

Speaker 1 ([00:04:32](#)):

Ready? Yep. All right, let's do it.

Speaker 2 ([00:04:35](#)):

Let's get started. Good evening and welcome to the June 17th, 2025 Lawrence City Commission meeting. The first item on the agenda is to consider a recess into an executive session. Is there a motion to do so?

Speaker 3 ([00:04:52](#)):

I move. We recess into an executive session for approximately 20 minutes for the preliminary discussion of the acquisition of real property pursuant to KSA 75 dash 43 19 subsection B six, the justification for the executive session is to keep the possible terms and conditions of the property acquisition confidential. At this time, the City Commission will resume its regular meeting in the city commission room at approximately 5:21 PM after the executive session is concluded.

Speaker 2 ([00:05:20](#)):

Second. Alright, there's a motion my seller seconded by finger dye. All in favor say aye.

Speaker 4 ([00:05:25](#)):

Aye.

Speaker 2 ([00:05:25](#)):

As opposed, motion passes five zero. We'll see you in 21 minutes

Speaker 1 ([00:22:48](#)):

Back from our 20

Speaker 2 ([00:22:50](#)):

Minute executive session and we're going to call for a vote to extend that session for five minutes.

Speaker 5 ([00:22:55](#)):

Move to extend the executive session for five minutes.

Speaker 2 ([00:22:58](#)):

Second. Okay. Motion by fecal dye, second by Littlejohn. All in favor say aye.

Speaker 5 ([00:23:03](#)):

Aye.

Speaker 2 ([00:23:03](#)):

Aye. Those opposed. Motion passes. Four zero. We'll see in about five minutes.

Speaker 1 ([00:31:37](#)):

Welcome

Speaker 2 ([00:31:37](#)):

Back. We're back from our first extension of our first executive session. Our next item on the agenda is consider a motion to recess into another executive session.

Speaker 5 ([00:31:47](#)):

Move to approve a motion to recess into executive session for approximately 20 minutes to discuss employer or employee negotiations pursuant to the employer-employee negotiations exception as set forth in KS 8 75 dash 43 19 B three. The justification for the executive session is to keep employer-employee negotiation mask confidential. At this time the City Commission resume its regular meeting in the city commission room at approximately 5 49 after the executive session is concluded.

Speaker 2 ([00:32:18](#)):

Motion second. Okay. Motion by fecal Aye. Second by Littlejohn. All in favor say aye. Aye. Aye. Aye. Motion passes four

Speaker 1 ([00:32:26](#)):

Zero. I come back into session now from our

Speaker 2 ([00:52:18](#)):

Executive session and we don't have anything to report from either of these two executive sessions this evening. Okay. I'm going to go ahead and ask Sherry to read the rules of the meeting now.

Speaker 6 ([00:52:32](#)):

Thank you Mayor and good evening everyone. If you would please silence your cell phones to minimize distractions during the meeting. The primary format for accessing or participating in this meeting is in person at City Hall. Virtual access to view or participate in the meeting cannot be guaranteed. The chat function will not be monitored. If you have any trouble, the meeting can be viewed on the city's YouTube channel and cable channel 25. When the mayor calls for public comment, please approach the podium to indicate you wish to speak. Virtual participants should use the raise hand function. When prompted, select join as panelists. There will be a brief delay as your role changes. Once your name is called, please unmute and turn on your camera to provide your comments. All comments will be limited to three minutes. Please state your name and zip code before speaking. The city reserves the right to turn videos off or mute participants. Thank you Mayor. Alright.

Speaker 2 ([00:53:33](#)):

Thank you Sherry. Next item on the agenda is to approve the agenda. The city commission reserves the right to amend, supplement, or reorder the agenda during the meeting. A motion to approve the agenda as is

Speaker 5 ([00:53:44](#)):

Move to approve the agenda.

Speaker 2 ([00:53:46](#)):

Second. Motion by Finkle Dye. Second by Littlejohn. All in favor say aye.

Speaker 5 ([00:53:50](#)):

Aye. Aye.

Speaker 2 ([00:53:52](#)):

As opposed, motion passes five zero. Alright, move on. Okay. The next thing, the consent items on the consent agenda are considered under one motion and approved by one motion. Members of the governing body may remove items for cept discussion if desired, members of the public may remove items identified as quasi-judicial for separate discussion if desired, members of the public will be limited to three minutes for comments. Is there any items that the member of the commission would like to be removed from the agenda tonight? Separate vote. Okay. There's nothing that's quasi-judicial. Is there a motion to approve?

Speaker 5 ([00:54:44](#)):

Move to approve the consent agenda.

Speaker 2 ([00:54:45](#)):

Second. Motion to approve by Fin Dye. Seconded by Littlejohn. All in favor say aye. Aye. All opposed. Motion passes. Five zero. Okay. The next item are our regular agenda items and the first item is to conduct a public hearing for a neighborhood revitalization act, property tax abatement and consider approving an NRA plan and NRA agreement requested for the nine Dell Lofts to affordable housing development at seven 16 East ninth Street.

Speaker 5 ([00:55:27](#)):

Yeah. Where's branded? Yep.

Speaker 7 ([00:55:33](#)):

I may need a little help with the

Speaker 6 ([00:55:36](#)):

Yes, Kurt.

Speaker 7 ([00:55:37](#)):

Here we go.

Speaker 6 ([00:55:38](#)):

I can pull

Speaker 7 ([00:55:39](#)):

Up the Great. It's there. Awesome. Good evening, mayor Commissioners. Tom Calico with Baker Tilly financial advisor, economic and financial advisor to the city. I'm here to talk about the proposed nine two apartments, neighborhood revitalization area. I want to first just identify our firm Baker Tilly is under contract to the city. We don't have any financial interest in the project. Alright. The project is located at the northeast, excuse me, the northwest corner of East ninth Street and Delaware Street. If you're looking at the map, just to give you a little reference, Lawrence Beer Company is up towards the upper left corner, the kind of sister project. The original nine Dell project is on the lower right hand corner. The project is proposed to include 24 1 bedroom units that would meet affordability standards, specifically either 30, 40 or 60% of median area household income. In addition, there would be 12 market rate, one bedroom units and six work live units on the ground floor.

([00:57:00](#)):

This gives you a sense of the sources and uses of how the project's going to be financed. The sources of course, are the sources of funds to pay for the project and uses are the costs of the project. I think what's noteworthy here is you can see all of the different tax credit and incentive programs that are necessary to make an affordable housing complex like this. Work. Notable also is that the city of Lawrence has already committed 450,000 from its affordable housing trust fund towards the project, but the total project cost is roughly 14 million. This is a rendering of the building. Some specifics on the neighborhood revitalization area was proposed as a 95% property tax rebate on the incremental increase in value. So this works a little bit like tax increment financing, which I know you've seen many times.

(00:58:02):

We will identify a base value, the value prior to the creation of the area. The taxing entities will continue to receive all the property taxes that they currently receive on the base value. After the construction of the project, we'll identify the incremental increase in value resulting from the project and 95% not a hundred percent. 95% of the taxes on the incremental increase will then be available to rebate the developer for the project costs. The remaining 5% again flows to the taxing entities as it normally would. The rebate is proposed for a term of 15 years and it's contemplated that the city, the school district and Douglas County will all participate through a cooperative agreement. I think this is an arrangement that you've all seen in other neighborhood revitalization areas. The area is eligible for the Neighborhood revitalization Act by virtue of the fact that it's seen site deterioration. There's been multiple uses on the site right now. It's currently used partially as a parking lot unpaved and paved and we suspect that beneath the ground there are remnants of old prior developments that will need to be addressed. The developer, which I should have noted at the very beginning when we go back is oh, I should have noted as Flint Hills holding group LLC, sorry.

(00:59:45):

The developers also requested a sales tax exemption on construction materials through the issuance of an industrial revenue bonds. There won't be any tax abatement associated with that. Obviously because we're doing the rebate program, the industrial revenue bonds would strictly be there for the exemption on construction material sales tax exemption on construction materials. And as with all industrial revenue bonds, they don't create any financial obligation to the city. It's strictly a financial obligation to the developer. The city's economic development policy acknowledges that affordable housing projects generally will not be undertaken without incentives. You'll remember the sources and uses we looked at in all the different incentives and tax credit projects that are necessary. We did review the developer's pro forma just to see if we thought that all the assumptions were reasonable and we do concur that they are with affordable housing projects. We generally don't worry a whole lot about the incentive unduly enriching the developer because the tax credit programs themselves really limit the profitability of affordable housing projects.

(01:01:10):

In fact, the incentive for the developer to do affordable housing projects is generally through the developer fee rather than a return. It's primarily a fee-based compensation program we did per the city's policy. Look at the fiscal impact and the eligibility. The project does meet your economic development policy in multiple respects. It promotes redevelopment activity, it enhances neighborhood vitality, meets energy star criteria and is notably adjacent to public transit and bicycle routes. It does exceed the minimum requirement of 10% of affordable housing for buildings of this size. We utilize, or the city I should say, utilizes total impact, a fiscal impact software program to look at the impact to the city and the other taxing entities of the tax incentive. As a result of that, it did show the city of Lawrence with a neutral to slightly negative impact. I probably should pause here and point out, remember the \$450,000 affordable or four \$50,000 grant that the city has provided that skews the number considerably and results in the negative impact. Arguably, you could not consider that grant because obviously that's a one-time expense and it is money that was collected specifically for affordable housing. So arguably we could have

left that out of the analysis, which would've showed a positive impact, albeit a small one. But just wanted to note that. But with the \$450,000 grant, it does show a slightly negative impact for the county and the school district and the state. The project still shows positive impact even with the property tax abatement.

(01:03:22):

So the actions you have for tonight are to conduct a public hearing on establishment of the neighborhood revitalization area. And then if you choose to do so, consider an ordinance adopting the neighborhood revitalization plan, future actions should you proceed with it. At the second reading, you'll also have the resolution of intent and that should be IRB. I apologize for the industrial revenue bonds and also a reading or a consideration of the cooperative agreement with the school district and the county. Neither the school district or the county have yet considered the cooperative agreement. I anticipate they will do that in the coming weeks. With that, I'd be happy to respond to any questions.

Speaker 3 (01:04:11):

Okay,

Speaker 2 (01:04:12):

Thank you very much Tom. Any questions

Speaker 3 (01:04:17):

By chance on the slide as you showed where there was a net negative but that was basis on not controlling for Ahab dollars moving. So I guess moving forward as far as process and policy, is that something that we should always keep account for? Any project that has an infusion of Ahab dollars that while the analysis may say net negative, but that's the net, essentially it's a net positive

Speaker 7 (01:04:49):

Because

Speaker 3 (01:04:50):

It's one time positive dollars

Speaker 7 (01:04:52):

Or not. I think it's worthy of discussion whether we should include that in future analysis. That's why I wanted you to kind of understand it both ways because I think either way is arguably appropriate.

Speaker 3 (01:05:08):

Okay. And I do appreciate you noting that.

Speaker 2 (01:05:12):

Yeah, me too. Okay. I think I'm going to go ahead and open the public hearing. Thank you very much,

Speaker 8 (01:05:20):

Mayor.

Speaker 2 (01:05:21):

Oh yeah, go ahead.

Speaker 8 ([01:05:22](#)):

Sorry,

Speaker 2 ([01:05:23](#)):

One second.

Speaker 8 ([01:05:23](#)):

I apologize that I wasn't here to kick this off. This was my item. You all made it to a regular agenda and record time. Thank you very much. Sorry about that. Apologize

Speaker 2 ([01:05:31](#)):

Guys. Lemme go ahead and tell the right thing and start

Speaker 8 ([01:05:33](#)):

With him.

Speaker 2 ([01:05:34](#)):

I should have begin with,

Speaker 8 ([01:05:34](#)):

Yeah, the applicant, Patrick Watkins or the representative of the applicant, Patrick Watkins is here and I think he's got a few comments to make about the project if that's okay before public comment. Thank you.

Speaker 2 ([01:05:45](#)):

Anybody? I didn't see him behind the poll there. Thank you.

Speaker 9 ([01:05:48](#)):

Hiding. Good evening commissioners. Patrick Watkins here on behalf of Tony Resnick's Company, Flint Hills Holdings. Appreciate Tom's presentation and I concur with the statements and it's nice to hear a little bit of the color on the financial analysis. It's not something we've had to do in past on some of these affordability projects. The economic development policy doesn't require that we go through that analysis, but in this case we were happy to do so and they've done a fine job, expeditious job too. We're pleased to bring this project before you for your consideration. Most importantly, well I'll say it has many good things to say about it. I could talk for a while about it, but obviously the big thing is that it brings another sizable impact to the city's supply of affordable housing. 29 units out of the 36. It's just another big jump and we don't get the chance to have many of these.

([01:06:43](#)):

Obviously it's a massive amount of state and federal subsidy that is being escorted to Lawrence for the benefit of citizens here. And obviously it's another nice project for the arts district and the immense amount of planning that's taking place there. It is the same request that we've made for Polar, the same request that was made for nine L one New Hampshire lofts, Penn Street Lofts. It's the same request that Tony makes at other jurisdictions where he applies for these Litech projects. And it's specifically designed to score the most points on these affordable housing litech applications. It's a competitive process and it's a point driven process. If you can show that you get a 95% property tax rebate, you score better, more likely you are to bring this affordability, this subsidy to your location. So the IRB is also

exactly the same. So you guys have seen this request before, we've done it several times and we've got a great thing growing.

(01:07:43):

I do want to echo what Tom said, that this model is vetted by KHRC when they review the applications, it's narrowly tailored to ensure that the developer is making their fee based upon the unit count. And I think he stated it well enough, I don't need to belabor it, but this is not a financial windfall. This is about economic modeling to make sure that this project makes sense to be awarded litech and to get off the ground and be a feasible project. We've got a great thing going here. It's noted in the staff report, but there's been some changes to the state legislative process with affordable housing subsidy. This may be one of our best last chances to get a 9% deal in Lawrence and we think we've got a great chance to get it. So we're asking for your support again and obviously we're happy to answer any questions you have for us. So thank you.

Speaker 2 (01:08:33):

Thank you. Pat. Questions

Speaker 5 (01:08:35):

For, just for my edification. I noticed in the report it's the 4.5 million that comes from the state's low income housing credit. Would this change in the law going forward, would that go from four and a half to 3 million where it go from four and half to zero?

Speaker 9 (01:08:52):

Tony has described it as an 80% reduction in the states. The amount of subsidy that the state is going to spread around, I think it's dramatically less than that at the state level.

Speaker 5 (01:09:04):

Okay. Just,

Speaker 9 (01:09:07):

Yeah,

Speaker 2 (01:09:08):

It's disappointing. Any other questions? Okay.

Speaker 3 (01:09:15):

Well I did have a question Patrick and I don't know if you can answer it and I don't know if Tony's on, and it may come up in our CIP conversation with the state's change and how with their state litech program, what is the impact on, I guess maneuverability for federal dollars and talking about that. I know Tony's been thinking about, I know Tony has had to be thinking about that and its potential impact as it relates not just on him being able to grab those tax credits, but our ability to be perceived as either good or bad actors on behalf of the federal government to be eligible for those dollars.

Speaker 9 (01:09:58):

I think it remains to be seen. I don't know that I can give you the answer today. Tony is out of town and not available. I do know some of his previous statements. I think one of the things he said is that you have a 4% deal and you have a 9% deal. These 9% deals are more comprehensive, larger projects. And

ultimately what he believes will happen is a lot of these 4% deals are going to go away. They're the lower amount of subsidy and they'll be focusing on the 9% deals. I don't know exactly what's going to happen, but presumably there's going to be less projects to spread around. We've been able to get one every year or two for some time. And I think the expectation now is it's going to be longer periods of time between awards that will benefit Douglas County. There's some other folks in here that might know as well. Thank you.

Speaker 2 ([01:10:49](#)):

Alright, I think that's it for questions. Alright, now I'll go ahead and open the public hearing on this item one.

Speaker 10 ([01:10:58](#)):

I'm Jamie, I use she her pronouns. I do not oppose affordable housing. We need that here in Lawrence. We need some low income housing. We need affordable housing, but I'm not sure that this is the great deal. You asked the question Mr. Finkel die of how much of a decrease that would be if the state funds are 4.5 million and we're talking about an 80% decrease in funds that drops those funds to 900,000 if the entire project costs 14 million as the gentleman over here described and he described only 42 units for \$14 million. Basic math says our 42 units are costing us \$333,333 a piece. I live in a 2000 square foot townhouse with three bedrooms, a full basement that doesn't count as square footage because it's unfinished. And I paid far less than 333,000 than for my house here in Lawrence. And that was three years ago that I bought my house. So I'm not sure that paying \$333,000 for a one bedroom apartment is a good value for our money. Thanks. Thank you.

Speaker 2 ([01:12:30](#)):

Anybody else in the room want to speak to this item? Okay, go on once. Alright Sherry, is anyone online to speak to this item? There is not. Alright. All right. Commissioners and vice mayor, we have before us vote to consider this NRA. Any comments or questions before we make that decision?

Speaker 5 ([01:13:00](#)):

I would say a couple things. I, one is as to I think Jamie's comments overall, I wish we could find ways to build infill properties for less than 330,000, but it's really hard to do in today's economy. And because 10 million of this \$13 million is being paid by the federal and state government, it becomes a good way to have this affordable housing about the only way you can get that done. So it's a good step forward and I do support doing this as we've done in a couple of other projects. It is too bad we might have less of these in the future. And I know Rebecca's here and she's going to talk about another one but later tonight in the CIP. But we need to in particular, hopefully we can get this one and move it forward so we can get those additional units, not only the 24 units but now low income, but the 18 market units and another 62 units, however many units was totaled by math is bad, but the total number of units is still good plus the affordable units.

([01:14:13](#)):

So I'm going to support this as we have in the past. I would say this has nothing to do with what's on our agenda night. So I don't forget to tell staff. I wanted to be sure we get street lighting as part of this project. That stretch of street does not have streetlights. We did streetlights all the way down to Delaware and if that last stretch doesn't have streetlights and people have asked me, I said, well soon as we develop something I know we're going to get streetlights. So I hope I'm true on that. We're going to get streetlights out of this deal, but nothing to do with this, but just throw that in there. Okay.

Speaker 2 ([01:14:50](#)):

Any

Speaker 5 ([01:14:50](#)):

Other comments?

Speaker 3 ([01:14:52](#)):

No,

Speaker 11 ([01:14:53](#)):

I'm sorry,

Speaker 3 ([01:14:53](#)):

Go ahead.

Speaker 11 ([01:14:54](#)):

Yeah, I don't have many. It's just right now it's an empty parking lot and vacant space and Patrick answered a couple of the questions I had in my head about is how different is it from the Dell Lofts one and what kind of opportunities have come before? So those questions have been answered in my mind and we will be getting all of the, with the NRA deal, we will still be getting the taxes from it as if it was vacant and we were just getting those additional ones of development. So as Vice Mayor Finkel said, it's awful difficult to go ahead and develop affordable housing and it looks like it will become more difficult in the future. So I think we should probably take this opportunity while we have it in front of us. Indeed.

Speaker 2 ([01:15:43](#)):

Mr. Sellers?

Speaker 3 ([01:15:44](#)):

No, just a couple of things. I would say it's only going to get more difficult unless we decide to not change policy, but it'll get difficult if we don't based on current climates. But we'll take the politics piece out of it for the sake of this. I did have a little bit of concern about, and I guess I did have concerns about the NRA piece of at 95% for 15 years only because this is not a pure affordable housing project. And I've had these back and forths with Tony and I appreciate what Tony does. We have other organizations that do this work. I wish we had more or at least they at least they had more capacity to do the work.

([01:16:41](#)):

But this isn't just strictly an affordable housing piece and we are hamstringing by policies by state laws to do more or else we could have a bigger imprint on affordable housing builds here in our community but also in our state. So I do have to look at this as this is affordable housing might be sharing a little bit of the main dish part of it. I don't know if it's the meat of the meat and the potatoes or if it's simply the potatoes because there are market piece to this. There is an economic development driver to this, which is why we're introducing talks about incentives into it. So I don't want that to be lost. I don't use that as a negative. I just say this isn't just strictly an affordable housing piece. But I do appreciate affordable housing being a part of it and I always will.

([01:17:28](#)):

And I think because of this and how we're seeing how the state has changed their mind on how they want to fund affordable housing and what is yet to be unseen about what our federal government is going to do, we need to start thinking about what other options are available to us as a governing body. We need to

start looking at and developing in the event that not so much federal dollars are there or they go away and state dollars become non-existent because those two things can be true and can definitely be true in the next four years. So as far as what's available to us, what's been available to Flint Hills and how they've been able to braid and blend the sourcing uses slide was probably one of the best slides of this presentation to outline the very thing of what we're needing to speak to today as well as what we'll probably hear from other partners in this work.

(01:18:28):

So I do support that NRA number just kind of hits me, but I mean understanding what we heard from our consultant, I can't push back on that and I'm not going to. But I do believe that this is a project that has helped, I think hopefully will open eyes to many of us on this to know that we need to start thinking more futuristic or more innovatively about how do we address potential affordable housing gaps and incentives and how do we build that to get a little bit of the ownership back home in the event that there's something that impacts us on a state and federal level. So

Speaker 2 (01:19:12):

Makes sense.

Speaker 3 (01:19:13):

I want to do that, but thank you for the presentation. I

Speaker 2 (01:19:15):

Know those dollars could go away tomorrow. We never know. So

Speaker 12 (01:19:18):

Yeah, I think it's been said pretty clearly up here might support this project. It could be the lesson we get for many years

Speaker 2 (01:19:28):

Indeed

Speaker 12 (01:19:29):

With some state or federal dollars.

Speaker 2 (01:19:32):

All I would add is I wish it could be higher and maybe on at least one side we could have added some more affordable units and maybe evened out a little bit heavier blend of affordable housing. But I'm happy to have this opportunity that I'm happy that we have people willing to invest the dollars in Lawrence and take our vacant lots and turn 'em into something that's hopefully going to generate some energy and some dollars in our community and maybe get some additional enthusiasm for that neighborhood and perhaps even get Charlie's online soon. So we'll see. But in the long run, I'm really excited about this and other people's money is going to be going away for us and I'm glad that we're going to get this on this project. So I'm in favor of it. Is there a motion for this

Speaker 5 (01:20:16):

Close the public hearing?

Speaker 2 ([01:20:18](#)):

Yeah, sorry. I'll go ahead and close the public hearing.

Speaker 5 ([01:20:22](#)):

I move to adopt on first reading ordinance number 1 0 1 4 4, establishing the N RRA area and approving the N RRA plan for the nine Del Lofts two affordable housing development at seven 16 East ninth Street.

Speaker 2 ([01:20:33](#)):

Second. Alright, that's a motion by Fle Dye and a second by little John. All in favor say aye.

Speaker 5 ([01:20:38](#)):

Aye.

Speaker 2 ([01:20:39](#)):

Aye. As opposed a motion passes five zero.

Speaker 3 ([01:20:43](#)):

Thank you. Thank you. Thanks

Speaker 2 ([01:20:45](#)):

For the presentation. Okay, our next item is to discuss our 2026 through 2030 capital improvement plan. You want to start this or Allie? Okay.

Speaker 13 ([01:21:01](#)):

Good evening mayor and commission. Oh, Kurt, thank you. That's actually why I came up here. I am actually going to hand this presentation over to Mary Bisby. She is our budget analyst. She's been with us for about a year now and this will be our first presentation tonight. But Mary has been a great addition to our team. We are very fortunate, me in particular, but our organization as a whole is very fortunate to have her. So I will hand it over to her and then you'll see me in the second half of the presentation.

Speaker 5 ([01:21:28](#)):

Thank you. Thank you.

Speaker 14 ([01:21:33](#)):

Good evening commission. I'm Mary Bisby, again, a budget analyst, but I'm really excited to be here to introduce our 2026 to 2030 proposed capital improvement plan. And so we'll start with a brief overview of the CIP and the process and then the CIP is made up of many different funds, but we'll be highlighting three different ones in our presentation tonight. And so to start to highlight what the CIP is, so this is our long-term planning tool that helps us identify capital projects. And this is in accordance with city policies as well as our overall strategic plan. And so really this takes a look at the next five years and identifies our public improvements or capital needs and helps us prioritize and plan those. And so to be included in our CIPA project must meet some criteria and so it must cost a hundred thousand dollars or more and result in the creation of a new asset or enhance the life of an existing asset.

([01:22:31](#)):

And we also look for in projects whether they'll enhance the quality of service that the city provides or whether it will reduce the cost of ownership for an asset the city owns. And we're also excited. So this

year we've developed a CIP guide, which is a short document that provides some information about our CIP, our financing methods, as well as some of the various funds you'll see in the full CIP. And so that's attached to the agenda item tonight and is also available on our CIP webpage. And then additionally with some help from our communications team, we've developed a short video that features our finance director, Rochelle Matthews, where she also talks about the CIP and what that means for the city. And so that's also available on our CIP webpage and you can feel free to view those going into our CIP process. So this is a multi-month process that we undertake every year.

(01:23:26):

And I do want to emphasize that while budget is up here giving the presentation, it really involves many departments across the city and a lot of staff members. And the proposed CIP that you see tonight would not be possible without all that work they put in. So I do want to extend a thank you to all of our departments that help assist in this process. But really we start the process at the beginning of the year where we open projects for submission from both our departments and the public. And then from there we move into a review process as well as a scoring, which we'll go into briefly from there, we develop a financing plan for all of our various funds and develop a draft CIP, which is reviewed by our internal CIP committee as well as our larger executive team and taking any notes and edits from there. And it develops into our proposed CIP, which is before you tonight. And then moving forward, any updates to our CIP will be paired with our 2026 budget presentations. And so you'll see those moving forward and eventually those will be adopted together later this September.

(01:24:33):

And so when you look at the CIP, you'll notice that every project has a total score next to it. And when we use that, we utilize this scoring matrix. And so every project is scored against these 10 areas. So that's our strategic plan commitments. And so those are community engagement, efficient and effective processes, equity and inclusion, sound fiscal stewardship, engaged in empowered teams and environmental sustainability. They're also scored against asset management, external funding, regulatory compliance, and our overall strategic plan alignment. And so whenever an applicant submits a project to be considered in the CIP, they answer a series of questions based on those above categories and those questions can be found at the link that's on the slide. It's our CIP prioritization guidelines. So you can see the questions that every project goes through and it's also available on our website. And then those projects that are submitted are peer reviewed by subject matter experts in those areas. And so that will be for our strategic plan commitments, our commitment champions in each of those areas, as well as staff with expertise in fields such as regulatory compliance. And so from there, after that peer review, they receive their final score, which is what you see in the CIP in your agenda packet tonight. And then those scores assist our CIP committee in determining our proposed CIP that we bring to you.

(01:26:06):

And so this is just a visualization of that scoring matrix as I've mentioned. So you'll see those categories again on the left. We do have a weighted aspect for how we score and that is for regulatory compliance and overall strategic plan alignment are weighed more than the other categories, but that gives us our total score. And this is a tool that we utilize in prioritization of our projects. But again, staff goes back in through each fund to make sure that the projects we are funding still align in our overall financing plans and needs for each fund that we have in the CIP.

(01:26:42):

Okay, so we wanted to highlight that there has been a large investment by the commission in recent years in our infrastructure, particularly in our deferred maintenance. And so this is just a handful of projects that have been completed within the last two years that have been funded through our CIP process. And so you can see the vast array of projects we have from street reconstruction to the development of a new transit facility for our transit operations. And so those are some of the major ones that have been completed, but we still have a lot of major projects going on. I'm sure everyone's familiar with the work

that's happening on Iowa Street currently. But you can also look at any of our current projects at the link provided. Sorry, they're kind of hard to see, but it's just our construction webpage and there's a map and you can look at all the current projects going on in the city.

(01:27:35):

So moving into the 2026 to 2030 CIP and how that was developed in the financing aspects of it. And so on the revenue side in alignment with our preliminary 2026 budget that has been shared with the commission, we have projected 2% sales tax growth for over the year and it's also been developed with a flat mill levy in mind for our debt service fund. However, that does take into account anticipated 4% assessed valuation growth year over year. And then additionally for our various enterprise funds, all of those funded projects are in alignment with the rate models presented for each of those funds. On the expenditure side, you'll notice there have been some inflationary cost increases and then price escalations for those projects that are in the years of the programs.

(01:28:34):

So the first fund or financing source that we want to highlight tonight is our revenue bonds from our water and wastewater fund. And so you'll see overall in the full CIP packet for each fund page, you can see both the funded and unfunded projects. What's shown on the screen is just the funded projects for this fund and financing source. So what we wanted to highlight here is that there has been a shift to projects in this 2026 proposed CIP. And this has been done intentionally to reduce the projected utility rate increases for our water and wastewater fund. And so the difference between the proposed 2026 CIP and last year CIP is that two projects were reduced or two projects were moved from funded to unfunded. And this is because those projects were primarily driven by development and they focused on adding system capacity for growth. And so the MSO team really wanted to focus on having a smaller water wastewater CIP to again reduce those projected utility rate increases. But overall there's still alignment with that rate model and the funding that we would need to pay for those debt interest operational payments.

(01:29:51):

Okay, the next fund we wanted to highlight is our capital sales tax fund. And so there has been a strategy in recent years to utilize this available fund balance to spend down and use on projects, but given updated projections that we have with current economic trends, all the projects that were previously shown as funded are not able to fit within this fund anymore. And as a result of that, staff has developed two different options for how to utilize this capital sales tax funding. What's before you now is the first option, which is a recommendation to prioritize street maintenance funding. And you can see that project highlighted on the screen in yellow to illustrate with this option what that funding would look like.

(01:30:37):

The second option for the capital sales tax does allocate some funding for three different Lawrence Loop projects and you can see those added on the screen. And so with this, I want to emphasize that the funds from the capital sales tax fund for these Lawrence Loop projects, they largely only cover the design in very small portions of construction costs for these Lawrence Loop projects that are listed. The larger construction costs are listed as unfunded in our general obligation bonds fund. A previous version of this said it was listed unfunded in grants, but it's actually in our general obligation bonds. And so those larger construction costs are unfunded there, but the capital sales tax funding in this option primarily funds those design portions of these three Lawrence Loop projects. And again, for that financing, that difference is taken from our street maintenance program in those applicable years. And so again, that's highlighted so you can see the difference in funding between the two options for street maintenance, but overall it results in about a \$2.3 million of unfunded needs for the street maintenance program from this capital sales tax fund. And so we wanted to bring this to the commission for further direction and guidance on the use of this capital sales tax funding. But as of now, I'm going to pass it back over to Ali to talk a bit about our general obligation bonds. But thank you. Good

Speaker 2 ([01:32:03](#)):

Job Mary. Appreciate it.

Speaker 14 ([01:32:04](#)):

Thank you.

Speaker 13 ([01:32:07](#)):

Thanks Mary. Okay, so going to our Go bonds, these are back by the full faith and credit of the city and are typically paid from property tax. So our 2025 debt service mill levy was 7.956 mills. This is separate from the approximately 21 mills that we have dedicated to the general fund for our primary operating fund. Over time, this debt service fund has built up a healthy fund balance and so we had a strategy to spend down fund balance, add more projects, but those were one-time dollars. So we've been very proactive in monitoring that fund and current projections show that we will be below our policy requirements within our five-year forecast. So that required us to remove some projects and list them as unfunded. So here are the projects that are supported by that mill levy debt in the geo bonds and it looks relatively similar to what you saw as part of the 2025 CIP except for what I am going to highlight here. So changes from the 2025 to 2029 adopted CIP, we unfunded the West Lawrence Spray Park. This was a recommendation from the parks recreation culture department due to the operational cuts that they're experiencing that not adding a new asset into their system.

([01:33:47](#)):

The station seven for L-D-C-F-M expansion has been listed as unfunded as well as the apparatus for station six. So the station six is funded, but the apparatus is listed as unfunded. And then we added 27th Street Bridge. That increase was offset by a decrease in the street maintenance program. Okay, I'm going to slightly shift gears just a little bit here. So we have a CIP, it shows a funded station six, unfunded station seven, but we don't have an operating plan for either. So in 2020 L-D-C-F-M had a study done that recommended that we relocate station three as well as build two expansion stations, which we've called station six and station seven. On this chart here you see the unfunded components that we have for each of those stations. So station six with an estimated 2029 opening, 23 firefighters, three battalion chiefs, two admin staff, fire apparatus. Again, the station itself is in our current CIP and then the ambulance station seven, the firefighters, the station, the fire apparatus, and the ambulance. And then station three would be moving that crew over with the relocation. So there's just the capital cost for that project. A few months back, the L-D-C-F-M team created a charter group to come up with a recommendation on how to staff these stations and they are recommending maintaining current staffing levels. So four person on all fire apparatus and two person on all ambulances.

([01:35:41](#)):

Okay, unfunded expansion components, approximate and that bold, underline, highlight, approximate as best that I can here. We've built in a number of assumptions on this slide. One being the current 64, 30 6% split with the county. The second big assumption that we did was a base wage of our preliminary 2026 budget, which was a step in 3%. So if that base changes then these numbers would change. I do want to highlight as pointed out by Chief Wade, that I accidentally double counted some of my numbers. So this is different than what you see in the packet. So operating cost for the city is \$4.7 million. I think our original said six, I was double counting numbers there, but the mil levy impact is the same, so I apologize for that. So that \$4.7 million that you see, that is today's cost. We added an inflationary factor to increase those to align with the 2029 opening and then also added our fund balance requirement of the city.

([01:36:56](#)):

So those where you see the ongoing operating costs for station six and seven, the county portion for those as well. And then you see the capital costs. Again, these are the unfunded components of the capital. So 2.6 for the city on station six, that's just that apparatus. As to station seven and station three have the stations themselves. So you see larger numbers there. So then total capital costs and then the estimated city mill levy impact. So for station six, 3.25 in total, that'd be three mills to the general fund, a quarter mil to support the debt for that apparatus. 4.25 for station seven, that'd be 2.5 mills to the general fund and 1.75 mills to support the debt for the station and the apparatus. And then just the debt service impact for station three.

(01:37:57):

So you see a lot of unfunded needs in our CIP big ones that we've pointed out. Street maintenance, we have a PCI pavement condition index goal of 70. We're currently at 63.1 and 70, quite frankly is an unattainable goal at the moment with our current funding. Our fire apparatus replacement cycle is currently off the accepted cycle is 10 years as a frontline apparatus, five years as a reserve. If you look at our forecast, we don't have any replacements currently. And then just general aging parks and recreation assets. So one thing we're recommending as staff that as part of the capital sales tax fund, that is a dedicated 0.3% sales tax. It expires in March, 2029. So we are going to get the different staff groups that are part of this together and start looking at that, reviewing that sales tax for renewal and potentially even an increase depending on what our needs are and much like what we did for the affordable housing sales tax, that would require several steps to go through city commission and then ultimately voter approval.

(01:39:10):

So those unfunded projects just over a hundred, 101 projects that are partially or fully unfunded in the proposed CIP and then 470 million of unfunded requests across all five years of the proposed CIP. So our policy questions for this evening, and I'm actually, I'll come back to these, I just want to go to this last slide real quick. So next steps that we have, you see us here today, July 8th, we'll have the city manager's proposed budget and we usually have the revised CIP at that time as well. And then the subsequent steps I did want to highlight as you see here, budget lawrence ks.org. I would encourage everybody to send your questions to this email and we will start a q and a list that we then post on the website. So if you have a question, I suspect other people do as well. So we try to share that information. So please send your questions to that email and we will do our best to keep that document updated. Okay, so back to our policy questions on that recommendation for the capital sales tax funding, focusing on street maintenance or to include initial costs for the Lawrence loop, if there's any unfunded projects that should be swapped with a funded project or projects that should be delayed or reprioritized. And then lastly, is there any feedback on L Id M'S expansion proposal that should be included in the 2026 operating budget? Okay,

Speaker 2 (01:40:53):

Is that it, Ellie?

Speaker 13 (01:40:54):

That's it. Yes sir.

Speaker 2 (01:40:55):

Thank you so much. That was a lot of information again, thank you. Good job. That was great.

Speaker 5 (01:41:20):

Ready for some questions?

Speaker 2 (01:41:21):

Yes, please. I'm just going to, did you guys have any questions for Ellie before she sits down?

Speaker 5 ([01:41:27](#)):

I have some, not Mr. Allie can answer all of them, but she can start.

Speaker 13 ([01:41:31](#)):

Well, I think we got quite a big team over here, so

Speaker 5 ([01:41:33](#)):

Got people here to answer a couple questions. I guess we've talked about maxing out the CIP and removing some, I think there's been some discussion in the community about what does that mean when we're saying we're maxed out, are we maxed out because the law says we can't borrow anymore, we maxed out because of our general fund and the way it's set up

Speaker 13 ([01:42:05](#)):

And

Speaker 5 ([01:42:05](#)):

Our weight model. Kind of explained that a little bit more maybe.

Speaker 13 ([01:42:08](#)):

Yeah, so I think Mary did a very good job explaining the rate model side in regards to the geo side, and I'll certainly let Rochelle add anything that I am sure to have missed, but we are assuming a flat mill levy, and so by doing that there's only X amount of dollars with appraisal growth that we can anticipate. So that's when we say max out is because we are assuming a flat mill levee.

Speaker 5 ([01:42:35](#)):

Thank you. Street maintenance, obviously we spend a lot of money on the major materials, so we're hoping not to spend as much on maintenance there. If we did these additional street maintenance dollars, what kind of streets are we focused on? What would we be buying I guess?

Speaker 15 ([01:43:02](#)):

Good evening commissioners. Melinda Harger, assistant director of MSO. Our focus over the next five years is going to turn more to the residential streets. So we have completed, as you saw on the list, a lot of our arterial improvements, a lot of those moving to concrete. So that will provide a longer term, less maintenance costs, longer life with those concrete streets. But we do see that the PCI values for our residential streets are lower, and so we have some of those in the five-year plan and that is available on the website as well. You can see what we're proposing.

Speaker 5 ([01:43:36](#)):

So when you go to that, the page that shows the different indexes, you can see the quality of every street. We map that and then you have, so basically we'd be adding additional residential streets if we decided to go that route with the more residential streets faster?

Speaker 15 ([01:43:53](#)):

Correct. So what we're showing aligns with the funding that was in the 25 to 29 CIP and on the website you can actually pull up the street maintenance program and see what we've proposed for all five of those years. And we will be updating again after this CIP is approved.

Speaker 5 ([01:44:13](#)):

And as it relates to the loop, I guess the other side of that question, again, typically we've put money in for design and maybe 10% and then we've been able to get grants

Speaker 16 ([01:44:25](#)):

To

Speaker 5 ([01:44:25](#)):

Help pay for construction. Any update on the projection of if those sorts of grants will be available in the next four years? In the next three to four years?

Speaker 15 ([01:44:40](#)):

I don't want to speculate too much. We're hearing that it's likely there will not be the same level of grants that we've had in the last few years, but nothing definitive yet.

Speaker 5 ([01:44:49](#)):

Melissa came up and I dunno if she's going to say something more definitive.

Speaker 17 ([01:44:55](#)):

Commissioner Melissa Steven, director of municipal services and Operations. No, nothing more definitive, but right now, given that we're still waiting on a federal budget moving forward, I would say at least in the interim, it is slowed down as you're well aware.

Speaker 3 ([01:45:12](#)):

But the point to make with that is that we've been using federal dollars for the loop and has that been federal dollars directly to us or has that been federal dollars as a pass through from the state then to us,

Speaker 15 ([01:45:26](#)):

I would say one of our engineers online could probably confirm that. I think I know the answer, but I don't want to speak out of turn. So Jake Baldwin has managed several of our loop projects and he is online so he could speak to whether that is a pass through.

Speaker 2 ([01:45:43](#)):

See if we can get him on here.

Speaker 5 ([01:45:47](#)):

You moving him over Sherry, you have to move him over,

Speaker 2 ([01:45:52](#)):

See if he's in the room and it

Speaker 15 ([01:45:55](#)):

Could also,

Speaker 2 ([01:45:55](#)):

He's in his hand too. Look

Speaker 15 ([01:45:56](#)):

That up and get back to you. You

Speaker 5 ([01:45:57](#)):

Can't if he's not on it, if

Speaker 3 ([01:45:59](#)):

Not something I need to know

Speaker 5 ([01:45:59](#)):

For he's on. He just needs to be moved over. Okay.

Speaker 18 ([01:46:14](#)):

All right. Good evening. Jake Baldwin, program manager at MSO. Yes. The answer to that question is that those are federal grants that are passed through the state and administered to us that way.

Speaker 4 ([01:46:26](#)):

Okay,

Speaker 3 ([01:46:28](#)):

Thank you. And then as far as the pavement index, if I remember correctly, that 70% puts us at the tippy top of good fair. So it's more at the higher part of fair than

Speaker 15 ([01:46:49](#)):

Scale, the

Speaker 3 ([01:46:50](#)):

Lower part, and we're functioning right now in the middle, the

Speaker 15 ([01:46:52](#)):

Scale goes up to 100 and so that puts us in the good category where currently we're in the fair.

Speaker 3 ([01:46:57](#)):

Okay.

Speaker 2 ([01:47:01](#)):

Any other questions?

Speaker 11 ([01:47:03](#)):

I had one regarding the unfunded expansion components. Just a question. I think from what I remember, the split was 64 36 city to county and that's how the city portion of the mill levy was calculated as well is I just had a question about that.

Speaker 13 ([01:47:26](#)):

No, so the mill levy that we show is just the cities

Speaker 11 ([01:47:30](#)):

Mill levy?

Speaker 13 ([01:47:31](#)):

Yes, just the cities.

Speaker 11 ([01:47:33](#)):

Okay. Just our portion that we're responsible for.

Speaker 13 ([01:47:37](#)):

Correct. So it coincides. It's my presentation.

Speaker 19 ([01:47:46](#)):

Hold on. Lemme help.

Speaker 13 ([01:47:48](#)):

But it coincides with the city's operating portion for the general fund and then the city's debt service, the capital component.

Speaker 11 ([01:47:57](#)):

Okay.

Speaker 4 ([01:47:59](#)):

Okay. The things are,

Speaker 13 ([01:48:00](#)):

Thanks Kurt.

Speaker 2 ([01:48:06](#)):

Any questions, Lisa before

Speaker 12 ([01:48:08](#)):

I have one. Two of projects that are unfunded right now is the Hawk Watershed lower and upper reach two different projects. How does that play into what we're doing right now in the Hawk Watershed?

Speaker 15 ([01:48:29](#)):

We are currently constructing on the middle reach for the Jayhawk watershed, so that construction's happening through 2025 and ending the end of 2026.

Speaker 16 ([01:48:38](#)):

And

Speaker 15 ([01:48:39](#)):

So the upper reach is everything upstream of ninth and Mississippi up toward the stadium and then the lower reach is toward the river from about where the outdoor aquatic center is down to the river. Those two are the unfunded portions. Okay.

Speaker 12 ([01:48:58](#)):

We're still on with all the middle up to 2027,

Speaker 15 ([01:49:01](#)):

Correct? It's under contract and we are underway.

Speaker 12 ([01:49:04](#)):

Got it. Thank you.

Speaker 2 ([01:49:09](#)):

Okay, go ahead.

Speaker 3 ([01:49:11](#)):

Yeah, I have a question. Okay. So Allie, going back to the unfunded expansion component piece for the stations, I'm looking at this and I don't know why. I guess maybe because of the number change. So when I'm looking at the piece where it says capital total, which is the inclusion of the city's portion and the county's portion, so this is taking into account that of that agreement, this is that 560 K would come over to us. So the, sorry for a total capital cost, but yet our estimated mill levy is still three and a quarter.

Speaker 13 ([01:49:58](#)):

The capital side for station six has the apparatus and as a fire apparatus it's only funded by the city and that 560 is an ambulance and as the EMS components only funded by the county.

Speaker 3 ([01:50:13](#)):

Okay.

Speaker 13 ([01:50:17](#)):

So that quarter mill in debt is approximately the debt we need to support a fire apparatus for the 10 year bond that we take out on that.

Speaker 3 ([01:50:30](#)):

So even with the five 60 where it goes towards in the mail calculation, I'm just trying to understand the, it may be you have to do some simple math with me on the side, but I guess knowing that that's the county's portion of it, then how does it play into, why is it playing into our mill levy, our estimated mill, or is it not? It's

Speaker 13 ([01:50:59](#)):

Not. It's

Speaker 3 ([01:51:00](#)):

Not correct.

Speaker 13 ([01:51:01](#)):

This is just the city's mill.

Speaker 3 ([01:51:04](#)):

Right. But it's playing in that five 60 plays within our mill. I'll have to ask you offline. I think it's a fuzzy math question that I'm not understanding.

Speaker 13 ([01:51:15](#)):

Okay. I'll attempt to. So the county's 36% on the city's operating.

Speaker 3 ([01:51:23](#)):

Right.

Speaker 13 ([01:51:23](#)):

Okay. So that's how you capture that,

Speaker 3 ([01:51:26](#)):

Right.

Speaker 13 ([01:51:27](#)):

It's not the same on the capitol because again, that ambulance is a separate component that we're not factoring in. They'll just pay us or they'll reimburse us once we purchase it.

Speaker 3 ([01:51:39](#)):

Okay. So you're saying essentially that five 60 is the reimbursement but doesn't account for, that's just the flat piece of, we're saying the three and a quarter is what's needed, not capturing for the five 60 that we would need to get back from the county? Correct. Okay.

Speaker 12 ([01:51:59](#)):

I have one more question there. Yes, please. On the street maintenance, you talked about the PCI of the goal is 70, we're at currently 63.1. Have we seen that increase over the past several years that we've been investing more in streets?

Speaker 15 ([01:52:16](#)):

Hello? We have not seen it start to increase. We would need to fund that at a level close between 18 and 20 million a year. We have been funding at a lower amount than that, and so we've had that unfunded portion at that funding level. The goal would be we would be able to achieve the 70 after 20 years. So it's a slow moving piece there, but what that also means is at a current funding level, we do see the potential after this five years to go below the 63, but it would be a slow tick down, probably closer to 60 at the current funding level.

Speaker 5 ([01:53:00](#)):

Okay. Thank you. And

Speaker 3 ([01:53:01](#)):

Melinda?

Speaker 5 ([01:53:02](#)):

Yeah, don't sit down.

Speaker 3 ([01:53:03](#)):

I was going to say, sorry, sorry, sorry. I was just thinking when you said that that was part of Jake's presentation to us a couple of months back, I thought with the sidewalk, is there any way we can figure out where that is? I thought we laid that out, what it looked like to with the PCI and to make that and what that would count. I think having that for this conversation moving forward would be helpful. So I just wanted to plug that real quick.

Speaker 15 ([01:53:30](#)):

Okay. Yeah. We are in the process of updating our model. Darren last updated with everything we had completed in 2023

Speaker 4 ([01:53:38](#)):

And

Speaker 15 ([01:53:39](#)):

We're still getting all the data in from all the completed projects that were completed through 2024. So we should have updated information to share with you soon. Okay.

Speaker 5 ([01:53:51](#)):

One of the major changes on the revenue bonds was the addition of the Kansas River wastewater treatment, Cleo fire improvements. When I was looking at that, it said we identified maybe the problem in 2020, and so I'm just kind of curious why did something change that? It wasn't on it last year and it's on it this year. Even though we've known of, this was coming for a while,

Speaker 15 ([01:54:16](#)):

There was an assessment done as part of the Kansas River Wastewater Treatment Plant Improvement Project, and through that we tried to fit in with our contingency as much of those improvements as we could as we were already working on the nutrient removal project. That's one that the cost is such and the condition has even worsened since then that we realize now. It definitely needed to be in the five year CIP. We can't put that off beyond 2030.

Speaker 4 ([01:54:49](#)):

Okay. Thank

Speaker 12 ([01:54:53](#)):

You.

Speaker 2 ([01:54:56](#)):

Okay. Any other questions?

Speaker 12 ([01:54:57](#)):

No, I was glad to see on the 27th Street bridge was added. I know we talked about that 5, 6, 7 years ago and at that point it was at the end of its life supposedly, so I'm glad to see that was added. Yeah,

Speaker 4 ([01:55:10](#)):

I

Speaker 2 ([01:55:15](#)):

Think that's it for now. I'm going to go ahead and open this up to public comment. At this point, this will be public comment on our capital improvement plan Discussion.

Speaker 20 ([01:55:31](#)):

Good evening. I'm Holly Krebs with the Coalition for Collaborative Governance. We have researched the city budget extensively to increase transparency about our city's finances and our research shows that the city has substantially increased their debt in the last two years, bringing our city's current total debt to \$463 million. The proposed CIP would increase our city's debt by an additional \$126 million next year, which we estimate would bring the city's total debt to about \$550 million. This would be a 56% increase in three years. This also means that our city would be indebted for \$5,700 for each Lawrence resident. Unfortunately, the city has not adequately informed or engaged our community about this total indebtedness. The city's budget engagement this year did not address their capital expenses and debt, and in spite of asking the city for their total current debt, our coalition had to recruit outside assistance to find this current number.

([01:56:30](#)):

This debt is important because it is paid for by residents property taxes and utility fees, which have both risen dramatically in the last few years. While the city has not increased the mill levy, residents are paying on average 40% more in property taxes than they were five years ago. Due to increased property valuation, the city has increased utility fees to pay for some of this new debt. City utility fees increased about 8% last year, 10% this year, and the MSO director reported that they're anticipated to increase a comparable amount next year. The city commits to sound fiscal stewardship, which includes sustainable management of resources and transparent data for budgeting and decision-making. Our coalition's research has demonstrated that the city's budget data is not fully transparent and we question whether the city's debt decisions are sustainably managing our community's financial resources. We know that CIP projects are important and represent long-term planning and that each project receives extensive attention often over years.

([01:57:35](#)):

But this presentation tonight is the only time each year that the commission and the community are presented with the CI's total fiscal impact on our community. We believe this debt decision deserves greater attention and deliberation. Last week, our coalition submitted several questions about this debt including what is the city's long-term financial plan for managing the substantial new debt the city has taken on since 2024 and is this debt sustainable? We have also asked how are the city's higher debt payments affecting property taxes, utility fees, and the general fund deficit? We ask that the city demonstrate to our residents that this debt is sustainable and is not affecting our general fund deficit, and if either of those are not true, we ask that you make different decisions regarding our city's budget, capital investments, and future debt. Thank you for your time.

Speaker 21 ([01:58:32](#)):

John Ims Lawrence. Thank you Commissioner Sellers for bringing up the fragility of the state and federal grant monies. That was good to bring that up. To bounce off of what was just stated, the capital improvement plan indicates an expense of 157 mil and an increased debt of 126 mil. For 2026. You're borrowing nearly all the dollars required for the sip. Worse. Your current total debt for the total is 463, which is 19% over last year. The city's total budget has almost doubled in the last five years. You're not paying the debt down in any significant way. Interest payments are now greater than revenue for current property taxes and to top it off your 6.5 mil over budget for this year, not a good look for those running for reelection. You may be planning to raise property taxes and thus increase cost of rent. The MSO director has indicated that you're planning to increase the cost of utilities with a third year in a row.

([01:59:36](#)):

These actions would make it even harder for people who are already struggling to stay housed and off the streets. Maybe you're hoping the federal government will continue approving your grant money, which as just stated may not be the case. But remember the resolution 75 99 Department of Transportation meeting you had just a few weeks ago. Lawrence citizens were pretty clear. They told you they do not want you to take money from the federal government, so where we're at is we need to find a way to cut city programs. Consider cutting 5%. I'm sure there's many ways to do this from each fund leaving the fire and police alone since that's core pay down debt in a more serious and dedicated manner, be fiscally responsible, accountable, and transparent. The Coalition for Collaborative Government, as was just stated, asked many questions that need answering. There's an old quote from Hemingway. The sun also rises in which the question is asked, how did you go bankrupt? Two ways gradually and then suddenly. Thank you.

Speaker 22 ([02:00:45](#)):

Christina McKenna 6 6 0 4 6 and as part of the collaborative, the Coalition for Collaborative Governance. Tonight, the city's sound and fiscal stewardship commitment states the city of Lawrence will provide transparent, easy access to relevant, accurate data for budgeting and decision-making. Unfortunately, the Coalition for Collaborative Governance is budget research team repeatedly experienced challenges, understanding and or accessing the city's budget data. So we're advocating for the city to provide true transparency to fulfill their commitments to our community. Our first example of lack of transparency is that the city's budget engagement this year only addressed a quarter of the city's budget. The city did not educate or engage our community about the capital investments and debt financing that made up 45% of this year's budget. This is especially significant because these are the city expenses that have grown the most in the last two years. Our second example of lack of transparency was one of our research team's hardest challenges finding the city's current total debt.

([02:01:54](#)):

This number is not reported in the city's official budget book or in any of the reports for the city commission that we could find. So we asked the city finance department for information about their most up-to-date debt numbers. The answer we received several weeks later was an amount from last year, which is a significant issue because the debt increased this year by 19%. As was just mentioned. In contrast, Christine Poon, who is a municipal finance expert, was able to send us documents demonstrating the city's current debt in less than 24 hours after we asked for her help in answering the question, which is your job. Another example of lack of transparency is the city's use of the term miscellaneous to describe more than a quarter of the total revenue. Through our research, we discovered that 93% of the category is debt financed revenue, but the description of this category in the city's official budget book lists six small sources of revenue and doesn't mention debt at all.

([02:02:56](#)):

That is not transparent. Finally, the city's 2025 budget book and their state budget form don't indicate a \$33 million transfer of funds that accounts for more than a third of the city's debt payments this year. This

is the city's biggest transfer of funds and is the only one that appears not to be recorded in the most recent and official financial documents. We are concerned about this lack of accuracy in our city's financial record keeping along with what it could mean for the city's financial future and thereby ours. As taxpayers, we recognize that transparency requires diligent work from city staff and we thank the city staff for the responses they did provide, but we hope that our research this year prompts the city to improve the budget transparency going forward. Thank you. Thank you.

Speaker 23 ([02:03:46](#)):

Hello, Melinda Ball. The Coalition for Collaborative Governance is advocating for more and better community engagement from our local government. The city's budget engagement did not allow people to submit any input or comments without solving a complicated puzzle of making 49 funding decisions to eliminate the city's anticipated \$6.6 million debt. So our coalition produced our own budget survey that includes multiple choice questions, opportunities for comments, and no requirement to solve the deficit. We believe this survey is easier and more accessible than what the city provided, and we hope you will consider these ideas for next year's budget engagement. In our survey, we included several questions about the city's debt expenditures, a topic the city's tool did not address. We asked if people supported our city taking on debt to invest in existing infrastructure, new infrastructure for commercial, industrial and residential development, and the new municipal services and operations campus debt for maintaining our existing infrastructure received the most support with 55% of respondents supporting it.

([02:05:03](#)):

The other categories of debt received substantially less support. 35% of respondents supported debt for new residential infrastructure. 33% supported debt for new commercial and industrial infrastructure and only 27% supported debt for the new MSO campus. We also asked how people thought the city should manage their long-term in debt and they could select all options they supported. Interestingly, the idea that received the greatest support was requiring voters to approve debt for projects over five to \$10 million, which almost 70% of our respondents selected for more than half of respondents wanted the city to pay down their debt with existing property tax revenue, about 45% also supported reducing capital investments and integrating infrastructure maintenance into general operating costs. We want to acknowledge that we had about 80 responses because our survey has only been released for a week and a half, so our sample size is small. We also think our initial data is worth sharing. We believe this information gives the city a better idea of how our community feels about some of your decisions, and you can use this information to both inform your decisions and to guide your future discussions with the community while the city understands and believes in the value of taking on current debt. Thank you for your time.

Speaker 5 ([02:06:52](#)):

Thank you.

Speaker 24 ([02:07:02](#)):

Good evening. I'm Michael Alman with Sustainability Action Network. During our 18 year bicycle transportation advocacy, we've submitted on average three bikeway projects a year. We're batting zero for any built goose eggs. That's not because our submissions lack merit. They're always well-designed to city standards are better specified at accurate funding levels and located to serve in need populations traveling to desired destinations. This year we proposed res striping Tennessee and Kentucky Streets from sixth to 19th for a Vision zero buffered bikeway during a mill and overlay project. But staff has not funded that striping here. No. The city rejects all our proposals because staff screens them out with a matrix such as the CIP prioritization guidelines, the bikeway facility selection criteria or the strategic plan performance

measures. Our city staff doesn't acknowledge that their matrices don't address every situation. Our proposals are outside the box intended to fill a void left by staff's inaction.

(02:08:18):

After all, if staff restricts public CIP proposals to only those sanctioned by city matrices, staff can initiate those in-house except that they don't. So we do, but they're never funded. The overarching reality is that there's a huge disparity between the motor vehicle funding and bike wave funding. A ratio of about a hundred and forty one two one. The 2026 CIP shows motor vehicle project funding of approximately 53 million for street projects and street maintenance. Bikeway funding is only 375,000 and that's one reason because the bike ped funding line item is slashed by a million dollars a year. Even more significant, the CIP is bloated by the proposed city hall funding of 8.5 million and MSO campus funding of a projected total 120 million. To put that all in perspective, the 500,000 simply to strife Tennessee and Kentucky for Vision Zero crash prevention is pocket change 0.003% of streets and major facilities combined and 0.00096 of the overall projected 2026 budget. This would be an all ages and abilities BIKEWAY benefiting St. John's students and KU students both after decades of being stuck at barely bike friendly bronze level, the project could propel Lawrence to the silver level opening up new funding opportunities. If not done now, it'll be a 10 year delay. Michael, thank you.

Speaker 19 (02:10:14):

Mike Courtney. 6 6 0 4 6. With this SIP, we're about to see five years of increased property taxes and utility payments with no financial restraint. This affects fixed income individuals such as our retired neighbors and new families like the ones in my neighborhood Prairie Park the hardest. This also makes it harder for essential workers like teachers, firefighters, police and nurses to live in the community in which they serve. I spoke to three families before this meeting and we figured out how much their property taxes have gone up in the last four years. It was 2021 in 31%. I asked one of them if they made it up in wages. Of course, he laughed at me and said, Mike, that doesn't include our water and sewer bill that went up \$54 a month. Our electricity bill that went up \$29 a month and our gas bill that went up \$23 a month.

(02:11:05):

We are getting priced out of this town that we love. We are getting priced out of this town that we love this with. The potential rec center fees are going to make a hard situation even worse. I'm not here to just voice complaints as there is something that I believe you can do. Reprioritize the projects in the sip, expand the SIP from five years to 10 years. This is similar to other large cities in Kansas that will allow you to factor in the current property and utility costs and bend those down. Over time people in this town are hurting. People are upset, help our fellow citizens feel this town will do what is right for them and their families. Thank you.

Speaker 2 (02:11:45):

Thank you, Mike.

Speaker 25 (02:11:53):

Good evening. Samuel Carter 6 6 0 4 6 and I wanted to thank you for last week committing to end deaths and disabling injuries caused by driving in Lawrence. That was huge. Thank you very much for doing that. We can't get there unless we fix Tennessee and Kentucky streets. These are two, not the most, but two of the most dangerous streets in the city, and it's really tragic. The orid has the highest population density out of any census tracted in Kansas. It actually has a higher population density than the city of Chicago overall, and a lot of people who live there walk and bike, and many of them are struck by drivers every year like clockwork.

(02:12:40):

It's really tragic. The good news is Michael was just talking about proposal to in the sip. It's currently unfunded to redesign Kentucky Streets. I think it's a really good design and those streets are scheduled for reconstruction in 2027, so we have an opportunity to redesign those streets to reduce the number of serious injuries and fatalities on those streets, but we may miss out on that if it's not funded. So I'd like to ask you to figure out how to fund those items, and I'd like to end with just one more statistic. Did you know that 30% of Kansas residents do not drive that? That may seem behind some people, but the federal government collects data on the number of residents who are licensed, licensed drivers and the number of residents in each state, and you can go online, look at the numbers, run the calculation, and it turns out 31.3 or so percent of Kansas residents do not drive at all.

(02:13:42):

Now in Lawrence, that number is likely higher, right? We're an urban area. We have a large student population. The city of Madison, Wisconsin recently did a study surveying their residents and found that 40% of their residents do not drive yet, as Michael was alluding to, historically, our infrastructure has not reflected that at all, right? The vast majority of it goes to car-based infrastructure, and that's one of the reasons why we have funding problems right now. So I know it may seem counterintuitive, but now, now absolutely is the time to invest more in on street good, on street pedestrian and bicycle infrastructure, so people have choices on how to get around. They're not dependent on cars to meet their daily needs. People have been asking for these things for a long time, so Tennessee and Kentucky really tragic. There's a great opportunity to fix those streets site. I'd ask that you prioritize that and fund that for this CIP. Thank you. Thank you, Samuel.

Speaker 2 (02:14:46):

Always informative.

Speaker 26 (02:14:51):

Hi, I'm Chris Flowers. I just want to quickly talk about what's just been mentioned about Tennessee and Kentucky. You all are going to redo mass and that's just like two blocks from Kentucky, so I don't know what the plan is. I'm just saying why would you spend so much money to make Mass Street safe for bikes where we're reducing it down to one lane and then you go and spend money a few years later to make a street safe for bikes? That's just two blocks over. I think if you are going to spend money on bikes, it'd make more sense to do it in another part of town instead of just two blocks from a street where you're already making it bike safe. If those bikers would just go two blocks over, then they'd have a safe street. So I just want to throw that out there.

(02:15:45):

Also, I really wanted to bring up what the others before that mentioned about the transparency around here. When it comes to the CIP numbers, I just want to back them up. I'm going to ask you all what they were asking. Is this debt sustainable? So I just want to throw this out there. It's been asked numerous times. You're all sitting up there. Y'all have the opportunity to ask him, is debt sustainable? And if none of you'all do, I hope the media mentions that numerous people have asked this question. This is one of the number one questions I think you all should be asking, especially with Trump in office, and I don't know about how well federal funding's going to go with that. So I do think it's important to be asking how sustainable is all this is, and also I do think that the transparency needs to be increased. If that group had trouble finding out some of these numbers, I don't know why that is. Why should, I mean this stuff should be easily accessible and the city should be getting back to people who ask that, and I think we know why is because the city, they like to say they're transparent, but their actions prove very far from that. Thank you. Thanks, Chris.

Speaker 27 ([02:17:16](#)):

Good evening. My name's Simon Stevenson. I'm an engineer paramedic with L-D-C-F-M. We saw a lot of information up there tonight, sell a lot of projects, funded and completed. That's awesome. It's good to see. One thing I want to make mention, right? One thing you wouldn't see, you'd have to go back almost 20 years before you saw a fire station on there. So seeing station six funded, it's really refreshing to see, so I thank you guys for that. I appreciate that. The other thing I want to talk about that you didn't really see, so being a member that was on that charter project group for station expansions, the one thing we really came out of that group was the urgency for station six. That was our goal coming out of that was let's get that online. That's the urgency station seven. I'm not saying station seven and the relocation of three don't need to happen. They definitely do. They are needed, but right now the urgency is to get station six online and I'd like to reiterate that. The last thing I didn't really see is when we were talking about the capital sales tax fund, it talked about potentially adding the Lawrence Loop funding in that. Is there anything in policy that says you can't use any of those dollars towards station expansion for fire medical? So I just want to leave you guys with those questions. Thank you for your time. Appreciate it.

Speaker 2 ([02:18:36](#)):

Thank you Simon.

Speaker 28 ([02:18:42](#)):

Rebecca, Buford, executive director of Tenants to Homeowners. Thank you commissioners. You have an unenviable job there. You understand the nonprofit feeling of there's a lot to do and never enough funding, but I do knowing that that's the reality we're in right now. I want to say thank you for all of the work that you have been doing on the housing crisis. I hear a lot of the folks that want to look at debt saying we need affordable housing and utilities and places where people that work in Lawrence can live in Lawrence. So these are competing values that are tricky to balance, but I would like to suggest as we look in longer future plans, making sure that there is affordable housing development CIP dollars, because the reality as commissioner sellers so eloquently put it is we cannot count on federal and state dollars, especially in the very near future, and we had a good litech discussion earlier and we have some of those projects that are shovel ready, but we're needing a little gap funding.

([02:19:59](#)):

So again, had we had some money in the CIP plan, we could have that ready to go with this, and I know there are so many needs, but I think housing supply and affordable housing supply in particular has been at the top of the goals for the city of Lawrence and is pretty well supported across the board. So I'd just like you to continue to think about that in CIP planning and can continue to think about creative ways that we can fill the gaps that we know are going to be there in the next few years given the lack of federal and state funding. Thank you. Thank

Speaker 4 ([02:20:40](#)):

You. Rebecca.

Speaker 29 ([02:20:47](#)):

Hello, I'm Dustin Stumbling Bear and I have been watching these meetings for about 10 years now. I've run for office a few times and the CIP has been something we've been talking about for nearly 10 years. It's been morphing. The matrix has changed occasionally as we've seen our community needs change. We've had two different city managers now that have been over the CIP and yeah, I'm just going to say it. I disagree with what's been said earlier about Coalition for Collaborative Governance. They choose not to participate. They choose not to attend. I've been to many of these budget meetings, like I said, in none of those faces or any I've ever seen before, they're all new faces. I've been to many of these community

meetings throughout the years. None of these people have ever been present. It's okay to be upset as taxpayers. It's okay to say we want accountability, but at the same time, that's what we elect you for.

(02:21:38):

We elect you to determine if those projects are good for our community or not, and you're hearing a group of people say, we should abandon our democratic norms, our democratic processes, because they choose not to participate because they choose not to come in here and actually see what's happening. It sucks sometimes. I also agree. We have a lot of projects, we have a lot of requests. We don't have a lot of money and we have to look at what really is the best for our community and sometimes we all disagree. I disagree with the expansion of the utilities out west, \$70 million that take care of our 6.6 million budget deficit like that on a promise of tax that will someday come to us across the K 10 someday, someday, but we're going to pay \$70 million right now for that someday promise. Those are things to actually be upset about, but we're not hearing that from our community.

(02:22:32):

From our community members. They're worried about the little things. Let's take 5% except from the most expensive places, our police and fire. Let's cut our social services because that's how we balance our budget. We hurt those who need the most help, and I say that as a disabled veteran who has lived on a fixed income for 20 years as low as \$300 a month where I paid \$250 in child support. Yeah, do the math, I made it work. Some of us have to make hard decisions because that's just the shitty life we live. That's how it goes. You don't have that. You get to make those decisions to try and make some of our lives better through a lot of projects and we have to show up. We have to be present. We have to be here and participate. A bunch of people who suddenly showed up and say, we need to change everything because for the last two years we suddenly paid attention, but we ignored what's been happening for the last 10 years, 20 years. I don't get upset about that. Maybe if they're here in another year, I want to listen, hear what they have to say, but nothing they have contributed has been anything new really, and that might say, oh, we've got problems, but really

Speaker 6 (02:23:48):

Time

Speaker 29 (02:23:49):

People show up, people go.

Speaker 2 (02:23:51):

Thank you, Dustin.

Speaker 30 (02:23:56):

Good evening commission. Jack Dolan 6, 6 0 4 Vice president of Local 1596 as well. I started off last year saying that this feels like Groundhog's Day coming every year talking about getting a station that's been recognized by folks and not having any movement. So first off, I want to applaud you for approving the planning process of Station six and continuing to work through getting us an actual physical station six that's staffed and has firetrucks, but I wanted to reiterate a comment my brother Simon made about, we've been asking for this. It's been we haven't seen a station in 20 years. We've been asking for this station to recognize the need 10 years. It's been verified by a third party for the last eight years and it's been on the CIP for the last five. It's time to actually continue through with this station, so thank you again for all your hard work and thank you for the progress so far.

Speaker 2 (02:24:56):

Thanks, Jack.

Speaker 10 ([02:25:03](#)):

I just have one quick thing I think that we should not criticize our neighbors that are showing up here tonight. People don't always show up when we want them to and people don't always show up the way that we want them to, but I think we should not criticize our neighbors that are actually showing up to share their opinions with you tonight. Thank you. Thank you.

Speaker 31 ([02:25:33](#)):

Sean Coffey, a resident of the city of Lawrence since 1975, a retired city employee from the Fire Medical Department. Wow. The passion here tonight is amazing when I think of the city of Lawrence within the city staff, the coalition, the audience members, but tonight I want to focus specifically on the fire medical department with guarded optimism. I'm excited to see that maybe depending upon your approval that Station six might move forward and just want to remind everybody. As Jack said, the last station that was built in the city of Lawrence was in 2006, and that was based upon a public safety report from 1996. This has been around a long time. We've talked about it. Fire Chief Mark Bradford mentioned in April 25th to 2015, the need an article in the journal world, the need for additional fire stations, our 2017 standard of cover accreditation document, pub size for everybody to see.

([02:26:33](#)):

Talked about a new station six in the northwest part of the city in 2020. We did a station optimization study or analysis and it indicated the need for additional stations, two additional stations. Also, it has been in the capital improvement plan in the past, and that's my guarded part. It was in 2020 for 21, 22 and 23, and again in 2021 it was in the budget for the following years. At that time it was \$7.5 million for station six. Now they're projecting \$12.6 million, 5.1 million increase over that time period. We could have paid for the staffing if we'd done it at that time. There is a need. In 1985 when I got on the department, there's 1,170 calls we ran. Now they're running 17,570, about 49 calls a day. That's a heavy load that we're placing on our first responders. We need to spread the workload, and this isn't just about EMS. The largest part of EMS calls are in the city, but this is about getting a firetruck to a house in a timely matter. NFPA says four minutes right now we're looking at six minutes time. That's travel time. Total response time from the standard to cover in 2022 was eight minutes and 45 seconds. That's from when somebody calls 9 1 1. Dispatch processes it, the alarm goes out, people get on the truck. The truck takes the six minutes to drive and the first unit gets there.

([02:28:18](#)):

The national standard is six minutes. Remember, we're talking about the increase in fire doubling every minute people's loss of tissue for brain, heart cardiac issues. So it's there. So this is solely needed. Thank you. Thanks

Speaker 2 ([02:28:38](#)):

Sean.

Speaker 32 ([02:28:52](#)):

Patrick Ross, 6 6 0 4 9. Just wanted to give my thoughts on what I've heard tonight. One, definitely give the firefighters whatever they want. It seems to be an issue that keeps coming up, so maybe let's come up with a meeting plan over the coming year or so to specifically address those issues. Seems like it's a long-term issue. There's multiple stations that need to be built and staffing issues as well with the current strain of the system. Two, I just wanted to reiterate, Michael's plans seem like great plans if we want to get people on bikes, which might help our wear and tear on our roads if less people are driving cars, I'm

assuming. So that would be one thing to say. Also just about the competing plan for biking on mass, that plan only goes to 14th Street. Michael's plan goes from sixth all the way to 19th Street, so a bit more of an area that services, and we also just want more biking areas in general, and then also the individual that spoke about the capital investment projects including affordable housing.

(02:30:00):

That's the first I've ever heard of that being an option. I would also endorse that being included in the capital improvement plans because it is such a pressing issue that keeps coming up and is sort of the justification behind a lot of the city's decisions that are made with any number of projects. So if there's a way to start to put our money to where our value systems are, I would endorse that. And then also I just wanted to give a salute to the Coalition for Collaborative Governance. I've heard your work from many community members and I applaud the work that you do in the shadows and not always in the light. And just if they have resources or knowledge that will help us to balance our budget or address some of these issues that have come up tonight, I would just endorse the city to put their arms around them and welcome all the help that we can get on some of these issues. So that's sort of all the thoughts that I have from hearing all the comments tonight, so thank you very much. Thanks, Patrick.

Speaker 2 (02:31:06):

Okay, anybody else in the room? Public comment on this item? Okay, I'll go ahead and see who's online. You got his, got his already.

Speaker 6 (02:31:31):

Emily Lyson.

Speaker 33 (02:31:35):

Thank you. Good evening, Lawrence City Commissioners. I'm Emily Lyson, director of development with the Lawrence Farmer's Market. We at the Lawrence Farmer's Market encourage you to move forward with funding a permanent site location and pavilion structure for the Lawrence Farmer's Market. This project has been talked about and worked on by us, the city, the county, and various stakeholders for over 15 years included in a variety of master plans and it hits many strategic plan commitments of the city. We have secured the first \$40,000 included in the CIP request to do our feasibility study for a site location showing our commitment and our capabilities, and now we need commitment from the city. For the successful future of this project, we encourage you to consider funding our CIP project. It scored higher than almost every other project proposal with a score of 27. There were only a few others that scored higher than ours up for the general fund.

(02:32:31):

Our project would not only provide a permanent home for our farmer's market, but stability and sustainability for the future of small family farms and local small food businesses in the Douglas County area. We provide a welcoming, vibrant space to everyone in the community and with a permanent structure, we will be able to provide bathroom access coverage from weather chef demonstrations, expanded seeding areas and so much more to bring our community together to celebrate the agricultural heritage and culinary culture of our area. Please consider the farmer's market relocation and pavilion as a priority for all of Lawrence and Douglas County and your budgeting process. We would love to meet with you to share our proposed project and be able to share with all Lawrence our passion and commitment for local food and building a community gathering hub to celebrate that. Thank you for your service and your support.

Speaker 2 (02:33:22):

Thank you, Emily. I

Speaker 6 ([02:33:33](#)):

Rob Richardson.

Speaker 34 ([02:33:38](#)):

Hello, members of the commission. Thank you for taking on this hard stuff as the commission. The CIP P is never easy and money's always tight. I do want to talk about CIP funding for growth. It's been noted tonight that we have an issue with home prices and taxes. If we don't find a way for growth to happen and new homes to be built, those two problems will continue to be exacerbated. I understand that some of these things may need to be put off a year, but totally eliminating the funding from some of the growth projects is kind of a nail in the coffin of higher home prices and higher taxes for most of the citizens of Lawrence. And so I would just ask you all to consider those. Talk with the folks that have hundreds of acres of land under contract east of west of K 10 and see if we can't work together to make a project that allows the development to move forward and new homes to be built so that we can stem the tide of increased housing prices and taxes. Once again, I know it's hard. I appreciate your work on this. Have a good evening.

Speaker 4 ([02:34:53](#)):

Thanks, Rob.

Speaker 35 ([02:35:07](#)):

There we go. Hi, Julie Jones. I'm also a member of the, let me get my notes up here and drop the Coalition for Collaborative Governance and I'm sharing with you tonight survey comments, and this is just isolated to the debt and capital expenses and here are those comments that people made. The way they are financing debt with super short term temporary notes is wasting taxpayer money. There's far too much tax money being spent on wants instead of needs. Another. Going into more debt is not the way for the city to survive. Another capital expenditures are important and we've deferred maintenance too long, but I'm concerned about things I've heard like routine use of one year, temporary notes. It seems like there is also insufficient analysis of the really big ticket items like the MSO campus. There is insufficient investment in things like trails whose costs are nominal compared to roads, water, sewer, et cetera.

([02:36:23](#)):

We're falling behind in livability, not by investing more on trails and linear parks. Another, the truth is some of the existing debt load is what I'm most upset about. We need to dig out of that but also come to realize that we are pricing ourselves out of the community and another, we have taken on too much debt or trying to bite off too much capital improvements too soon. Our maintenance issues did not happen overnight, nor shall we try to solve them immediately. Another, the city only made the general operational budget easy to examine. That's only one quarter of the budget with a shortfall and a recently ballooning debt. The whole picture needs to be visible to make decisions, not just one quarter of it. Another. When the city is facing a budget deficit, it is time for the city to reconsider major capital improvement projects like the MSO, stop increasing the debt.

([02:37:28](#)):

Another now is not the time to be taken on more debt. Now is the time to be supporting developers. Now is the time to take care of what already exists in our community in terms of basic services, roads, fire, medical, library, stormwater, et cetera. We need to be ready for climate related disasters. We need to take care of the people who make a home here, whether they have a roof over their heads or a tent. We need to ensure food security and healthcare for everyone. In Lawrence, we have a huge number of empty

buildings and empty houses here. Stop building new and use what we already have that exist. We need to regulate corporations from buying up housing stock in town and jacking up costs. I'm sorry.

Speaker 2 ([02:38:18](#)):

That was it. Julie. Thank you.

Speaker 35 ([02:38:20](#)):

Oh, I'm sorry. Thank you very much.

Speaker 2 ([02:38:22](#)):

Thank you.

Speaker 6 ([02:38:30](#)):

William Steele. Hello.

Speaker 36 ([02:38:32](#)):

Hi everyone. Yes, hi. Bill Steele here with Sustainability Action. Just like to, sorry to ping pong back and forth on all these topics, but I'd just like to circle back on the proposal to redesign Tennessee and Kentucky Streets. And just as a reminder, we're talking about making them two lanes to one and adding buffered bike lanes right now. These streets are basically designed like expressways that encourage people to drive at very high speeds through dense neighborhoods full of KU students, families and kids. There's a very large grade school there, 13th and Kentucky. They're sort of in that high injury network box where most of the city's fatal and disabled disabling injuries have occurred, and that's why this proposal aligns so well with the Vision Zero plan and the safe routes to school goals. It's about preventing injuries before they happen. And look, we only have one bite at the apple here.

([02:39:38](#)):

The city's already planning to rep these streets in 2027. If we don't do the striping and bike lane changes at the same time, we will miss that window. And honestly, we can't wait until the bikes plan is updated to make that happen. It'll just be too late. I want to emphasize that this isn't about taking anything away. It's about safety. It's about adding choices. Drivers are still going to get where they're going, but at 30 miles per hour instead of 50, the traffic counts clearly show that one lane is more than enough on Kentucky and Tennessee, the existing parking is going to be retained, but what we gain is space for kids who want to bike to school, people who don't own cars. It's just going to make things safer and more accessible for a whole lot more people. And just to rebut what Chris Flowers said, mass Street is not enough. Okay. We need more lane miles. We need a more connected bike network for it to be useful in this town, A network that gets most people where they want to be, when they want to be there safely and how they want to get there, whether that be biking, scooters, cars or whatever this proposal does that. So I hope you'll take that seriously. Let's not miss this chance. Please approve the CIP to redesign Kentucky and Tennessee. Thanks.

Speaker 6 ([02:41:14](#)):

That's all the comments, mayor.

Speaker 2 ([02:41:17](#)):

Okay. Thank you very much. I know we had some questions that came up, but specifically there were some points that we need to address related to this evening, but are there anything outside of those four

points that we need to address the policy questions that came up based on your feedback from the general public comment on this issue? I

Speaker 5 ([02:41:49](#)):

Think I kind of asked this question before, but I guess I'll ask it again and I assume the answer will be the same, but when we talk about building these cips, either the revenue models or the general obligation funds of the general fund, how do we ensure that what we're paying for is sustainable and within our budget? And that's why we use a five-year plan. But go ahead. Correct.

Speaker 37 ([02:42:19](#)):

Good evening, Rochelle Matthews, director of finance, so let's use the debt service fund as a specific example. When we run our forecast, not only does our budget team provide US revenue projections, when we look at the CIP projects, we also anticipate those projects being bonded and the principal and interest that would be added in each subsequent subsequent year after those debt. And we compare those two to make sure we have not only a balanced budget, but a sustainable fund that meets our needs and our policy requirements.

Speaker 5 ([02:42:48](#)):

That's how the rate models work with the utility funds as well.

Speaker 37 ([02:42:51](#)):

Correct.

Speaker 5 ([02:42:54](#)):

For example, several years ago we talked about in every year we've since, and we've talked about rate model that anticipated projects three years in the future and that we're going to pay for them for 20 years thereafter.

Speaker 37 ([02:43:08](#)):

Correct.

Speaker 5 ([02:43:09](#)):

They've been in the plan for the whole time.

Speaker 37 ([02:43:11](#)):

Yes.

Speaker 5 ([02:43:11](#)):

That's how they're sustainable.

Speaker 37 ([02:43:12](#)):

Correct. And a similar process happens on the debt service fund with those projects

Speaker 5 ([02:43:17](#)):

And for example, our capital improvement plan, total revenue, I'm looking on page 36 for my general fund of stormwater fee. A solid waste fee was spending as mentioned 83 million this year, but next year

it's 34 million, then it's 12 million in general obligation bonds. Then it's 8 million. There's 8 million. Right. We've for the last couple of years, frontloaded that and now know to sustain that, we can't do that continuously going forward.

Speaker 37 ([02:43:46](#)):

Correct. As Mary pointed out in her presentation, due to our forecast and the revenues, we need to slow down or un fund or change timing of projects to maintain the affordability of our funds.

Speaker 5 ([02:43:58](#)):

We'd love to keep station seven for example in there, but we don't think that's sustainable to leave that amount of money in those, even though it's off yields 29 and 30.

Speaker 37 ([02:44:09](#)):

Correct.

Speaker 5 ([02:44:10](#)):

And so that's how we woke to keep this sustainable.

Speaker 37 ([02:44:13](#)):

Yes.

Speaker 5 ([02:44:14](#)):

Okay. Thank you.

Speaker 12 ([02:44:21](#)):

A question, mayor, please. Rachel. Sorry about that. Could you talk a little bit about, somebody could talk a little bit about how much debt can we take on before, because if I remember right from talking about bonding and so forth, we have to maintain certain levels of monies out there. So could you talk about what is our maximum debt we could potentially have and still meet all of our obligations?

Speaker 37 ([02:44:47](#)):

Sure. So there's two different factors here. The first one, this will be a preview that will be here in a few weeks with our annual financial statements, is there's statutory limit at the state level, and it's 30% of our total assessed valuation in debt, less a couple of exemptions for refundings and other special assessment projects. That's a pretty big number. More practically, there's also a limit with the market. We competitively sell our debt, meaning we go out and we make a public offering and give people the opportunity to give us the best deal possible. So we are publicly rated by Moody's and they also do an independent financial assessment of our debt capacity, debt load and revenue, and therefore do their own analysis to whether they agree to buy our bonds or not. And so there's two different factors there.

Speaker 12 ([02:45:36](#)):

Okay. Can you tell us where we're at as far as being close to that 30% of total assessed value?

Speaker 37 ([02:45:43](#)):

I would have to quote, I don't have 24 numbers, but I think we're roughly somewhere between 24 and 28% of our total allowed statutory state capacity.

Speaker 5 ([02:45:53](#)):

Okay.

Speaker 37 ([02:45:53](#)):

Thank you. We are nowhere near our debt limit.

Speaker 5 ([02:45:57](#)):

You use two different numbers there. I want to be clear, 30% of we're at 24% of 30%

Speaker 37 ([02:46:03](#)):

Correct.

Speaker 5 ([02:46:03](#)):

State statute,

Speaker 37 ([02:46:04](#)):

Yes. Of our

Speaker 5 ([02:46:05](#)):

Capacity. Not close to the 30% at all. No.

Speaker 37 ([02:46:08](#)):

We are at a quarter of what the state would allow us statutorily to take out in debt. More practically, we manage to what can our fund withstand and be sustainable with the resources we're projected to have

Speaker 12 ([02:46:20](#)):

Out of a five year. So we're at about seven and a half of that 30%. Okay. Thank you.

Speaker 11 ([02:46:28](#)):

Oh, I just had a quick question. Yeah, please. More Rochelle, and that information you provided, that debt we're obligated to hold. Isn't that usually part of our budget book? We have that information usually on there.

Speaker 37 ([02:46:42](#)):

I don't know if it's in our budget book, but it's for sure in our annual comprehensive financial statement and also our popular annual financial statement. So we do publish that on an annual basis.

Speaker 2 ([02:46:54](#)):

In that vein, can you speak to the opacity of our non geo expenses and budgets items for the general public to peruse all those line items, all the information?

Speaker 37 ([02:47:08](#)):

Sure.

Speaker 2 ([02:47:08](#)):

Can you speak to that idea?

Speaker 37 ([02:47:10](#)):

Yeah. So I was here not so many weeks ago with sound fiscal stewardship. We do operate several financial transparency portals. We have one that's a revenue portal where you can compare actual revenues to what the budgets are. And currently that portal has 23, 24 and year to date 25. We also have an expenditure portal where you can look at the expenditure side of the budget equation to compare to actuals and as well as our very robust CIP and operating budget portal where we have all the updated materials as we create them. The first two things are live links. So as the city cuts payables every week, you guys approve Summit Commission tonight. When those get posted, those go up into the portal and are up to date for the public to view.

Speaker 2 ([02:47:59](#)):

And so that then brings to how does one get to that information. So you can't just knock on the door and we can't hand you like we used to the whole budget and say here because it's probably there now, but everyone used to get a paper copy of the budget and carry it around and we'd figure it out. So today, could somebody go get a copy of the paper budget if they want, or I should say an electronic copy of an equivalent of the whole budget if they ask for it?

Speaker 37 ([02:48:23](#)):

Yes. We make copies of the budget available on the website that Mary linked to in her presentation. We also have copies of our annual financial report and on our finance homepage you can get to, there's one master link that will take you to all our transparency plurals.

Speaker 2 ([02:48:40](#)):

So there was some questions about how it was difficult to figure out some things about our bonding capabilities, where we're at, where we stand. I'm feeling like you're giving us all this information, and I know that information's out there, but is it hard to get to, is it something that is difficult for someone to navigate to via just their normal procedures or are we making it difficult for people to get, I want to make sure that we speak to that.

Speaker 37 ([02:49:03](#)):

Yeah, I mean I would welcome if anybody has any comments or questions, we have several email boxes that we're always welcome to answer questions or have assistance with anybody navigating the portal. As Mary indicated earlier this year, one of the new implementations we have is the CIP guide that talks about what it is, how to read it, how to use it, kind of explains some of the buckets and the terminology and some of those terms and conditions that we're used to using for the general public. Similarly, on the accounting side, we have the popular annual financial report that's written more at the common denominator. It doesn't have any complex tables, long mathematical equations. It's written to really tell the narrative about the city and our financial condition.

Speaker 2 ([02:49:51](#)):

And lastly, one commenter mentioned that we were unable to provide information relative to some of our financial health, yet that person was able to accomplish that information in no time at all. I don't even want to speak to the specifics, but is that really possible that we weren't unable to answer questions for people, that we had to seek some outside attention? I mean, are we not giving people what they need so they can cooperate with us and communicate?

Speaker 37 ([02:50:17](#)):

I'm afraid I'm not really specific with that. It would be hard for me to apply to that.

Speaker 2 ([02:50:22](#)):

I heard that and it made me wonder why we'd have to get somebody to try to summarize what should be fairly clear to somebody who's comfortable with reading this information.

([02:50:32](#)):

And most people are not just so I want to make sure clear, I think, but many people are not experts in this, and I know it's hard to understand, so I want to make sure I understood what was missing. I felt like we got a lot of lack of transparency and I want to make sure that if there is a lack of transparency, we talk about it here and that we make sure that there's not this thing in the room that nobody wants to talk about. So I feel like you're being very transparent and that you have been to this point, and if there's any way we can change or be better, I'd love to see that. But so far, I feel like you've provided a lot of great information tonight. I appreciate it. Thank you. So anybody else have any questions or comments on just kind of the motion, or excuse me, the movement forward?

Speaker 5 ([02:51:27](#)):

A couple comments in general first mean and kind of following up on your questions. I will say that we, I've talked to some of the folks from the coalition and I appreciate what they're doing. I mean, we have more people talking about it this year before, and I think that's good. Our budget book is really set up more based upon revenue funds. And so if you're just looking at the budget book, you're looking at each of the funds and there isn't a page in our budget book that says this is our total debt

Speaker 4 ([02:51:58](#)):

When

Speaker 5 ([02:51:58](#)):

You get your audit, but the audit is delayed if you go to the audit, we have the 23 audit. It's right there, easy to see in the 23 audit

([02:52:08](#)):

And soon before we will have the 24 audit at some point. But so I think part of the question is what are we trying to convey in the budget book? The budget book also is 25 pages and the audit is 400 pages. So you could obviously convey a lot more in the audit than you can in the budget book. I do think there's some things we can decide to present. Again, I'm happy that they're bringing these forward. I would say that we've had a dedicated plan starting when Craig brought this up, and we as a commission have been working towards some very large capital projects, a rate model that has increased our water and wastewater weights solid waste fee. But that started three or four years ago and we plan for projects in that rate model full years ago that we're building next year. And that's how the model works.

([02:53:13](#)):

And then we know we have a rate model that pays that off in the years to come. So we have been talking about these things for a long time and they are built into the models, meaning the models are ones that are sustainable that allow us to sell the bonds to do these projects. And as I kind of mentioned in my question, no question, the coalition is right that we have intentionally spent large sums of debt to do these large projects over the last several years. And we are in pretty much the last year of that major surge. And then it drops off, which has been the plan the whole time, get the major arterials done, get some of the big

projects out of the way, including the MSO campus is one of them, but also the water treatment plant. And so this has been an intentional discussion.

(02:54:13):

And again, I know that some people have not, don't think we've been transparent about it enough, but we've talked about it every, we budget you. I was talking to someone the other day who even in the last year, the transmittal letter, Greg's transmittal letter was, I'm so proud of the infrastructure, the amount of money we've put into the infrastructure over the last couple of years, and that's the first line in the transmittal letter because we are proud of that. We are working towards the lowest cost of ownership because of those changes. So we are doing, as I said my question, 83 million this year. A tape was off because we have maxed out some of those funds that we know what's sustainable. And so anyway, I think that's been the plan. We've been implementing the plan and we're at the top of that curve and then it goes down, which has been the plan all along. And I do think it's sustainable model that we have come to.

(02:55:26):

I hope everyone who's concerned about a lot of these issues comes back on July 8th when the budget comes out. Because when we talk about property tax, we talk about those are all, a lot of the things talked about tonight are big parts of our general fund issues. But certainly if you take a six, a \$6 million general obligation expense, that \$6 million is paid for your house, paid for over 20 years, you can't just drop a \$6 million project out of the CIP and move that to the general fund. That's not how it works, especially when you have some of those funds being paid out of the utility funds, those aren't transferable. It's not one-to-one ratio. And maybe we do, and I hope, and I've seen the video and I've seen some of the things that we've done to try to explain that it's not a one-to-one ratio, which is why you use funding.

(02:56:32):

As I was talking to someone the other day about this issue, if I spend \$50,000 in year one and in year two I buy a house, a \$300,000 house, my total expenditures just went up by 300% and my total expenditures went from 50,000 to 350,000, but my cash expenditures went from 50,000 to whatever, 70,000 as I make my payments over those years. So if you want to talk about the expenditures, you're talking about big expenditures that are now being paid out. So yes, our expenditures have gone up just like our debt's gone up, but that's not the same as what has been in the general fund, although it has an impact. It certainly has an impact. And we're going to be talking about that on July 8th. So I hope everyone comes back at that time.

(02:57:28):

And finally, I mean, I'm appreciative of the coalition and the survey results. I know they only have 80 so far, and this is the first time I heard them. I am interested in hearing survey results, though I will say I am a very big fan of our model. Some people say it's too complicated and it's too hard to use, but it's realistic when the surveys say, do you want to cut fire? Do you want to cut police? And do you want to raise property taxes? I think that's an easy, A lot of people say, well, don't cut fire, don't cut. Please don't raise my property taxes. But then it doesn't ask you the question. Well, then I just forgot the name of a

Speaker 36 (02:58:20):

Balancing act.

Speaker 5 (02:58:21):

Balancing act. The reason it's complicated is because what we do is complicated and you can't just say, this is what we'd like and go figure it out. Balancing act is complicated because what we do is complicated because they all interrelated. And so I know it doesn't work for everybody. So I'm not opposed to most survey results to get more information, but I'm a big fan of balancing act because we talked about this once. People said, well, people just go in with their PET projects and say, I want more

fire, so I'm going to go into balancing Act and put more money into fire, I just wanted to help police and all I care about is police. But balancing act makes you balance it somewhere. You have to go out and take it from someplace else or you have to raise taxes. And even if there's 50 people who show up with the goal of making sure whoever police get more money, they don't all take it from the same place. They don't all say we want increased property taxes. They don't all say we want to take it from parks and record, take it from fire. We get information from that because it forces them to say that. If the survey just says, do you want police cut? Well someone can go to that survey and hey, 50 people go take that survey and just say No, I don't want police cut. Okay, that's useful. People don't want police cut, but that is not as useful as trying to find that difficult answer of where to make that happen.

(02:59:55):

Okay. A couple other comments on what was brought up. I guess I'm not ready to do something different on Tennessee and Kentucky. I understand what's being requested. I know ninth and mass aren't the same, but those will be our first protected bike lanes and I wanted to see how those work before we build more protected bike lanes. Myself, that's not going to happen until 2027, so we still have some time on that. I am, I'm interested, I know affordable housing is going to be an issue and so I think that's something we have to continue to look at going forward in the CIP. But it's hard to know.

(03:00:43):

I do think we need to leave station six in. I kind of pushed to put Station seven in last year at the end in the 2030. I understand it makes sense not to put that in now, but I certainly want to keep Station six in and that's going to be a major issue going forward. And the last one I was going to say is overall I think I'm pretty supportive of the CIP as it exists. I mean as always there are new flashy things we'd rather spend money on because they make a difference, but that is not always the best use of the money and I think the CIP is focused on really maintaining our assets and so I appreciate that.

(03:01:40):

I might want to have, I mean I was a supporter last year of some of the west of the K 10 development projects and I know we've moved some of those in the off years out and because of the ability not to sustain those and I understand that I might want to understand that a little bit better in those out years and see if there's some, I mean those are developer driven projects, so there might be some development that comes along that helps us figure that out. And so I am just putting a placeholder on that. I mean obviously we're not going to vote on this till September, so we have a little time to figure that out. But I think that's something I want to highlight. And the last one was something else. I can't remember. I'm not sure. Can't remember now. He'll come to me later. Sorry I've talked too long. Anyway, thanks.

Speaker 11 (03:02:41):

Good, thank you.

Speaker 5 (03:02:43):

You want to add anything?

Speaker 11 (03:02:45):

Yeah, I'll probably not match vice versa.

Speaker 5 (03:02:50):

You don't want to,

Speaker 11 (03:02:52):

But I do appreciate your comments though, especially on the infrastructure and the illustration of where we are in the bell curve and how long and how hard we've worked to get there because a lot of that is deferred maintenance stuff that we've needed to work on and address for a very long time and we're finally doing it. And now that we are, we're reaching the top of that bell curve and working our way on the way down. But to answer the questions in front of us and some of 'em brought up at this time, I'm not interested in the, I understand where people were coming from on Tennessee, Kentucky, but I probably would agree with Vice Mayor Keldi that we should probably see how mass goes first. And also I heard tell there was going to be a study out there, so information from the study, affordable housing to commissioner sellers and Vice Mayor Finkel.

(03:03:47):

That'll probably be something that'll need to be addressed. I say probably, but given the climate of the federal and the state government, it's more than likely. So I know that's an ongoing conversation and I'm in favor of keeping station six in there as well. And to some of the other questions, I would lean more towards the second option on the capital sales tax, including both the Lawrence Loop and street maintenance. I think that seems like a more palatable option to me. The second one, there's not unfunded that I was switched to funded or delayed or reprioritized. I mean I know Vice Mayor was a little bit squishy on the west of K 10. I'm not sure about that one yet, but I mean I wouldn't go that far, but it'd be an interesting conversation. But no, and I think I answered the last one about the expansion proposal there. I think we at least need to have station sticks in there. I know that having station seven is a little bit more than we can process right now, but I think that gets us to a good spot to go ahead and start.

Speaker 5 (03:05:08):

Great, thank you. Sure. What's that? No way shorter than me.

Speaker 2 (03:05:13):

Yes. Was Mr. Seller, you want to I was Add in anything or even address those bullet points if you could.

Speaker 3 (03:05:19):

Yes, I sure can. And I don't apologize for talking long. So let's normalize commissioners talking long and actually conversing about complex things. So it's nothing wrong with that.

(03:05:34):

We're allowed to stay here until about 11 o'clock, so we have to use all that time to get things done then that's what we were elected to do. Any who? I digress. So I want to start with my initial conversation around federal dollars and only not only because I want to be able, I'm not trying to control the narrative on it. I want us to see the more holistic aspect of that. And what we have in front of us is a lot of uncertainty and a lot of moving targets. And I don't say that just because we need to look at our CIP and address our CIP. I think we've had enough conversation from other commissioners in regards to that and our staff answering the shows, what we've been in play with the CIP today as far as major projects within this that we've been addressing and that I'm glad we are addressing.

(03:06:27):

I'm excited about the MSO campus. I'm excited that we're moving. We're taking the danger out of our employees. We want to talk about the importance of projects and projects that are going to have sustainability. That is one that's going to sustain us. It's going's going to address employee satisfaction, that's going to address sustainability, it's going to address a lot of things as far as deferred and all those things as it related to the MSO. So I'm happy about that. Going back to the talk about federal dollars, I brought that up because the idea is that not to be too existential, the whole system is flawed. The fact of the matter is that we will never be able to raise the money needed to address the things that we need to

address within our city. That is between the relationship that we have with our state government and what we have with our federal dollars.

(03:07:20):

That's why you get hounded every 10 years to figure out, to make sure you complete your census and why we pay taxes. And I am not lecturing anybody. I am edifying us because as elected officials, it is our job to edify you in the gaps that things that we do not know. And I'm not saying you don't know, we don't know these things, but they are relational and they're complex and they are competing values and that's what we have to do. So when we're looking at the federal dollars, I have to look at this as a commissioner that there is no guarantee that we will get those are federal dollars that we received to address the Lawrence Loop, to complete it, to get to a point where we've made headway in it in these last five years than we ever have. It's federal dollars for transportation, for street maintenance, it's dollars for EPA, it's dollars for water treatment, it's dollars for housing.

(03:08:11):

So as you can see, we are intertwined into what has sadly been a flawed system that we've moved things around and duct taped and kicked to the side and said a little prayer and hoping that policy impactful policy change would happen and we would be able to do things essentially the right way. And that hasn't happened or we've made headways and we've tried to address those gaps as we can. Our ahab, our affordable housing trust fund addresses that. But we do need help from the federal government and the state government and right now we're in this weird space where anything we say and do, we're kind of Mirandized in a negative way about what we say or could potentially do could impact the money that you all paid the government to give back to your community. And that's ugly. That is super ugly. And that's where we're at right now.

(03:09:06):

So what I shared in conversation around the nine Dale project is that we have to figure out that competing and complexity of what are the things that we can try to take and bring back home to address and what are the things, what would that look like if there was no federal dollars? Don't know who it would go to because apparently we're all trying to do the same thing but the federal government doesn't want to fund us, but where does that money go? What do we end up doing? What does that look like? Does that look like sales tax increase? Does it look like addressing our CIP amount and increasing it to address things that our community says that they want like police and fire? What does that look like? What does that responsibility look like to the community as it relates to the conversation we have?

(03:09:56):

What is that sacrifice? This is all a form of sacrifice, but it's for the greater good. And so what I don't want us to do is decide on who is the greater good and as far as who gets the sacrifice, I don't want the lesser person to be sacrificed for someone else's greater good. But where is the balance and how do we see that and how do we change our definition and how we define and articulate that that's what, what's happening in our community right now. That's what should be happening. That's the second time somebody's phone went off while I was talking, silence your phones. So those are the projects that we're trying to do. Those are the things that we're trying to forecast and I appreciate staff bringing it to us as we continue to identify things in real time. So there's a lot of conversation that goes by that whatever coalitions seen and unseen heard and unheard are doing, that's the work that should be done and that we should be trying to bring information to educate everyone on this because no, we are not the holders of information.

(03:10:59):

We should be the shares of information and I don't want anybody to think that I'm withholding information because you don't deserve to know it. You're a taxpayer. You deserve to know it. You deserve to understand it. It's our job to help you understand it. So that rants over where I see things as far

as the CIP and as far as funding opportunities, one of the areas as far as things that were not funded this year that I feel like should be funded in our future years, yes, Ahab should be that affordable housing needs to have a balance there. The first thing, I know that there's some aspects to how we look at our funding and being able to have dollars within the CIP to address affordable housing gaps and opportunities that may not that come up that we can use to address that. And it should be there.

(03:11:49):

We know what those are. If it's land acquisition, we know from our partners what that could be. So let's be proactive in that. We've been proactive with conversation around fire and medical expansion. We finally put, and we solidified station six, we know that there's additional with station seven and relocations, I think there's some conversation for us to be had about CIP sales tax and that can be a bigger conversation. That could be coalition conversation about what that looks like. Is that appetite, what is the appetite? Because all of these solutions are going to have, we're going to have to address the appetite for it. And what is your appetite? I know in the survey it had some incremental suggestions for what that could look like. I think that from a survey perspective was a little bit leading because you kept it under one mill. We can't get a lot done with one mill. We can get some things done, but nothing in that CIP is going to get done with a one mill increase. So as you talk about competing values and what you value and what needs are, one mill is something to start the conversation. But as far as impact, we need to start having conversations about true impact.

(03:13:11):

I put initials in here. Okay, so some of the items that we have on the unfunded that I would like for us to strongly consider funding within the CIP was the Ahab. I mean it was affordable housing line item specifically. In addition to that, our farmer's market, when I look at this, this is a balance of community benefit as well as economic drivers. We are surrounded by ag. We need to look at that. So ag economics, agro economics is something that's always been a standard. It's been a solid in our community. We need to look at what investments look like for that.

(03:13:48):

I looked at the review for the pool painting for the indoor, knowing how we utilize that. That is an economic driver in our community. So looking at that the same way as well as the emergency shelter for women and families and splash pad west on the west side. Those are three things. Those are not part of the bigger pieces, but those are smaller, but they have a huge community impact and those are things that we need to look at. I know I've talked about this offhanded to staff I would like and we've talked about what projects are impacted by grant funding for federal dollars.

(03:14:30):

I want to look at the inverse of that and see and keep an eye on if there's opportunities for state and federal dollars to for, I don't want to put this a pie in the sky. I say world cup and that's not a silver bullet, but if there are funding opportunities, transportation, mostly probably transportation that we can maybe utilize those dollars to counteract some of the unfunded items that we have. Let's explore that option or if there's an opportunity to bring those up in conversations because then those are one-time dollars again that we can utilize to say that those are enhancements for World Cup the watershed. I know that the projects, I know we we're working on the middle. I thought we were under negotiations for the other piece. So that is to be continued. So I think there's just conversation for us to continue having on that and I think that covers mostly everything I have for now. Yeah, I think that's it. Well,

Speaker 12 (03:15:45):

Thank you.

Speaker 2 (03:15:46):

Thank you. Did you want to add to

Speaker 12 ([03:15:48](#)):

Yeah, a few items. I want to start with street maintenance. The fact that we're at 63.1 on our PCI and our goal is 70. My concern is that we're actually going backwards from what we had discussed years ago when we first started looking at street maintenance and trying to catch up with what we have because our goal is always to find the lowest cost of ownership and the way to do that is to make sure we maintain our infrastructure and it doesn't seem like we're doing that. So I'm very concerned about that, that if there's some way we can figure out how we can at least fund to the point where we're not going backwards, but it sounds like in the next few years if we don't do something differently, we're going to be down to 60 in our PCI, which costs more in the long run.

([03:16:35](#)):

Obviously the fire station six, I'm glad that we could finally get this in here and show that we're going to move forward with that. I think it's important to do that. The Tennessee Kentucky project, I appreciate the idea of looking at doing that. I don't disagree with seeing what Mass Street does first, but as we look towards redoing Tennessee and Kentucky streets that we put the prospect in there of, one of the design options would be potentially to look at the buffered lanes as part of that project and I would think that would be good. I do appreciate the coalition's work coming forward, especially their discussion about the debt helped me to understand tonight better where we're at with how much debt we can take on and I think that's really important to keep our thumb on that number to make sure that this is all sustainable.

([03:17:34](#)):

Appreciate that. The other item that has continued to give me pause is the MSO campus. When this was first discussed numerous years ago, when we started to get the plans together, the cost that we were presented with at that time was about 28 million to do it. And within the next two years after that, or maybe two to three years, all of a sudden it ballooned over a hundred million dollars and that has always given me pause and I wonder if we should possibly reevaluate that to see if there's something that we can't scale back on or make a different decision on because I just think that number is very concerning. So that's what I've got.

Speaker 2 ([03:18:15](#)):

Very good. Would you be interested in using any capital sales tax we talked about on loop funding at all or no?

Speaker 12 ([03:18:22](#)):

Yeah, I think the capital sales tax for sure. Yes.

Speaker 2 ([03:18:25](#)):

Make sure I got. Thank you. Great. I think that was a lot of information for everybody. I'm not quite sure how to move forward with kind of putting them all into a list, but I think staff has been paying attention and I think we all have some more time on our hands to talk more in detail. I'm not going to elaborate any further. I think everyone's pretty much touched on all the points that have been brought up and then also some ideas on how we could move things around. I like the idea of trying to maybe localize some of our public housing dollars if we can. I think that's an important step forward in removing ourselves from federal and state grants if they're not going to be available. I think it's important to keep that movement going forward in whatever means possible I think would mean how do we pay for that in the absence of federal and state dollars and we need to address that probably.

([03:19:24](#)):

I don't really want to swap anything around too much. I do agree that I think farmer's market's something that we've had laying out there for a long time. I think maybe we can come up with a creative way to address that problem in a larger project, perhaps down the road without trying to just earmark one thing or one set of dollars for that item. Maybe create something larger. But I don't know where I would get the money to. I don't see things being swapped out readily. I tried to move things around and it really wasn't very easy for us to do things in that fashion. So I would ask staff to see what it would take to maybe if there's any way to come up with an idea on the farmer's market or at least some planning, I think whatever dollars we could put towards creating some sort of agribusiness center here in town, I think that's a great idea and a way to leverage our agricultural roots and location. And then I think generally speaking, if we can focus on keeping focus on the future, but if we need to move dollars around, I'm okay with transitioning things a year or two, one direction or the other. But overall, I think I agree with pretty much everything that's been laid out here to the best of their ability. I went through a bunch of items to try to move things around and I didn't really come up with a solution, so I'm going to rely on staff to do that lifting.

(03:20:49):

And then I agree the street maintenance is something that the PCI index is something we've had longer than many cities and I think we've done a good job of trying to focus on that. But as we've focused on these larger arterials, I think our dollars have been spent in other ways and I think we need to continue to maintain what we have and whatever funds would not be fungible, I want to keep that money in that account as much as possible, our street maintenance funds. So I wouldn't be wanting to move anything from there, but that's about it as far as I'm concerned. I think I've got all those items touched on.

Speaker 12 (03:21:27):

I got one more thing.

Speaker 2 (03:21:28):

Yes, please.

Speaker 12 (03:21:28):

Yeah, I meant to mention the farmer's market something that if there's some way we can figure out how to get that going sooner, I think that would be important. I would support that.

Speaker 2 (03:21:40):

Yeah. Okay. I was just looking for info anyway. We could what it might take as far as dollars,

Speaker 12 (03:21:45):

Just

Speaker 2 (03:21:46):

Studying it and getting

Speaker 12 (03:21:46):

It hard to land.

Speaker 11 (03:21:48):

I would lean towards your funding it in the CIP as it is now is a little bit more difficult, but if there's an alternative way that we can find it, go

Speaker 2 ([03:21:59](#)):

Ahead. Another way to manifest it through another project.

Speaker 11 ([03:22:03](#)):

Yeah, absolutely.

Speaker 2 ([03:22:06](#)):

P to figure out

Speaker 3 ([03:22:06](#)):

How to do that.

Speaker 5 ([03:22:07](#)):

Yes. I mean I guess I will say even under the proposal I think, and the FOMO monkey proposal was for 27 and 28, and I guess I'd be much more interested in, I mean, understanding the full impact of that and where the funding sources are. I mean, I think something like the farmer's market is possible fundraising, possible grant opportunities, and I can't quite tell. I mean the proposal I think is for 5 million in 2028 with some planning money in 2027, is the 5 million the full building? Is that everything and we're paying for all of it, or is it 10 million that they're asking for 5 million of,

Speaker 2 ([03:22:59](#)):

Or

Speaker 5 ([03:22:59](#)):

If it's a \$5 million that if we have a million dollars to help fund it and they raise 4 million, I mean, there's a lot of unanswered questions for me on that.

Speaker 2 ([03:23:08](#)):

Yeah, absolutely.

Speaker 3 ([03:23:08](#)):

And Commissioner, I think you bring it up for that piece, and I know we get the narratives after everything we see with the scoring and everything is, and maybe that is a function of process for some of these project requests that we get that are either resident requests or organizational requests. Do we need to look at addressing those as we talk about public private partnership? Are we looking at, we talking about match language, percentage match? Is that, do we need to, I don't, don't have to come up with the answer tonight, but I think that is something that we need to think about as we're starting to get more interesting residential requests for different projects. Is this something that's available that we want to say, Hey, you need to come up with a 2% match or at least a 2% part of this project or 5% project part if it's going to be CIP funded? I don't know. I think that's conversation that we need to start having as we start to see several of these residential requests come in. We had one on here for roughly 25 million for a subdivision. What does that look like? How do we break that down? I think those are all questions that

one or two commissioners may have on here that may change how they see or how they perceive our project on here to the point that you made.

Speaker 2 ([03:24:48](#)):

Okay. So any other things you want to point out before we move on from this item? I think we've provided the input. I'm not sure exactly who needs it. Rochelle, did you get what you needed, Allie, did you get what you needed? The answers not

Speaker 3 ([03:25:07](#)):

Clears. Mud for the next month.

Speaker 2 ([03:25:08](#)):

More vague. Okay, very good.

Speaker 3 ([03:25:11](#)):

Okay.

Speaker 2 ([03:25:12](#)):

Alright, I think that'll do for now on that item two, let's move on to our commission items, which is item F

Speaker 5 ([03:25:19](#)):

And the people leave.

Speaker 2 ([03:25:20](#)):

Yeah, I guess if anyone wants to leave, I'll give us a minute break so we're not trying to talk over each other. Thank you. I need to wonder what that,

Speaker 4 ([03:25:58](#)):

Okay.

Speaker 2 ([03:26:05](#)):

Alright. Thank you. Alright, the next item are general commission items. Commissioners. Do you have anything you want to bring up this evening? That's a name. Okay. And then we're going to review our future agenda items.

Speaker 12 ([03:26:24](#)):

I do have a question.

Speaker 2 ([03:26:25](#)):

July 1st. Yes.

Speaker 12 ([03:26:26](#)):

Yeah, I do have a question. Is there a specific reason as to why we're waiting to present the parks and recs proposed membership and fees until after the city manager's budget is presented on July 8th? It seems to

me like that should be either presented at the same time or for, because I'm assuming your budget would include any recommendation from the parks.

Speaker 38 ([03:26:51](#)):

Yeah, it will. I think it is managing the agenda and giving enough space so that we can have full discussion of what my budget will show is the revenue line. So it won't show necessarily the structures of what all the fees will contain. We want to have that discussion in a full transparent way. And what my proposed budget will have is just reflecting the revenue expectations that we are going to be getting on there, not necessarily how those revenues will come in.

Speaker 16 ([03:27:27](#)):

So

Speaker 38 ([03:27:28](#)):

I think we just want to budget our time on the budget

Speaker 16 ([03:27:33](#)):

Correctly

Speaker 38 ([03:27:34](#)):

And then give another shot at giving a full presentation on a piece of it, which is we know is new to the community and deserves some discussion.

Speaker 3 ([03:27:43](#)):

Okay.

Speaker 38 ([03:27:43](#)):

Is that okay? Yeah.

Speaker 3 ([03:27:45](#)):

If that's the case, can we ensure that the parks and rec conversation comes before the revenue neutral conversation?

Speaker 2 ([03:27:53](#)):

The revenue is that you said

Speaker 3 ([03:27:55](#)):

I'd like to talk about, I mean the

Speaker 2 ([03:27:57](#)):

Revenue neutral hearing. I

Speaker 3 ([03:27:58](#)):

See. We put the agenda together. I would prefer that we speak to,

Speaker 2 ([03:28:01](#)):

Oh, I see on the meeting

Speaker 3 ([03:28:02](#)):

The fees before we talk about revenue neutral, they're listed on the same meeting. Right, but I'm just saying I

Speaker 38 ([03:28:09](#)):

An order. I understand that. Thank you.

Speaker 3 ([03:28:11](#)):

I want a fee presentation to come before the revenue neutral presentation.

Speaker 38 ([03:28:14](#)):

Yeah, that's a good idea. So

Speaker 3 ([03:28:15](#)):

I don't have to change it that day.

Speaker 5 ([03:28:17](#)):

No, that makes sense.

Speaker 38 ([03:28:21](#)):

Mayor, if I may, I just saw an email. I think we may be pushing back the resolutions for setting public hearing dates for the gateway community. It is strictly to set the dates, but I don't think we're going to have the attendance we need of people to do that just in case there were questions that you would have. So I want to let you know, we likely will see that item on July 8th. That's a possibility. I want to let

Speaker 2 ([03:28:48](#)):

You know, due to the lack of available resources for us to make a decision. Yeah,

Speaker 38 ([03:28:51](#)):

It's better.

Speaker 2 ([03:28:53](#)):

It's

Speaker 38 ([03:28:54](#)):

A busy time for some people. Understood.

Speaker 2 ([03:28:58](#)):

Anything else about the other agenda items coming up in July?

Speaker 5 ([03:29:05](#)):

Given our conversation tonight, it said that in some people's, the coalition in particular is concern about some of the numbers. How tentative is that August 12th receiving the audit? I do think it'd be helpful to have that audit out and all those numbers out before we take the final vote on September 2nd.

Speaker 6 ([03:29:32](#)):

I can answer that. I don't think Rochelle's here, but we had worked on getting it on and I think they wanted it in July. The issue was it was the night they were available was the same night as two other big items that may be moving. So if it happens, it would be earlier, but it wouldn't be any later than that

Speaker 5 ([03:29:52](#)):

Date. Okay. That's good.

Speaker 6 ([03:29:53](#)):

Is that helpful?

Speaker 5 ([03:29:53](#)):

Yeah, no, I think that's helpful. I think there's some

Speaker 38 ([03:29:55](#)):

Information, if we can get it earlier, we will. The good news is we can, and that is, that's big news. An unusual opportunity

Speaker 5 ([03:30:04](#)):

That Yeah, I just think, yeah, that's a great answer. Soon is good. Thank you. Yeah,

Speaker 3 ([03:30:11](#)):

And we still don't have August 19th listed, so

Speaker 5 ([03:30:14](#)):

That's true.

Speaker 2 ([03:30:15](#)):

It dropped off. We have a day there somewhere.

Speaker 4 ([03:30:20](#)):

Okay.

Speaker 2 ([03:30:23](#)):

Alrighty, let's move on. I don't think there's anything else. The city manager's report,

Speaker 38 ([03:30:32](#)):

These are just our recurring reports. Happy to answer any questions you may have.

Speaker 2 ([03:30:39](#)):

Any questions on either the monthly performance report or the utility billing report that we've gotten this evening. Okay. Is there any public comment on the city manager's report? No. How about online?

Speaker 6 ([03:30:55](#)):

Yes.

Speaker 2 ([03:30:56](#)):

Okay.

Speaker 6 ([03:31:09](#)):

Michael, you can go ahead.

Speaker 39 ([03:31:12](#)):

Hey, don't boot me off when I'm done because I'll be back and I wasn't going to attend this meeting, but there were several things that have happened tonight that I just had to speak. And if I could have got down there in time to speak in person, I'd have been on my way first thing while we're on the city manager's report. And just to get this out of the way, right up front, since it was just talked about. And this is a city manager responsibility. He's hiding those fees from you until you're over a barrel and you have no choice but to approve his plan. And I hope all those people in there know that. That's all I got to say on that part. Thank you, Sherry.

Speaker 4 ([03:31:43](#)):

Thanks Michael.

Speaker 6 ([03:31:52](#)):

That was it. That was

Speaker 2 ([03:31:54](#)):

Okay. Great. Thank you. Commission calendar items. Nothing exciting there. Alright. I'm going to go ahead and end the live broadcast at this time and ask anyone who wants to leave to do so now. And then we will go ahead and move on to our general public comments in a minute. Okay. The public is allowed to speak on issues or items not scheduled for discussion on the agenda.