability of some of the industrial land that's up there northwest of Lawrence as well as other impacts that you've heard of. We plan to send a letter reiterating what you all did in October. We don't plan to get specific to your point about the Kasold issue, but we'd love to see them, or we really feel strongly that they should at least address some of these ideas, come up with others perhaps, and just have a little further discussion on the Kasold issue as well. We'll be sending that letter but just wanted you to know that that's where we are now. It's not a lot of specifics on the Kasold issue but hope it will have further discussion.

Mayor Amyx:

Okay, thanks.

Hugh Carter:
Lawrence Chamber of
Commerce

Thank you.

Mayor Amyx:

Any other public comment?

Vice Mayor Soden:

Hey, Hugh?

Hugh Carter:
Lawrence Chamber of
Commerce

Yes.

Vice Mayor Soden:

Can you repeat the date and time and all that again, please?

Hugh Carter:
Lawrence Chamber of
Commerce

Yes, the breakfast with Secretary King will be at the Lied Center, and I'm forgetting the name of the room. It's the smaller room at the Lied Center. I think it's called the Pavilion. Anybody? Any rate, that's 7:30 next Friday, April 8th. Anybody can call the chamber just to reserve a seat. It's no charge.

Vice Mayor Soden:

Thank you.

Mayor Amyx: Okay. Thanks, Hugh. Okay, any other public comment? I have a question for Keith. Keith, the county commission took an action recently on this same item. Are they going to send a letter? Is that what I understood?

Keith Browning:
Douglas County
Public Works Director They are. They've directed staff to prepare a letter to KDOT asking KDOT to consider all alternatives as you discussed for the Kasold intersection, including reducing the speed limit and a temporary traffic signal. They also asked that the letter express the county's appreciation to KDOT for agreeing to install a signal at 458 and Highway 59. They also wanted us to mention the various groups they've heard from, which Frank has enumerated. That letter has not been prepared yet.

Mayor Amyx: The only thing that I'm thinking is that I would like to have us prepare a similar kind of letter. My question was going to be did they include in that letter the K-10 at Farmer's Turnpike?

Keith Browning:
Douglas County
Public Works Director They did not, no.

Mayor Amyx: Okay. I had the opportunity to go to the town hall meeting that was at the church up northwest of town there, and there was some great questions that came from the audience. I think that we need to address that particular extension also. It was brought up by Hugh just the idea of folks having to pay a toll coming into town or going to work or coming back from Lecompton or wherever. It didn't make a whole lot of sense to me when we had the meeting with everybody here back in October. I think it was the feeling obviously of the commission. Anyway, I would suggest that we might include that extension of K-10 to Farmer's Turnpike in our letter also. Pass along to you that and back to the boss that we're going to include that. I think it's a good idea. Lot of heads going up and down.

Commissioner Herbert: I remember Roger's remarks at the MPO meeting, I thought were very valid. The timing of it is all very strange that they're in a big-old hurry to close it, but there's no funding to do anything with it once it's closed. It doesn't--

Mayor Amyx: I think one of the things in looking at this is that creating a safety issue at that intersection as the SLT opens. I think that's probably really what we're looking at there. Take the funding aside on the extension of the roadway, and look at the safety of that intersection, because there's going to be cars. Roger may be exactly right. The guess that KDOT says that there's going to be X number of cars come through there, but still it's going to be at a pretty high rate of speed. It's going to be nothing compared to what it is today, so I think we need to look at that.

Keith Browning:
Douglas County
Public Works Director

Right. Traffic's actually, they project it to go up about 300% there, so it's going to look a lot different and feel a lot different driving on that road once the east leg is open.

Mayor Amyx:

I take that road all the time because if I'm using the SLT, I just live to the north and east of there a little bit up off Lawrence Avenue. so I'm out there all the time getting on, but trying to realize what that traffic's going to look like and what effects it's going to have. That's why when I suggest that we look at any and all alternatives, I think our number one goal here is the oath that we all take as to safety issues, so let's make sure we don't put anybody in harm's way, but make sure that we come up with a good alternative to make sure that it stays open. That's where I'm at.

Keith Browning:
Douglas County
Public Works Director

The main reason I wanted to come tonight is that I agree with Frank on a lot of things, especially if this intersection's closed, there's only two access options from southwest Douglas County into Lawrence, and that's 59 Highway and the road over the Clinton Dam. I also agree that the Clinton Dam you really can't count as an access because it can be closed at any time. It's really not a public road. It's on private property that the gates can be shut at any time, so we really can't count on that. I really think what the community, and when I say "community," county, city, KDOT, really needs to be working towards is this connection of Wakarusa. What's shown here is what KDOT is proposing for an interchange. You can see that they have stopped Wakarusa just north of the river, so it would require crossing the river at this point. You can see the floodway here is quite a bit narrower than it is down here. There is a Parks and Rec Master Plan for these least areas of the Clinton Park, and that plan shows Wakarusa on an alignment that crosses the river here and essentially does this down to Route 458. In our long-range plans, I don't remember which way that was. It must be the other way. I saw it on here. The extension of Wakarusa is in our long-range plan. It's kind of hard to see, but this is it. This is T2040. It was also in T2030. It's been shown in our long-range plans for a while. That's been shown like that because it's been realized that once K-10 goes to four-lane that that intersection would be closed. I think it would provide that additional means of accessing and leaving and entering Lawrence on the west side of town. I really think that that's as a community what we ought to be working towards. KDOT has agreed to ask their consultant, HNTB to prepare an estimate for preliminary engineering cost and construction cost to complete that extension. Hopefully, in not-to-long-a time, we'll have at least some idea of what kind of money we'd be talking about. That was the main reason I'm here tonight. I wanted to be sure that folks are aware that that's been in our plan for a long time, and it looks to me like this is the time to be thinking about doing it.

Mayor Amyx: Okay.

Keith Browning:
Douglas County
Public Works Director That's all I got, unless you have questions.

Roger Anderson: Can I ask a question, then?

Keith Browning:
Douglas County
Public Works Director Yes, sir.

Mayor Amyx: Wait a minute. You got to come to the microphone.

Roger Anderson: I would like to ask you a question, if that is an alternative, which we are discussing alternatives tonight, there's no funding for that yet?

Keith Browning:
Douglas County
Public Works Director Right.

Roger Anderson: There's no timeframe for that yet?

Keith Browning:
Douglas County
Public Works Director Right.

Roger Anderson: Basically, if we go ahead and let KDOT close the road on August 1st, which is their plan, then this plan, which would give us another alternative way into Lawrence could be another five years down the road. Is that true?

Keith Browning:
Douglas County
Public Works Director Yes.

Roger Anderson: Thank you. This would be something, at least in my mind, that it would be done at the same time that the four-lane is built. I know that the city similar on the SLT, the city had a project to improve 31st Street, east of Haskell, Haskell to O'Connell. I think it could be the same type of arrangement, kind of an associated project, but not part of the KDOT project.

Mayor Amyx: Okay. Again, other alternatives to look at, or ask them to look at. Okay, thanks, Keith.

Keith Browning:
Douglas County
Public Works Director Mm-hmm (affirmative).

Mayor Amyx: Okay, any other questions? Okay, my recommendation, then, is that we direct staff to prepare a letter that would ask KDOT to look at any and all alternatives to closure of the intersection at Kasold and the SLT, and also to include in that letter for them to look at other alternatives to closing K-10 extended north to the Farmer's Turnpike. Anything else that we want to look at then?

Vice Mayor Soden: I could think of a lot of things, but I won't put them in this letter.

Commissioner Larsen: Probably not a good idea.

Mayor Amyx: Okay, fair enough.

Moved by Vice Mayor Soden, seconded by Commissioner Herbert, to approve the request for a temporary signal at Kasold Drive and E. 1200 Road and K-10; and, direct staff to prepare a letter to KDOT requesting KDOT look at any and all alternatives to closure of access to K-10 from Kasold Drive and from the Farmers' Turnpike. Motion carried unanimously.

5. **Consider request for temporary over hire of 17 additional police officer positions in response to accelerated attrition based upon large number of anticipated retirements from 1991 Basic Recruit Academy and provide direction on long-term police hiring strategy.**

Tarik Khatib, Chief of Police, presented the staff report.

Captain Anthony Brixius: I think I would just add that when you look at the retirement process, it may be simple to step back and look at it and go, "Should we expect this amount of retirements?" We had the large class in 1991. I think there're some complexities in that. One of the complexities is, while, yes, you can retire at full retirement at 25 years, you may also go to 36 years. There's an 11-year period in which you don't know when that person may retire. I found recently that it's a very personal thing for many people. Some of them have chosen not to tell us, and some people have chosen to tell us, but have asked that we be very secretive about the retirement process. I would tell you that if we were looking at this last year of June, when we were hiring for the people that actually they started this week. So last June, we finished the hiring after starting in January. This week will be the first week that some of them are out on their own. That's assuming that everything goes well. We probably knew of two or three that would actually tell you, "I am retiring next June." However, we've had 3 already this year. We're probably going to have about 5 more. None of those were known, so it comes at a very quick pace, so there're a lot of complexities in it. Also, I'm not sure if you're familiar with the KPERS or KP&F retirement system, but it goes in quarters. You may actually lose money by staying longer. What we find is many people visit their

retirement specialists, and we've even seen a couple years ago where someone had to retire within that week. Sometimes, it becomes a very quick process. I just want to reiterate that it is not for a lack of planning. Shannon Parker had this list going for some time of who could potentially retire. I took it over in January, mid-to-late January, and it's changed about 4 times since then. That's just a little bit of understanding of if any question was to arise, why we're not better prepared for it. It's ever-changing

Tarik Khatib:
Chief of Police,

Thanks Anthony.

Mayor Amyx:

Questions of the Chief or anything? Okay. Pretty straightforward. Okay, thank you. Tom, so you have any comment at this point?

Tom Markus:
City Manager

I think the chief indicated we had a discussion about this and came up with a number. I would tell you that it's, like so many things, the information keeps changing. The real point I'd make to you is that going forward, and I'm not looking back, going forward, I think we want to do this as a part of the budget process, because if you do it as a part of the budget process, at least you have the opportunity to align revenues that match this particular expense. The problem I have, and I think, Mayor, you expressed it earlier is it's out of context, and so you don't have the opportunity to pull in revenues or make it a line item so that you know that this is the amount. My experience doesn't include a whole lot of over-hire, and when we did do over-hire, it was maybe 1 or 2 positions, but we knew for certain that the person was retiring. I get the complication of dealing with individuals and the struggle that people have to decide whether they're going to retire or not, and they get to a certain age, and they're eligible to retire. Then, they decide they're going to stick around for a little longer and maybe actually pursue even another job. I get that whole part of it pretty well. My whole approach to these things is that its revenue streams, so when we take it out of the context of the budget, there isn't a revenue stream to match this. There's one thing I thought of, since my memo. I was writing that at 6:00 on Sunday morning, I couldn't get over the loss, so I was up and dealing with it. I would say to you that we are going to get a chance to offset some of this because some of this will transcend this particular budget year. We will be able to plug in something into the line item and maybe reduce some of that impact. I think the other point I wanted to make besides matching revenue streams is this isn't within my authority in my opinion. This is what I would equate to almost a budget amendment. Whether we have that process really in place or not, Brian and I have talked about that as well. I think this had to come back to the city commission, and I know that people that

write headlines are different than the people that write the body of the context, of the report. I thought the report was pretty accurate about what I said in all of that. I find it difficult to pull this out of fund balance to do this rather than have been able to create a revenue source upfront, and I think this diminishes that opportunity. The other thing I want to talk to you about a little bit is and Diane and Bryan had this conversation earlier, and that's about the tax lid law that's coming, right? Now, they're talking about moving that up. In the conversation we had was that public safety may be exempt from those provisions. I don't know that that's ensconced in law yet or not.

Tom Markus:
City Manager

Not finalized. If they were exempt, I could have used levy to offset this, but now I'm using fund balance to offset this. To me, that hurts our position. I had a good conversation with the chief and the staff, and I think they understand what my consternation over this was, and so we settled at a number of fourteen. I would tell you I think I could diminish that impact a little bit if the commission concurs with that by having the opportunity to budget again coming up at the end of this year. That's really all I have to say about it. I confronted this in the first three days I was here and my immediate reaction was we need to take this to the commission. Then, the more I thought about it, I thought you needed to hear from me about my perspective and then about why I pushed it up to the city commission, because I really do think it's an issue that the commission needs to deliberate and decide on. That was the basis of the report.

Mayor Amyx:

I agree with that.

Vice Mayor Soden:

Sounds like Tom has already deliberated for us. Thank you Tom.

Mayor Amyx:

Questions city manager? Okay. Public comment on this item?

Greg Robinson:

I just want to bring a couple of things to the attention of the commission. In 1971, the city voted to approve a 1/2 cent sales tax in perpetuity, again, one of those words, for the purpose of expanding and financing fire and police services. That's 1971, so we're already, what, 45 years of that 1/2 cent sales tax. In 1990, the city voted to approve another 1/2 cent sales tax in perpetuity for the purpose of expansion of police and fire services and property tax relief. Basically, if you don't spend all your money on police and fire, then it's rebated back under an ad valorem tax rebate. Since these two sales taxes don't have a sunset clause, do we have any record of how this money has been spent in the last 45 years? Based on the city manager's memo, apparently some of the funds from the 1990 sales tax were used to hire 27 officers. Now that many of them are approaching retirement, shouldn't we have been saving this money to apply for this over-hire that's now being requested?

Again, I understand that's not really this commission's fault because you're all pretty much new, but over those last numbers of 45 years, this is one of those things that Chief Khatib has to wrestle with every single year. In fact, the blame, in my opinion, lays at the commission, and I'm not blaming this commission, because every time he comes and asks for more officers, because we do have attrition, he's not necessarily getting them all the time on a regular basis. This commission needs to look out for the best interests of the police department, but that being said, we also have to look at and again, I've said this to previous commissions and to this one, we really need to do an analysis of our police department. Why do we keep throwing an exorbitant amount of money towards the police department? We understand it's a very expensive process, a lot of personnel, but we never review it. We just simply keep throwing more money at it because you're supposed to have X number of officers per population. Why don't we look at what laws we have on the books, seeing what laws can go away so we don't waste our officers' times with police citizen's interactions on stuff that really is archaic and should not be on our books any longer? We really, in this community, quite frankly, why are we messing with marijuana, really? That is a national level now. We don't enforce it at the federal level, but still we have arrests every single day in this town for marijuana. Why? The nation has spoken on this issue. Let's put that thing to rest and quit enforcing this archaic suppression of marijuana. It's absolutely ridiculous, other than the fact that it breeds more contact with police citizens and perhaps unnecessary and can become agitated circumstances. I've been to Denver many times. I don't see any problems with the police and their interactions with citizens out there smoking marijuana. It's absolutely a waste of our time and resources anymore. We got better things to do than that. One of the things in a top-down approach in looking at the police department, I think Chief Khatib touched upon it, is we have a training division that takes over a year, or up to a year, to train our officers. Why? Why does it take a full year? Other communities don't use a full year. They send them to KLETC out in Hutch. They come back. They have an FTO or a Field Training Officer program that we can still utilize. Why are we taking a full year, when other communities don't take a full year? Why is it Lawrence, Kansas, has such a long training period time that cost time, resources? It takes personnel off the streets because you got to have the trainers to do it. Not only that, and, again, I guess Chief Khatib could speak to this because I don't know if there's any out there right now, but we actually put supply officers for federal task force, which as taxpayers, we pay those officers to work on cases that don't necessarily have anything to do with our city. We're paying, as taxpayers, our officers to go out and do other things other than our city. Why? It's great for the training and experience, but it's not really an investment in our community, for our tax dollars, for these people to go spend an inordinate

amount of time working on taskforce. I deal with them in federal court all the time. I know they're out there, and I know they're doing things. That's great, I guess, but as a taxpayer, when our chief has to come in here and ask for more officers, but yet we're sending more officers outside our community, I just find that absurd. If we need officers like that so bad, then why are we farming them out? That's the comments that I had, but I would just ask if there's a way that somebody can get some feedback as to where that one cent, full one cent, because we have two of them in perpetuity on the books, where's the money going? I guess previous commissions just swallowed that up as the general budget, I guess. I don't know what they're doing with it, but is there any way to track it? I know that there was talk about that Rec fund or tax went into a special fund so we could track it, and that was one of the arguments I think Mr. Boley made, it really could just be sucked into the general fund, which is accurate, but he said would be difficult then to pull out and say, "Hey, where are we spending our money?" Are we doing that for these two taxes that are on the books since '71 and 1990? If we're not, we probably should, I would think, to find out where that full 1 cent's going to. Thank you.

Mayor Amyx:

Thanks. Chief.

Chief Khatib:

I would like to address some of the comments from Mr. Robinson. As far as the enforcement of marijuana, the Lawrence police department does go out and proactively look for people possessing marijuana. It is a law, but generally, we come across it as we come across people that are involved in other things, so it's, "I'm arresting you for battery," or something and you happen to have a pipe in your pocket or some marijuana on you. There isn't a war on drugs at the marijuana level from the Lawrence Police Department. The second point about KLETC and why we take so long to train our officers. We've tried KLETC before. It's about a fourteen week program and had found that once they get back to our community, we have to train them an additional fourteen weeks or ten weeks to teach them how we want to police in Lawrence. Think about what we're doing. We're taking a 24-year-old person. We're putting a gun on their hip, so many rounds of ammunition, the badge, the authority to stop people in the middle of what they're doing in their course of the day temporarily, and ask them to do things that the law requires us to do. Those people that we turn out into the community have to be absolutely rock solid as much as possible. There is no other city employee that in five minutes can pull the city into a huge lawsuit or make a decision. We have found through trial and error and through different processes that our recruit academy that we run is the best at putting out recruits, and, yes, it takes longer. When I went through the recruit academy, has it been 24 years? It was sixteen weeks. Now, it's 25 weeks. Why is that? Because we

have a week of CIT. We have a week of active shooter training. We have a week of emergency vehicle operation. We have a week of crucial conversations, communication skills. We keep foisting more and more. We have mental health-type training, so as the expectations of what your police officer can do the day they walk out the door and walk into the community have increased over the last 20 years, so has the training program. It would be irresponsible not to do that. I think KLETC is a wonderful program. It's a one size fits all. It's for a lot of smaller agencies out West. That's how it was envisioned, but if you look the major metropolitan areas around Kansas, most of them they can have their own because they custom-tailor their training to the officers. I would like to let you know that we do team up with the Douglas County Sheriff's Office. The sheriff does send his deputies to our recruit academy. They provide some of the instruction, so there's a teamwork existing within us, and he recognizes that our training program is good and also establishes that camaraderie and knowledge amongst the officers so that when they go out there whether you're a deputy of the Douglas County or a Lawrence police officer, you know each other and work with each other and back each other. What was the last part?

Captain Anthony Brixius:

Taskforce.

Chief Khatib:

Task force, yes. I routinely get a request from the FBI, DEA, IRS; they have a financial task force. I routinely deny those. The only task force we're involved in is the Heart of Kansas Regional Computer Forensic Laboratory, which is in North Kansas City. I happen to be the chairman of the board on that body. I have one officer full-time, and then one switches out a part-time position with another, and we receive hundreds of thousands of dollars, worth of free training and equipment. They work on computer forensics cases from our department. The fact that I have officers assigned there means I don't have to buy 150,000 more dollars of forensic equipment and I'm not in front of this body asking for \$100,000 worth of training every year, so I think that's a huge bang for the buck. When we have murders and homicides and robberies and whatnot, we send our evidence up there, our officers go up there, and they do a fantastic job finding the trail that leads to solving a crime. I think those are the 3 issues that I had Mr. Robinson's statements. As far as the '71 sales tax and the '91 sales tax, I don't know where those go. I would suspect that some of that, the costs are higher now than what they used to be, so some of that's been rolled into the general fund to do some of those things, but the lesson from the '71 sales tax and the '91 sales tax is important is if you wait and wait and wait and wait and don't hire and then you hire a bunch, you're going to repeat the mistake, which goes back to why I've always wanted to add 4 to 5 officers a year to increase our staff. I appreciate the opportunity to respond to that, Mayor.

Mayor Amyx:

Other public comment on this item?

Greg Robinson:

Mayor, I've just got an alibi. In reference to Chief Khatib's comments about not actively having a war on marijuana, I respectfully disagree with him. I've had phone calls from citizens in this community who have been targeted for marijuana sales, 28 grams, a couple joints, so it's not that we just get it when we go to a domestic violence scene and smell marijuana. We actually have a drug enforcement unit that actively cultivates confidential informants, send them out, knock on people's doors, and tries to get sales of marijuana. That's a fact. We can interpret and play semantics all night long about whether or not that is something that we want done in this community or we don't. Again, when I talk about these things, I'm talking about a top-down approach, what our community wants. What do we want our community enforcement to be on these types of prompts? If they're on the book illegal, fine, we can do it. If the community wants this, let's do it, but I don't think the community wants that. I think we just need to look at what it is we want as a community with our police department. I'm not saying we have a bad police department, I'm not saying that we need to be in a battle with our police department. What I'm saying is we need an analysis, top-down approach, open discussions about what this community wants instead of always just coming up here, getting a couple minutes to say something, get some nods of the head or get a couple chuckles out of the Commissioners and that's the end of it. I get my say and I go home and I'm just the old man, the old guy. That's fine. I'll come down here and I'll rattle cages from time to time, and that's fine, that's what I do, but the thing is, we never have any open, thorough discussions of this stuff, ever. It's always just, "Here's our budget, here's what we want." We don't ever go through the list of ordinances that are on the books to see if what, "Do we even need this anymore? Why do we have this on here? Is this actually somebody going to jail for this?" We never do that. Its just staff sends you up a memo, you go, "Yay yay, no no, whatever, away we go." There're no discussions. Anyway, that's my comment. Thank you.

Mayor Amyx:

Thanks.

Tom Markus:
City Manager

One of the things I did is I made a recommendation that there were three different items that I'd ask you to consider. One is the actual decision as to the over-hire. The other is to direct the city managers and the staff to develop a succession plan for the city organization so that we can start to monitor likely retirement dates and get ahead of that. Those have a lot of value. You can start training staff for potential leadership roles as different individuals migrate out of the department. The third was to make former over-hire decisions as a part of the regular budgeting

process, which I explained before. I've added a fourth item which I'd suggest. In listening to Mr. Robinson, I think he actually has a very valid point, and that is that the police department has been left to determine what the level of service is in this community. I think there is a responsibility for us to have an engaged discussion about just what our expectation is in terms of the police department and what level of service. The Chief is right. There's different training now, the whole crisis intervention team approach, training approach that we have them involved in. There's a lot of dynamic there. The fourth item I've said is that the manager be directed to work with the Police Chief to come up with an appropriate methodology to determine authorized personnel, which incorporates some of the commentary heard from Mr. Robinson, and some of the response that you heard from the Chief. I think the Chief is sitting there trying to determine what the number of personnel is. Maybe our approach should be that we don't over-hire anybody and we take what we would've otherwise funded for over-hire and add to our personnel. We trade off not over-hiring and we gradually change that number of personnel. Over-hire to me is not really a prudent way, in my opinion, for managing a police department, or any other department, as far as that goes. I think we need to get ahead of this. I think this is what I described as a bubble year. We added a lot of officers in a very short period of time. The Chief has potentially 19 people in that sweet spot where they can retire. I understand the states manipulating or considering manipulating the pension system, which may drive out even more officers, so that their pension payments over the rest of their lives aren't severely diminished. There're all of those things that come into play. I think we need to have those discussions. I would ask that that item be added as a fourth direction to the management as well.

Vice Mayor Soden:

I think that's a great idea. When we were in D.C., one of the questions that I asked was, we had the University Communities Council, and so that's all the elected officials that were at the conference that were in university communities, I asked them to talk about how the campus security, because they're not always police, sometimes they're just security guards, cooperates with the city police. That's something I've always been very interested in is cooperating more. I'd be very interested in something like that.

Mayor Amyx:

Was there any other comment? Toni, did you have something?

Toni Wheeler:
Staff Attorney

No, I was just going to report that the City of Wichita had a voter initiative, I believe, to try to lessen the penalties for marijuana laws in the Wichita community, and that was struck down by the Kansas Supreme Court on a challenge.

Greg Robinson:

Mr. Mayor, if I could...

Mayor Amyx: You're out of line. Back to the Commission then, there's no other comment. The item that we do have before us is the recommendation from the City Manager's office, along with the Police Chief, looking at an over-hire recommendation of fourteen officers, and the items that are listed in the report, with the addition of the final item brought up by the City Manager. Discussion on that item?

Vice Mayor Soden: I think this is why we hire a City Manager. He's doing a fine job.

Commissioner Larsen: I look forward just to having this as part of the budget talk versus into the budget season and bringing it up.

Commissioner Herbert: Chief Khatib makes a point though. When you look at that half-cent sales tax in '71 and then the half-cent in the '90s, it may be the lesson gleaned from that is you don't wait until it's too late to fix it. That seems to be a recurring theme all night. We talk about our vehicles. We had to stop dealing with vehicles during the recession, now all of a sudden everything's broken and it's costing us an arm and a leg. It's the same thing with our police department. When we look at the numbers given, what was it? Twelve additional hires in the last thirteen years, and you compare that to the community population growth of that same period. We aren't growing a department at the same rate we're growing a population, which is going to lead to an absence of service, which ultimately at the end of the day is our primary goal here, public safety and infrastructure. If we can't adequately provide public safety and infrastructure, I'm not quite sure what we're doing.

Mayor Amyx: Don't you believe that during that same budget process that we go through this summer, we'll have similar discussions about this also?

Commissioner Herbert: Boy, I sure hope so.

Mayor Amyx: Any other questions or comments? (None)

Moved by Vice Mayor Soden, seconded by Commissioner Herbert, to approve a request for temporary over-hire of 17 additional police officer positions in response to accelerated attrition based upon large number of anticipated retirements from 1991 Basic Recruit Academy and provide direction on long-term police hiring strategy. Motion carried unanimously.

6. **City Commission direction to staff regarding HERE Project (FDP-15-00642).**

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

Mayor Amyx:

Questions?

Commissioner Herbert:

Yes. I'm looking at the City Attorney's office recommendations. On the third recommendation, "Substantial completion of construction for the purpose the NRA rebate shall be interpreted to mean 100% of the parking to accommodate full use of the building," did we have any discussion about requiring the mixed use, requiring proof of mixed use in order to acquire the NRA, since really the mixed use was the reason the NRA ever existed, not the parking?

Scott McCullough:
Planning and Development
Services Director

How we have approached that, I don't want to speak for Miss Wheeler, but I'll give you the perspective as I understand it, is the task is to make sure that the parking accommodates the commercial space. Commissioner Herbert, if the discussion is that they have to have a user there, so typically when you're talking about being eligible for occupancy, the biggest part of that is just is the space there and is the parking there, and by your direction, the parking will have to be there to accommodate the commercial space.

Toni Wheeler:
City Attorney

Also, I want to draw your attention to paragraph number 7 that talks about the mixed use being required.

Scott McCullough:
Planning and Development
Services Director

Number 7 fills in the residential portion that will be left unoccupiable with your direction here. Your direction, as we interpret it, is that all commercial is accommodated with parking, leaving some of the residential units not occupiable. These provisions are concepts, so we'd have to develop the actual language to meet the intent.

Vice Mayor Soden:

Number two, "An acknowledgement that the proposed valet parking and future approved parking complies with the existing NRA agreement that references robotic parking," something about the word "complies" really rubs me wrong. Perhaps "in exchange" or "replaces". It's obviously not the same as robotic parking, so is there a better word or something?

Scott McCullough:
Planning and Development
Services Director

Sure. I think if you draft the language, we'll work on the...

Mayor Amyx:

One of the things that still concerns me about this particular project, and it's just starting to really concern me, and I understand that we had the discussion about the 24-hour valet service and what it means, but one of the things that we have and I think that we really need to take into consideration here and take an extra look at is the amount of parking that actually exists under our code in that building right now. I really believe this. I think that, Matt, I think you brought it up in the January meeting where you read discussion from the applicant. We

based a lot of the decision on the public incentives on that robotic system to be put in place, now granted it can be argued that we'd look at this as this replaces that and it does it by human rather than robot. There could be that argument. I'm not talking about that. What I'm saying is there's an amount of parking that exists under our code. I'd suggest that what we really look at or we think about a minute is how many numbers of parking places there are in that building under our current code. It's never been described. We sent an item to Scott to bring back to us in working with that applicant, something that came back that met our code. We did not do that. We did not get that. We just flat didn't. One of the things I see, we can go along with all of this stuff, but one of the things is that we give them, figure up how much parking is actually in that building, and the gentleman last week and the applicant said he can't meet it because the aisle ways won't meet. They're a couple feet short or something like that. We can exist with those kinds of changes. One of the concerns that I have is that there's only so much parking there and we're going to grant... We talked about allowing I can't remember how many bedrooms that would open up, but we were going to take away 13 off. I think if you figure that up and if you look at the article that was in the paper, that's almost 95% occupancy. Most apartment complexes in town operate at 95%. They're always going to have that 5%. I think that we need to be really, really careful about the amount of parking that we allow. If we looked at that garage that's in there now and we measured it off, under the code that we have, which is, what, the eight and a half by 20, whatever that size is, it may only equal 50%, and maybe that's what we ought to give occupancy-wise, because that meets our code. We can give our pledge as we look at rewriting a code that's going to take care of valet, which we don't have right now. I appreciate the fact, Scott, that you suggest that we're the ultimate authority in this, and we probably are, but the truth is we got a code that backs up the things that we deal with. I think that that's what we ought to be looking at and we ought to have that in place. I think that we need to be very, very careful about what we allow in occupancy without having to meet the requirements of the rest of the community based on our code.

Scott McCullough:
Planning and Development
Services Director

One of the outcomes that I gleaned from last week was that that issue was decided, that the valet system, with the reduction in space size, was approvable, at least by a majority consensus, and put us to task on these other issues. That's my response.

Mayor Amyx:

This was my last chance to bring it up.

Scott McCullough:
Planning and Development
Services Director

I understand.

Mayor Amyx: Being the ultimate authority.

Scott McCullough:
Planning and Development
Services Director That is my response.

Mayor Amyx: I think you and Planning Directors before you have constantly pounded into my head talking about code. I am very respectful of that. I think that we need to take that into consideration. Here again, like I say, this is my last chance to bring it up. If I don't bring it up and there's some glitch that happens, then we're really going to have a problem. That's the reason I bring it up. Other questions of Scott? Thanks, Scott.

Scott McCullough:
Planning and Development
Services Director Thank you.

Mayor Amyx: Any other questions of City Attorney? Public comment? Anyone?

Jane Eldredge: Mr. Mayor, Commissioners, I again thank you for the opportunity to comment yet again this evening. I think that from the memorandum that we've submitted to you and that Mr. McCullough has submitted to you, he and I disagree on some aspects of the code, but I think the major issue is, has this been a major change? There's no question it's been a major change. When you go from a robotic system that doesn't have people that have to get in and out of cars in tight places to a valet parking system that is a major change that has a significant impact on the surrounding neighborhood. What we're doing is discouraging cars from parking there, leaving them only to park in the neighborhood. We have to be certain that we have at least followed the code to the level of what is required in terms of parking. This Commission asked in January to have the applicant and the staff bring back a solution that met the code. Blatantly, the staff didn't do that. Candidly, they admitted it to you. I don't know what more a commission can do other than to ask its staff to do its job. I hope that you will insist that the staff does its job. When you think about the differences between robotic and valet parking, you might be interested to know, and I know I've seen plenty on campus, a truck such as a Ford F-150 with its mirrors is 96.8 inches wide. That's 6.8 inches wide than the seven and a half inch parking space. Now if you clip off the mirrors, you don't need quite as much room. You only need, without mirrors, let me see, excluding mirrors you only need 79.9 inches. I don't know where the mirrors would go, but I think that's an issue in terms of whether valet parking is going to work in seven and a half feet. It just isn't reasonable. It isn't reasonable not to use a planning commission to look at changes of this nature. They look at the details of preliminary

development plans. You've been asked to accept a modification to a final development plan. A final development plan is an administrative action taking the place of the final recorded approval of a preliminary development plan that the Planning Commission has blessed, that the City Commission has blessed. I think it's wonderful that we do have an opportunity for public hearing, but I urge you to follow your development code. I urge you to make your staff follow the development code so that we all can move forward with a lot more consistency, predictability, and reliability. We have conflict with uncertainty. We don't have conflict when we know what the rules are and we follow them. Thank you very much.

Mayor Amyx:

Thank you.

Greg Robinson:

I'll first start out by saying thank you for putting every agenda item on here that I'd like to speak about in one meeting, so I won't have to come back for a number of meetings now. Thank you very much, I appreciate that. However, on this particular issue, I've followed this one quite closely for some time, and I can remember Mr. Heffernan sitting right here many a times telling, boy, what a wonderful, beautiful project, I hope you build it, but not with my tax dollars. I just never really got to wrap my arms around the idea of giving them a nickel for what they were doing. That being said, the water's already under the bridge. That being said is, and I'll let city staff correct me in my comment if I'm inaccurate, when this was initially, the preliminary plans and all the things were discussed, at some point, I don't want to use the word "variance" because maybe that's not what it was, but initially when the robotics and everything were discussed, it was short, and Mr. Mayor, you were on the Commission then, they were short 70 spots or something like that, and that was approved with those reduction, because it almost made it okay, 70 spots reduction. Now we're like, "We can't do robotic," but we've never had a discussion, from at least the developer standpoint of how many other robotic automated parking engineers and facilities and vendors do we want to talk to, to actually submit to you folks. We can't do it. Far as I know, none. All we can say is, "Well we got this other solution, a valet system." Now that's 100 spaces off. Now we got the 70 original below, now again, I don't hear anybody saying I'm wrong, so I'll take that as an affirmative, accurate statement, now we got 100 less, so now we're down 170 spots. Now I find that very interesting, this 100, because if you all remember, and I know you do, Mr. Mayor, the 100 spots was the big contention argument they wanted to reduce it by. When they had their big arguments about, "Gosh, we just can't build this thing. If you don't give us this, and we can't shut up this garage a little smaller, we just can't build this thing." Then as soon as you gave them their tax rebates and all that, boom, they were turning the next day. That's neither here nor there, but again, I

guess my point is this. We now are going to stick into the ground 108 parking meters at \$1.50 an hour, I presume we're going to enforce it six days a week like we do downtown, a buck fifty a day, I don't remember the math, but I do know what the ultimate is. If they collect every hour that day, not by displacement, by them kicking people out of this facility to now fill up those parking meters on a daily basis, they're going to get a rebate from the city from the revenue generated from their meters of 429,000 a year. I certainly don't understand how they get to recoup \$429,000 by increasing the usage of the meters on a daily, hourly basis by them not fulfilling their promise to house the vehicles they promised to do, because initially it was a 70 reduction, "We can't do it, but we'll make it work," but now where are we? Now we're down to almost 200, plus they get all the revenue, but now we get the extra cost. I presume somebody in our budget's going to come to you and say, "We need more parking enforcement personnel, because now we got to go up over the hill and enforce parking over there." Now we get a \$25 fine, if it's ever paid. I know this discussion was probably last week, and I'm sorry for being a week late, but I was in a different meeting. What I would say is, my comment is, just vote no. This is such an important decision for that community. I don't even live over there. I go to football games over there and that's about the extent I do, but this is going to destroy that area by this decision, if you allow that parking with 170 spots reduction and then start letting them fill it up, because once the water starts going over the proverbial dam, there's no turning back. There is no commission and in the future that's going to stop this steamroller. If you don't take and dig in right now and stop this thing until they come to you and say, "We've talked to every manufacturer of robotic automatic parking systems in the world. It can't be done." Then okay...then look at something else. Until you get that report, and again, then I would double check it, to be honest with you, because I've seen what they've done with other reports, so I would vote no or tell you to table this darn thing and don't give them another thing until they bring that back. Thank you very much.

Mayor Amyx:

Thank you. Other comment?

Debra Duncan:
President
League of Women Voters

We're going to argue. Hi, I actually agree with everything that's been said so far, which surprises me. The League is concerned about the request for parking. We believe that the City should be required to follow the City's Land Development Code. It was clear to everyone in February of 2014 that this was going to be a problem that parking was going to be a huge problem. In the city memo, the planning staff memo said that HERE was going to increase traffic four times over what traffic normally is in that area. At least parking wasn't going to be so bad with the robotic parking. Throughout their visits with the Planning Commission and the City Commission, HERE has offered a number of

different parking alternatives, street parking, shared parking with KU, building a new parking garage, of course robotic parking. The current plan of valet parking, I just don't think is workable at all. I don't like to use valet parking. I can't imagine that college students are going to have the patience to wait for valet parking, and especially if they've been drinking. If a kid is upstairs, they're 20 years old, they've been drinking, they come downstairs and they want their car, I don't know whose responsibility it's going to be to get the keys. I assume that HERE will be responsible if they give the keys to a drunken 20-year-old who's been in a car accident. I would hate to be the person making that decision. The parking issue is clearly unresolved, needs to be resolved before anything goes forward. Right or wrong, whatever decision you make, this is going to have a lasting effect on the Oread neighborhood and a lasting effect on the City of Lawrence as well, no matter what the decision is. We ask that this be returned to the Planning Commission for a more thorough study. Thank you.

Mayor Amyx:

Thank you.

Candice Davis:
Chair Lawrence Association
of Neighborhoods

I do live in the Oread neighborhood. I am the Chair of LAN right now, the Lawrence Association of Neighborhoods, and I have also been the past President of the Oread Residents Association for a number of years. I wanted just to say it's been years and years living in this neighborhood, for at least 16 years, where we have worked really hard to bring stability to the area, and in particular in terms of parking as a tool. We strongly believe, and LAN does as well, in multi-family zone neighborhoods that the parking should be one parking space per bedroom, and that's the code. What we have here now has been surprising to me with this development. According to our neighborhood plan, this was to be a higher-density development. We did not follow this closely. We relied on our City Planning department and Commission to follow the code. We heard of those 100 parking spaces that they were going to put out on the street and spoke not in favor of that, of course. I wanted to remind you, in our neighborhood, one block can accommodate about 25 cars. Most of the streets in the neighborhood park on only one side of the street. It's confusing to me, at this point, how many parking spaces we're talking about that will end up not being provided. I don't believe this structure should have any more units than they can provide for parking. That would be one space per bedroom. The other thing is that I don't think that this group, the HERE group, should place the burden of their mistakes or any of the mistakes the City has made on our community and in our neighborhood community of Oread. Let me just see if there's anything I've forgotten. It's really disappointing that we have this revitalization process, and when you think of what could happen to the neighborhood; I would hardly call it revitalization. Another thing

that was mentioned too, that the City Manager earlier mentioned, is about having some scattered low-income housing. Why not put some of them in this HERE unit or even have some larger units that could be condominiums, housing maybe adults? Anyway, that's all. Thank you very much.

Mayor Amyx:

Thank you. Any other comment?

Marci Francisco:

Good evening, I'm a resident of the Oread neighborhood, fairly close to this development. We've seen a little of the results of valet parking because we're pretty close to the Oread Hotel. There's often a line and often people who are unhappy about waiting to get their cars, because things come with events, people leave according to certain schedules, and there's often a line. I don't know if that will be the case, but I agree with earlier comments that valet parking is not quite the same as grabbing your keys, running out of your apartment, being late already to an appointment, and wanting to find your own way as quickly as you can. The other concern is that it's a little less private. If you have things in your car or you've all of a sudden... This is not the same quite as the Oread Hotel, because there, people are expecting to be served food. In this case, you're bringing your groceries back to your apartment, so all of a sudden, what happens if you brought more than you can carry in one trip, so all of a sudden, how do you get back to your car, get things out of your car? If this is where you live, there are things that people store in their cars. I think this idea of valet parking is a little more confusing for a residential property than it would be for a hotel or entertainment. I think that this is very different from the preliminary plan. I was actually pleased to see the proposal that this should be sent back to the Planning Commission. I think it is quite a different approach and different from what was approved in the preliminary development plan. I don't know how many times I have come before the City Commission or the Planning Commission or the Board of Zoning Appeals to say parking is an issue in our neighborhood. This is a lot of parking. This is an important issue to our neighborhood. We really need to get it right. I think we also should know something about the layout and if the valet parking fails, what number of spaces could be accommodating allowing people to park on their own in this facility. Thank you.

Mayor Amyx:

Thank you. Any other comment?

Janet Gestner:

Good evening, City Commissioners. I was here last week. I'll probably have some of the same points, but I've had more time to think about this and I'll try to make new ones as well. As you know, I did for a decade live a couple blocks from this project and I've had great concerns about it for a long time. I might mention that just tonight as I pulled in here and tried to park, I was indeed by a huge pickup truck that I think was exactly what

was just described an F-10 with the mirrors, and I had a heck of a time, even in a parking lot out there with supposedly bigger spots, making sure that my car would be safe from that one. That was a good point. I took a look today at some of the City's memos and so on, and I see there was a timeline of a lot of processes that have been gone through with this. I'd just like to make the comment that it's not quantity of processes; it's the quality of those processes. I don't think at different times that there was an entirety of information available, that there wasn't a depth of review and discussion, that it seems there were not the questions asked that should have been asked, or perhaps even the guidance provided that was really needed on this issue. Last week I could see no solution on this. In fact, I was very confused when I was up here just feeling overwhelmed because I didn't see what we're going to make of this situation. I still see no particularly elegant solution to the whole situation, but I do have a lot more clarity now about it. I do feel strongly that there needs to be an in-depth look at how many spaces can be provided in here. Even if it's hardly any, there're all these suppositions, is it 25%, is it 50%, we don't really even know, or what can we do with the space. I think that's a starting point, to at least look at this more closely and see what we have and work from there. I also realize that we are stuck with this configuration at this point, of the building, the pillars and so on. I strongly would also urge the City to look further at robotic systems. There are many others out there. Also, this existing company, it may recover and this may still be a solution even with Boomerang itself. In theory, those sorts of things, the onus should be on the developer. However, if the developer's not going to provide that information, or maybe we shouldn't even rely on him to do it, why don't we as a city go ahead and take a look and provide those maps of what can be provided on the parking under code? Also, why doesn't the city take a day and explore, or a half a day, what these other robotic systems have to offer, and not just take the word for it from other folks that something else wouldn't work on this? That seems to me to be the best solution, if a robotics system could still work for this. I am very concerned about the precedent if we build a tall one or two other parking garages to accommodate this, then are we setting a new precedent of allowing parking garages throughout the neighborhood? These are seasoned and sophisticated developers and they've had a lot of experience. I understand that they also have another apartment building underway with robotics that they're further along with, so they're faced with a big problem with that. They're obviously up to dealing with that, whatever that is. They can deal with this situation too. I wouldn't let them pressure you into feeling like you have to make this work or that you artificially have to accommodate their timeline to try to get to August. I think it's more important to do the right thing for the community, as we'll all live with this, whatever comes out of this, for a long time. I wouldn't let the leverage move to their side on this issue. Also

one other issue I am concerned about too is the meters. I also ran some calculations, and that's difficult for me to make some extrapolations on the usage of those and so on. I'm afraid that the meters would just be used by residents, initially at least, and it may just then, once we get the retail and get everybody in the apartments down the line, we'll see the apparent problem as then those cars too are pushed out onto other streets. I'm also concerned that the revenue from those meters might be substantial and that the city is turning over a huge amount of money without a great deal of thought about that, or exploration of the amount of money to the development versus themselves, while again, the city is bearing the brunt of the enforcement of those meters. I want to thank you all for your great amount of time that you've put in on this, and your patience. It seems to me the best suggestion tonight would be for it to go back to the Planning Commission so that we can more carefully do the review that should've occurred from the beginning. Thank you very much.

Mayor Amyx:

Thank you. Any other--

Vice Mayor Soden:

Sorry about your in-laws' house, Janet.

Janet Gestner:

Thank you very much.

Mayor Amyx:

Any other comment? Back to the Commission. We do have the memos from staff asking for clarification. I've said my peace. I really want us to stop and think about that, if it requires another look, but if we mess this up, it could be ugly for everybody.

Commissioner Herbert:

I think we do need to get from them accurate numbers about what that parking garage can hold at current code.

Mayor Amyx:

Matt, I appreciate you saying that, because it's really the only way. If we're talking about giving occupancy, the only thing that we can really bet on is the number of spaces that exist under our code, because like I said a minute ago, part of this is an initiation of a valet parking code. The big thing is, is our code right or is it not? Do we live by that code or do we not? We require everybody that comes forward that builds an apartment building; they have to meet the parking requirement, one per bedroom, right? They do, unless they get a variance of some kind. It's just what it says. If we don't stop and say, "Okay, paint the lines on the floor," we're not going to know on what that parking is. We're not going to know.

Scott McCullough:
Planning and Development
Services Director

Mayor, we can get that diagram for you. We can request that and get--

Mayor Amyx:

Why didn't we have it last week when we had asked for it, when

we had asked for it in January?

Scott McCullough:
Planning and Development
Services Director

Mayor, I'll apologize for that misinterpretation of the January meeting, and I'll go back and look at the video. I took away from that meeting--

Mayor Amyx:

You can look at the video all you want, Scott. The truth of the matter is we asked something that met code. That's what we asked for. I can read it from the minutes here. Three or four of us asked to have it meet code. That's all we asked, and we did not get that.

Commissioner Boley:

Do you still want it?

Mayor Amyx:

You're damn right I still want it. Why wouldn't we want it? It's the most important piece here. If we're talking again about giving occupancy on a building that's not complete and we can't ... I can't. I can't. Maybe everybody else... I can't tell you how many cars can actually be parked in that building, if people have to park them themselves. That's the piece we need.

Scott McCullough:
Planning and Development
Services Director

We can get that for you.

Commissioner Herbert:

I want to go back to a conversation I had, it feels like about a week ago, but I think it was tonight still, when we were talking about the transient guest tax, and I said the process we did for that maybe wasn't great, but it was fair. Mike, your comments-

Commissioner Boley:

I think know where you're going.

Commissioner Herbert:

I'm not sure I do. I'm a little tired.

Mayor Amyx:

Be nice, Matt.

Commissioner Herbert:

If synapses are firing properly, I think what I'm trying to say is that I'm thinking about your comment, and it's starting to have a little more impact on me, because I think we need to apply that same thing here. This is a project that has had about two years' worth of various breakages along the way. When it gets done, it may not be a perfect project, but we need to be able to say that it was fair, and that if Lisa came before the Commission 10 years from now with a similar project, what standard are we going to hold her to? Ultimately, we need to be fair. The way that we're fair is that we're consistent, we're reliable, and to be consistent and reliable, we need to follow the code.

Mayor Amyx:

That's all I ask, and that we understand what that parking actually is.

Commissioner Larsen: Get us a number. Let's not have to ask again.

Scott McCullough:
Planning and Development
Services Director I apologize for misinterpreting the direction in January. We'll get that for you.

Tom Markus:
City Manager The request is to get a number in the deck that would be parkable if in fact it met the code requirement of being a self-parked deck, is that what you're asking?

Mayor Amyx: Absolutely.

Commissioner Herbert: How many 8 ½ x 20 spots can I go and paint.

Commissioner Larsen: Because if that valet parking does not work ...

Mayor Amyx: They've got to park them themselves.

Commissioner Herbert: Or even if it does work, up until the point we have an actual valet code, we have to apply a code to it. We can alter that. We can change it. We can draft the language. We need to have a code to apply to it, and presently that's 8 ½ x 20 is the code we have.

Mayor Amyx: That's it. Please.

Scott McCullough:
Planning and Development
Services Director Question of clarification, because--

Mayor Amyx: I would, yeah.

Scott McCullough:
Planning and Development
Services Director ...the outcome of last week's discussion appeared to be that we're not going to initiate a text amendment to develop a valet code. If that changes, we just need a formal initiation of that text amendment. Maybe that's for discussion next week when we bring this back to you.

Mayor Amyx: I'm going to make a motion, or I'm going to entertain a motion that we defer this item until we get that information on those parking spaces, and then once we get that, then we can make the determination if we're going to proceed, at that point, on what that occupancy level ought to be, along with the other items listed in your report. Part of that probably ought to be if it's going to have a valet parking system in there, if that's ultimately what's going to be required, that ought to at least be initiated by this body to be considered by the Planning Commission to come up with a new code, at least one that can be applied to it, because without it, I think we're setting ourselves up for a big-time failure here.

Scott McCullough:
Planning and Development
Services Director

Again, just to clarify, I know the applicant is working to bring this to you next week with their option with addressing all of these expectations, are you adding that expectation to show you what the decks would look like per the current code as part of the discussion?

Commissioner Herbert:

Have them get a tape measure, measure out eight-and-a-half by 20 as many times as you can. Bring us that number.

Scott McCullough:
Planning and Development
Services Director

Are you deferring this clarification item or do you just want that information brought to you when the applicant presents their revised plan?

Commissioner Herbert:

Soon as possible.

Mayor Amyx:

Yep, just bring it.

Tom Markus:
City Manager

So when we were bringing this back from, I guess it was two meetings ago, one meeting?

Mayor Amyx:

Last week.

Tom Markus:
City Manager

The idea was that you wanted documents prepared that would allow the development to pursue with the deck that exists with valet parking and a corresponding reduction in the allowable occupancy of the building as related to residents, because as I recall, Matt, you wanted to make sure that it met the requirement of the mixed development, so we were going to apply the parking on the street to the extent that that was required.

Mayor Amyx

For the commercial.

Tom Markus:
City Manager

...for the commercial, which would then meet the multiple requirement. There were some things that I think that we felt that were still needing to be decided by the Commission, and so we wanted to bring it back and update what we had found, which I think Scott did, in terms of the issue on, I can't even remember what street it is at this time of the evening, but ...

Commissioner Herbert

11th?

Tom Markus:
City Manager

...11th Street, there was the issue of the elevator, and so we've responded to those kinds of considerations. What I would say to you is that, without telling you anything that I can't tell you, I think that there is a very likelihood that they will provide added parking to accommodate the places that cannot be occupiable. I have a certain degree of confidence in listening to that. The other thing I want to tell you is that in listening to the comments from one of the individuals tonight, and I don't know which other project they were talking about, but Mike and I had a

conversation, and Mike and I were in my office together, I think it was my office, and we called the City of Champaign, because Champaign did the same project, and I think it was the same partnership in Champaign. They put that robotic system in there and they ended up in litigation. At the same time that was happening, their project had progressed a lot further along than an ordinance that was being considered by the City of Champaign at the same time. The Champaign ordinance removed the requirement of parking for developments in this particular zone that they were located in, what do they call it, the Campustown, I think it's called Campustown on the campus of the University of Illinois at Champaign. The people were pretty clear in the staff that all that stuff was in there, all that robotic equipment, and there was some sort of issue with the electronics, and that that was the basis of the litigation. I can tell you that this same developer to some degree explained that they've stuck a lot of money into this system in a project that already went and declared bankruptcy. They have already stuck all that money. They have checked all of these other robotic companies in this country, but after this experience with what they did in Champaign and what they tried to do here; they had no confidence in any of the robotic companies coming in here. Now we're stuck with this building unless we somehow ultimately go in there and demand that this building be demoed. Right? They're trying to figure out how we go about that. We can go back and compute what the spaces are in this building that would accommodate the parking under the traditional, you'd park yourself provision, but they're going to be substantially reduced. The only way to even get a percentage, a reasonable percentage of the spaces in this building, is to use this methodology of valet parking. They're going to have to come up with additional parking in other locations in that vicinity to accommodate that. I can tell you, I know that they are working on that. I guess I would just ask you, what are the unforeseen consequences of not doing something, of not trying to figure out how to resolve this? It's great to talk in terms of a punitive measure to try and get there, but when we left the conversation last, I was under the impression that we were given direction to actually prepare documents to get this thing done. I'm the one that pretty much said, "Let's hold this up," because I'm not sure we were entirely clear from the direction of the City Commission before we had legal counsel go down the path of preparing all these agreements. We could go back and make that calculation, and we will, but I think you're going to be facing the same issue. I told the developer, "Don't be here this week, because we're just trying to get clarification on what this Commission wants the staff to do to resolve these issues." It's a crazy situation we're placed in, I get that, but I guess the consequence is if you lay the law down to such an extent that you force this developer out of there, how long is that hall going to sit there before somebody picks it up and maybe pays pennies on the dollar to take that

over and then do it, and then what's the solution for that, a big part of demo? What else are you going to do? I would only say to you that let us come back, we'll get you the information that you've asked for, let us come back with this developer, let him present for himself what he intends to do. Maybe he'll share more detailed information on this sort of thing that convinces you that there is going to be adequate parking. I know they are working on an alternative beyond just the valet parking.

Commissioner Boley:

I guess one question I have, if we're going to get information about how many cars we can put in there with it striped per our code now, how many cars would that put into other decks, other garages, or whatever in that neighborhood, if this is going to be an occupancy? I think that's what you're saying is if we don't fit a lot of the cars in there, there's going to have to be some humongous parking garage someplace else right there behind them. Is that what you're saying?

Tom Markus:
City Manager

I'm saying they're looking for and there are discussions on alternative locations for additional parking, the extent of which I can't really disclose because they've only said... I mean there's a lot of moving parts to that part of it as well. For example, if you're going to say, "Okay, we can get half the spaces in there that were going to be in there under a robotic system," that translates into, and if you're going to allow the translation of that into so many occupiable spaces in either the commercial or the apartments, maybe they're going to do more than they originally contemplated. I think that developer left this meeting from the last meeting thinking that this Commission was directing us to prepare the agreements to put into effect a valet system based on reduced parking, and that reduced parking resulted in reduced occupiable units in that facility. This is a very different message that I think we're going to be conveying back to that developer, at this particular time. I'm not advocating one way or the other on this. I just want to make sure you understand there're two sides to this thing.

Mayor Amyx:

Understand too, Tom, and just so that you know where I'm coming from, is right now our code says that we'll provide one space per bedroom, and that space is going to be 8 ½ x 20 feet. All I'm saying is that mark them off inside that garage, how many of those spaces that size are in that and then the current two floors of that facility, and that if we are going to give occupancy based on parking, based on parking, that is the amount of parking that's available per our code, I think that this Commission will probably agree that we're going to consider some kind of change to the development code that's going to allow a valet parking system, whatever that may be, but that's not part of the code right now. If we believe in our code, we follow the code.

Tom Markus:
City Manager I agree, but Mike, how did you let them get to a robotic system which doesn't have that space requirement according to that?

Mayor Amyx: Because we got into a situation where we were buying a robotic system based on a request for a public incentive, and then that's how it happened.

Commissioner Larsen: In order for, I'm speaking for myself here, to make a truly informed decision, it's important that we have all the information that we can get. I think that's what this goes to is what number can legally be there versus what they're asking for. It gives us a better idea.

Tom Markus:
City Manager We'll get that.

Mayor Amyx: Then I would entertain a motion to--

Vice Mayor Soden: I have a question on a different topic. There are many things I dislike about this, that I have disliked for two years, and just one of them, yes, is how the metered parking, they're going to collect the revenue from that. Of course we get the fines, but they get the fees, the parking fees, but we still do the enforcement. What I'm curious about process-wise is was that considered an incentive that they were given that they applied for? How did they achieve that? Just a very short answer, if you can. Is that in the NRA? How did that come about?

Diane Stoddard:
Interim City Manager It's not in the NRA. It wasn't discussed.

Scott McCullough:
Planning and Development
Services Director Commissioners, that was development agreement specific to performance of the project and that was negotiated with the seated City Commission about that structure.

Vice Mayor Soden: Whose idea was that?

Scott McCullough:
Planning and Development
Services Director It just came about through discussions of how the parking would work on the street. As we've reported, the mixed-use district allows on-street parking to go toward the development demand. It's a little bit similar to what we have in the 8th and Penn District, the Poehler building has on-street parking that goes toward the uses in the area, and that's not metered parking, but it evolved through discussions of trying to protect essentially the project from the commuter parkers, student parking that would come in and take up all those new spaces that were dedicated to the project. Metering that and altering driver behavior through fees and fines was the solution.

Vice Mayor Soden: I don't object to it being metered. I want to know how it came to be that they would receive the fees for parking, but that we

enforce it. I know that you guys said that KU originally was thinking about enforcing it and somehow they pulled out on that. Who even suggested that they keep the metered money? Because I want to smack them upside the head.

Scott McCullough:
Planning and Development
Services Director

I think it came from them. I think it was their idea.

Vice Mayor Soden:

Who agreed to that?

Mayor Amyx:

It wasn't me.

Vice Mayor Soden:

Shouldn't that be in an incentive that they're receiving though? Especially if it's the dollar amount that has been talked about tonight. That should've been counted in there somehow.

Scott McCullough:
Planning and Development
Services Director

I think it was a discussion when KU was a bigger part of the discussion about enforcing and operating. It really wasn't a City issue at all except that we would agree to the plan. Then as KU, for their legitimate reasons, pulled away from that idea, the City Manager and HERE worked on developing the proposal to the Commission. Yes, you're inheriting a good portion of this project, if not all of the project, and the bankruptcy of the robotic parking, and so you are tasked with trying to resolve some of this.

Vice Mayor Soden:

What I want to get down to is that this should be some kind of policy set somewhere that people would receive the metered, which is something I can't even imagine approving in the future, but it's just bad policy how that even came about is what it sounds like. I've gotten upset about many things about this project over a year, so I won't go off about this, but I haven't yet about that one, and that is terrible, a terrible decision. That's my rant, I guess.

Mayor Amyx:

There you go.

Vice Mayor Soden:

Let's not do that again.

Mayor Amyx:

The direction to staff tonight is to defer this item for a week?

Vice Mayor Soden:

Can we get that metered money back? Is that possible? I want to know. Seriously, can we get the metered money?

Tom Markus:
City Manager

I just whispered to Diane I thought that maybe there were some other things that we should be trying to negotiate with that. I heard some other comments about some things too.

Vice Mayor Soden:

That one really just rubs me the wrong way. That's just bad. Having parking now that doesn't even meet any code at all that we have, and now we're giving away the meter money, that's

just terrible. I sound like a grandma right now. If you could find out a way to get that back, I will buy you a dozen roses.

Tom Markus:
City Manager

Probably violates some ethics code.

Mayor Amyx:

The direction is, is that at this point, Tom that you will get the information on the number of parking spaces per our code that would exist in that building. Does the rest of the Commission want to have Tom talk about the change that's going to be in those meters?

Tom Markus:
City Manager

I'm going to talk about it too. I'm going to convey the concerns that were expressed and some other things I heard as well.

Moved by Commissioner Herbert, seconded by Commissioner Larsen, to receive a report seeking clarification of the City Commission's direction to staff regarding the Commission's March 22, 2016 consideration of the HERE Project final development plan (FDP-15-00642); and, direct staff to defer the item for one week and provide an accurate count of the parking capacity in the garage under current City Code requirements for the size of parking spaces. Motion carried unanimously.

E. FUTURE AGENDA ITEMS:

Thomas Markus, City Manager, outlined potential future agenda items.

F: COMMISSION ITEMS: None

G: CITY MANAGER'S REPORT:

Thomas Markus, City Manager, presented the report regarding Parks & Recreation Events; Unaudited Reports for Year-end 2015; January and February Financial Reports; and, January and February 2016 Sales Tax Reports.

H: CALENDAR:

Thomas Markus, 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 Vice Mayor Soden, seconded by Commissioner Herbert, to adjourn at p.m. Motion carried unanimously.

MINUTES APPROVED BY THE CITY COMMISSION ON APRIL 12, 2016.



Brandon McGuire, Acting City Clerk