

Speaker 1 ([00:06:04](#)):

You guys ready?

Speaker 2 ([00:06:05](#)):

Okay. All right. Good evening and welcome to the May 6th, 2025 Lawrence City Commission meeting. I'm going to go ahead and give the rules of the meeting and Sherry was going to do that for us tonight.

Speaker 3 ([00:06:21](#)):

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 panelist. 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 and the city reserves the right to turn videos off or mute participants. Thank you Mayor.

Speaker 2 ([00:07:22](#)):

Thank you Sherry. Alright. The first 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. Is there a motion to approve the agenda?

Speaker 4 ([00:07:34](#)):

Move to approve the agenda.

Speaker 5 ([00:07:35](#)):

Second.

Speaker 2 ([00:07:36](#)):

Motion to approve the agenda by Fin Dye. Second by sellers. All in favor say aye.

Speaker 4 ([00:07:40](#)):

Aye.

Speaker 1 ([00:07:41](#)):

Aye. Aye.

Speaker 2 ([00:07:42](#)):

Those opposed? Motion passes. Five zero. Alright, we're going to go ahead and move on to the proclamations. And this evening we have Patrick Schmitz, president and CEO of Burton asked to receive the proclamation that is proclaiming May, 2025 is Mental Health Awareness Month.

Speaker 6 ([00:08:15](#)):

Thank you Mayor Dever, vice Mayor Finkel Die Commissioners Sellers, Larson and Littlejohn for the opportunity to be here and recognize mental health Awareness month as we approach the Bur Nash Center's Diamond Jubilee in July, we are celebrating 75 years of growing together and our collective commitment to nurturing growth and supporting behavioral healthcare in Douglas County, Kansas. None of this would be possible without the dedicated team at the Burt Nash Center and our generous community that champions behavioral wellness for all. Here are a few examples of the extraordinary achievements we've seen at the center this past year. Achievements made possible because we are growing together. The Treatment and Recovery Center team served 1,582 individuals in 2024. Our acceptance rates for referrals is 99.9% with 98% of those served returning successfully back into our community. This achievement underscores our commitment to preventing hospitalizations and incarcerations by providing comprehensive community-based support for individuals in crisis.

(00:09:30):

The mobile response team intervened in 743 crisis situations out in the community marking a remarkable 80% increase from 2023. The team also followed up with post-crisis care outreach resulting in a total of 1,272 community interventions. Additionally, I am proud of our new partnership with Lawrence Douglas County Public Health, which is helping us to provide better health outcomes for our friends and neighbors by leveraging our respective strengths. Our two agencies are focusing on the holistic wellbeing of our clients in creating opportunities for solid care coordination between physical and behavioral health. However, the ongoing demand for behavioral healthcare remains significant, particularly due to the current crisis affecting our children and teens. Rising rates of suicide attempts and deaths highlight a dire need for accessible emergency psychiatric care for youth here in Douglas County. To directly address this crisis, we are developing a new crisis center, specifically designed for youth and families.

(00:10:47):

In the coming months you'll hear more about the judge Jean Shepherd Youth Recovery Center. The first facility of its kind in Kansas, dedicated to saving young lives and healing families. The simple fact is that many of our friends, family members and neighbors need specialized behavioral healthcare and an increasing number are struggling to afford it. Currently 33% of our clients, an average of 643 individuals per month are among the 240,000 Kansans who lack health insurance. These are individuals who do not qualify for Medicaid and cannot afford commercial insurance. The Burton Ash Center team has grown significantly because of the demand for behavioral healthcare is so great. With your continued support, we will work alongside individuals as they overcome their behavioral health challenges and return to their families, their careers, and their fullest potential. We are grateful for your partnership as we continue growing together. Prior to the start, I provided each of you with a copy of our annual report. This is much larger than our usual annual report and in part because it celebrates our 75 years, so there's quite a bit in there about the 75 years and Dr. Nash, but also about the amazing work that we've done this past year. So thank you again for recognizing May as Mental Health Month.

Speaker 2 (00:12:13):

Thank you Patrick and I appreciate the numbers, the statistics, and the number of people that you've been able to help and you've been a good partner and we look forward to helping you in the future. Alright, I'm going to go ahead and read the proclamation. Whereas the US surgeon General states that mental health is fundamental to health, personal wellbeing, family and interpersonal relationships and contributes to community and society. And whereas mental illness affects one in four Americans every year regardless of age, gender, race, ethnicity, religion or economic status. And whereas the US Surgeon General has found a range of treatments exist for most mental disorders and the efficacy of mental health treatments are well-documented and whereas Lawrence Kansas has made a commitment to community-based systems of mental healthcare for all residents and whereas the guiding principles of community mental health care have always been comprehensiveness, cost efficiency, effective management, and high quality and consumer responsive services.

(00:13:09):

And whereas Mental Health America, the National Council for Community Behavioral Healthcare and the Bur Nash Community Mental Health Center observe mental health month every May to raise awareness and understanding of mental health and illness. Now therefore, I Mike Dever, mayor of the city of Lawrence, Kansas, do her by proclaim the month of May, 2025 as mental health month and call upon all citizens, government agencies, public and private institutions, businesses and schools to recommit our community to increasing awareness and understanding of mental illness and the need for the appropriate and accessible service for all people with mental illness. Thank you. Thank you. Alright, the next proclamation is to proclaim the month of May, 2025 is Maternal Mental Health Month and Anna Palermo I think is here to speak to this to provide us some insight to receive the proclamation.

Speaker 7 (00:14:11):

Good evening city commissioners and fellow community members. My name is Anna Palermo. I'm a clinical social worker and perinatal mental health therapists practicing here in Lawrence at the Mind Body Healing Collective. Tonight I'm here on behalf of the Kansas Chapter of Postpartum Support International. To thank you for this meaningful proclamation, recognizing maternal mental health month on behalf of mothers, families and advocates across our city and state. I'm honored to accept this acknowledgement every year one in five women experiences a mental health disorder during pregnancy, after pregnancy loss or within the first year after childbirth. This includes postpartum depression, anxiety, PTSD and in rare but devastating cases, postpartum psychosis. One in five is not just a number though. These are our neighbors, our coworkers, our sisters, our friends. Yet despite how common these conditions are, only 75% of affected women receive treatment even though it is available.

(00:15:19):

This silence can have long-term impacts on maternal wellbeing, infant development and family stability. Untreated maternal mental health conditions are a leading cause of maternal mortality and they cost the United States over \$14 billion annually. But there is hope early screening, better education, stronger community support can save lives by recognizing this month our city is saying that Mothers matter, their mental health matters and that stigma has no place here today I honor all of the stakeholders in our community, supporting families, OBGYNs, pediatricians, psychiatrists, doulas, therapists, early childhoods specialists, and my former colleagues and friends at the Bur Nash Community Mental Health Center and Treatment Recovery Center. There is also a slew of nonprofit organizations working hard every day to strengthen and support families. Among those is postpartum support international. From our website, you can access free high quality therapy support groups and a provider directory if you or someone you know is looking for support.

(00:16:29):

During this critical time, I also spotlight Build Your Village, a local nonprofit that offers peer support bringing mothers together to support other mothers. During this chapter of life this weekend, there will be a unique opportunity through Build Your Village, recognizing Maternal Mental Health Week. You can join us at Prairie Park Nature Center Saturday at nine 30. If you or your family would like to honor this significant month today, let this proclamation be more than just a symbolic gesture. I instead invite it to be a spark. A spark for open conversations, accessible care, and policies that protect maternal mental health for generations to come. I thank you city commissioners for leading the way.

Speaker 2 (00:17:16):

Thank you. Honor, I am really impressed with the proclamation and putting the spotlight on this issue. I know it's something that's coming of age finally and I think it's important that we speak publicly about it as often as possible, so I'll go ahead and do so now.

Speaker 8 ([00:17:30](#)):

Thank you.

Speaker 2 ([00:17:30](#)):

Whereas the health of women and their families is of high priority to the state of Kansas, the period spanning pregnancy through parenting is a universal time of vulnerability with serious concerns including rising maternal mortality and racial inequalities in maternal outcomes across the nation. And whereas at least one in five new and expectant mothers are affected by perinatal mental health conditions such as depression, anxiety, obsessive compulsive disorder and psychosis. Whereas mothers may experience symptoms which are often overlooked and heavily stigmatized because mothers suffering from perinatal mental health condition often feel confused, ashamed and isolated. And whereas many at risk women may not seek help because they're not informed about the perinatal mental health conditions due to lack of provider knowledge, screening treatment and community support services. Whereas maternal health is essential for women and families of all backgrounds collectively supporting maternal health can help improve the availability and access to effective treatment prevention and support services for better, more equitable outcomes for all. Now therefore, I Mike Dever mayor, the city of Lawrence, Kansas, to hereby proclaim the month of May, 2025 is Maternal Mental Health Month and urge all citizens to join the Kansas chapter of Postpartum support International to raise awareness of perinatal mental health conditions, reduce associated stigma and support the efforts of medical and behavioral health providers, community agencies and Kansas home visiting and doula providers to assist impacted families. Thank you.

([00:19:17](#)):

Alright, and the next proclamation is to proclaim the week of May 4th through May 10th, 2025 as drinking water week. And today I think we have Steve and Craig here to talk about our great water supply.

Speaker 9 ([00:19:30](#)):

Yes. Thank you Mayor Commissioners for this opportunity to recognize drinking Water Week. My name is Steven Craig, I'm the treatment division manager for the city's municipal services and operations department. Today we recognize drinking water week. It's an annual celebration led by the American Waterworks Association. This week is a chance to reflect on the essential role that safe, reliable drinking water plays in our daily lives and to acknowledge the dedicated professionals who work every day to ensure that access. Here in Lawrence, our team takes that responsibility seriously, whether it's optimizing our treatment plants closely, monitoring water quality, investing in our infrastructure, or exploring innovative treatment technologies, we're committed to providing our community with the water that is safe, clean, and dependable. A W'S theme this year, protect the Source is a timely reminder that safe drinking water begins along before it reaches your tap. Our ability to deliver clean water is directly tied to the health of the Kansas River and the Clinton Reservoir.

([00:20:43](#)):

Protecting these sources from pollution and overuse requires a lot of collaboration, long-term planning and community awareness. It is a shared responsibility and one we proudly take on every day. This week we encourage all Ians to take a moment to learn more about where your water comes from, how it is treated, and how the people behind the scenes make it all possible. It is a great time to celebrate this critical service and to remember that safe drinking water doesn't happen by accidents, it takes vigilance, investment and shared commitment to stewardship. And once again, thank you for this appro. Thank

Speaker 2 ([00:21:23](#)):

You Steven. Whereas May 4th through the 10th, 2025 has been declared as drinking water week across the United States and whereas Ians are fortunate to have two independent sources of fresh water, the Kansas River and the Clinton Reservoir ensuring a reliable and resilient supply for our community. And whereas water is one of Lawrence's most vital natural resources, essential for public health, fire protection, economic growth, and overall quality of life. And whereas drinking water is essential to our community's health, hydration and hygiene, the dedicated city of Lawrence staff, including engineers designing the capital projects operators, ensuring water safety and quality and the pipe crews maintaining critical infrastructure play a vital role in delivering high quality drinking water from its source to our residents taps supporting the wellbeing and the prosperity of our community. And whereas the city of Lawrence operates and maintains two water treatment plants, seven water towers, 3,688 fire hydrants, 343 miles of distribution lines and 117 miles of transmission line mains ensuring a safe and reliable water supply for the community.

(00:22:33):

And where as stewards of our water infrastructure, we must safeguard this vital resource for current and future generations. Lawrence's residences are encouraged to protect our source waters from pollution, practice water conservation, and engage with the water system by learning about its treatment and delivery. Now therefore, I Mike Dever mayor, the city of Lawrence, Kansas, to hereby proclaim the week of May, May 4th through the 10th 2025 as drinking water week and encouraged the Lawrence residents to actively learn about community water infrastructure and to use our voices both online and in person to share why waters is essential and invaluable and needs more investment to ensure its equitable access across the nation. Thanks Steve. Alright, and finally, the last proclamation is to proclaim the week of May 4th through May 10th as well as Public Service Appreciation Week. And today we have somebody from Human Resource. Oh, hello, sorry.

Speaker 10 (00:23:35):

Hello. Good evening, mayor and commissioners. My name is Shelby Patch, I'm your risk manager and engagement manager. Thank you for this proclamation and for recognizing the hard work and commitment of our public service employees. I'm proud to accept this on behalf of the dedicated teams in park recreation and culture, fire, police, planning and development, internal services, MSO, homeless Solutions, parking Municipal Court and Transit, each one plays an essential role in serving our community. These individuals, they work with pride and purpose often behind the scenes to ensure our city runs smoothly and safely. Their commitment shows in every aspect of our community. They help create a safe and secure environment, support strong and welcoming neighborhoods, contribute to our city's unmistakable identity and build the foundation for a connected city. Our employees go beyond simply doing their jobs. They answer the call when it matters most in the face of emergencies, severe weather or unexpected changes, challenges. They bring knowledge, care and determination and no matter the situation, they show up, they step in and they help out because that's what public service is about. This week and every week we are grateful for their dedication and hard work to make the city of Lawrence a place we can all be proud of. Thank you.

Speaker 2 (00:25:01):

Thank you, Shelby. I think we all here appreciate all the employees very much and although we're just honoring it this week, I think we all agree and I think you stated well every day. We need to appreciate the people that put in the effort, especially when times are tough. So thank you for coming here and receiving the proclamation.

Speaker 3 (00:25:18):

Thank you.

Speaker 2 ([00:25:19](#)):

Whereas Americans are served every single day by public servants at the federal, state, county, and city levels. These unsung heroes do the essential work that improve the quality of life and keeps our nation and communities working. And whereas public servants serving the Lawrence community include approximately 850 city of Lawrence employees working in many areas such as public safety, police and fire, public works, transportation, parks and rec, municipal court utilities, solid waste management, planning and development, and the internal services that keep our organization running such as the information technology, finance and human resources divisions. And whereas the city of employees deliver services each day that enhance the quality of life of the Lawrence community and whereas the city of Lawrence employees provide these diverse services with character, competence, courage, collaboration, and commitment, these employees work to make progress in the city's strategic plan outcome areas of creating a Lawrence community with unmistakable identity, strong and welcoming neighborhoods, prosperity and economic security, and with the infrastructure and services that create a connected city and a safe and secure community. And whereas the city of Lawrence is committed to building and engaged, empowered organizational culture where people throughout the organization are trusted, supported, and cared for as we build community Now therefore, Mike Dever, mayor of the city of Lawrence, Kansas do hereby proclaim the week of May 4th through the 10th 2025 as Public Service Recognition week and encourage all citizens to recognize the accomplishments and the contributions of government employees at all levels, including all the public servants serving the Lawrence community. Thank you.

([00:27:12](#)):

Next item on the agenda is the consent agenda and items on the consent agenda are considered under one motion and approved by one motion. Members of the governing body may remove items for separate 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 in this area. Are there any items from the consent agenda? Anyone from the commission would like to be removed? Okay. Are there any items that are quasi-judicial in nature that would like to be removed by the public? Okay. Seeing none, is there a motion to approve the consent agenda?

Speaker 4 ([00:27:54](#)):

Move to approve the consent agenda. Second.

Speaker 2 ([00:27:57](#)):

Motion to approve the consent agenda by Fin Dye. Seconded by sellers. All in favor say aye. Aye. Those opposed? Motion passes. Five zero. Alright, the first item on the agenda is the regular agenda items and that is to consider actions related to the University of Kansas Gateway Project.

Speaker 11 ([00:28:20](#)):

Thank you Mayor. Good evening commissioners. Tonight I'm excited to present a proposal by KU for the next phase of the David Booth Memorial Football stadium and the development of the Gateway District. This is a project involving the university and its affiliates, private developers, and the state of Kansas and our local community. The proposal calls for specific public financing tools that include star bonds and tax increment financing. For your consideration. Tonight is the establishment of the STAR and TIF district boundaries. There will be several subsequent steps that will require the consideration approval of the city Commission in the next several months. This is the first step. The city's team, including our consulting partners of Baker Tilly and Gilmore and Bell have worked with the KU team to negotiate the general terms of this project. We have included a memorandum of understanding that is a general outline of the expected terms.



(00:29:13):

This is to give you and the community a sense of the primary elements of the agreement we expect to fully develop over the next several weeks and months. This MOU is a non-binding summary which will guide the negotiating teams in the construction of specific agreements, which will ultimately be considered by the city commission and be binding on all parties. Again, tonight is not an approval of the terms, but rather only a consideration of the boundaries of the district. I will conclude with my recommendation to approve these first steps and I look forward to continued work to move through these next parts of the process for this important project. I'll now introduce Kevin Wimpy with Gilmore and Bell, who is our bond counsel and part of our team to further outline the actions this evening and going forward.

Speaker 12 (00:29:58):

Thank you sir. Alright, thanks Craig and good evening mayor and commissioners. Nice to see you all again. I'm Kevin Wimpy with Gilmore and Bell. Joined tonight by my colleague Chanel Perez. We represent the city as your bond council, meaning we represent you on bond related matters and related economic development matters such as these. So tonight you have consideration of formation of two districts, tax increment financing district, and a star Bond financing district. Do a quick refresher of how those tools work at a high level and also there's a lot of procedural overlap between the two, so I'll try to spotlight some of the key differences tonight of where we've been and where we're headed. Assuming the item would advance, as Craig mentioned, there is an MOU to provide that financial background and so forth, but none of your votes tonight commit the city to any financing.

(00:30:46):

These are putting in place the districts or the vehicles to proceed down the statutory path toward a possible future financing. First to start with Tiff, this tool is intended to capture growth and assess valuation. And so excuse me, what that means is that the taxes are paid by the property owners within the tax increment financing district as normal and the growth in the assess valuation or the taxes eligible to that growth can be captured under the statute and used to repay eligible costs or repay bonds issued to finance those eligible costs. Excluded from that capture are 28 mils of school district financing, so 20 mils eligible to the statewide levy, then eight for the local capital outlay levy for the school district. Eligible costs under the statute are generally horizontal infrastructure costs, acquisition costs, so think horizontal infrastructure and general prohibition on financing vertical construction using tiff, tiff and also Star Bond financing involved two high level steps with step one being establishment of a district, which is the subject of tonight's ordinance and that establishes the boundaries and geographic area of the TIF district.

(00:32:02):

It also critically sets the base year assessed valuation. And so that's the metric against which future growth is measured to determine what amount of property taxes could be captured for the project. If a project advances beyond that district stage, it goes to the TIF project plan stage, which generally repeats the same procedural aspects we took to get here tonight and sets forth the maximum 20 year term, which is the maximum life of a TIF project plan and also adoption of a TIF plan permits financing the project, including issuance of bonds. The procedural elements to get here tonight included a resolution calling a public hearing at your April 1st meeting. And then since then there have been the required statutory notices published in the paper, mailed notices and notifications to the school district and county all setting up tonight's public hearing switching to the star bond. This tool captures the incremental growth and sales taxes within the star bond district that includes that up to 90% of the state's sales tax.

(00:33:03):

And as this group's aware, that's the majority of sales tax imposed in Kansas at 6.5%. It also includes capture the city's general or undedicated sales tax, which should be 1% of your 1.6% and also your share of the county's sales tax, general sales tax within the district. So in rough terms, that's usually three to one

or four to one states dollars versus local dollars for a General Star Bond district similar to tif, there's the two steps of first establishing a district and then second, moving on to the star Bond project plan stage. Similar to tiff, establishing a district creates the geographic boundaries and also sets the base sales tax. And under the Star Bond Act when we refer to the base, it's measured by taking the previous 12 months of sales tax collections within the district and then in the future sales tax is exceeding that metric or what are captured and can be used to repay the project costs.

(00:34:02):

We took all the same attendant notice and publication requirements including publication in the paper notice to property owners and so forth within the proposed district. And in addition, the STAR Bond Act requires the Secretary of Commerce to render a letter deeming the area eligible for financing, which occurred a couple of weeks ago. So to conclude tonight following public hearings on both the Star Bond and TIF district, we consider ordinances establishing those districts which again set the boundaries geographically and also set the base values for future capture. And should you advance the item, we'd move on to the plan stage for both including development of a larger agreement that would set forth the financing terms with the university, which would be brought before you after repeating a lot of the same procedural steps we took to get here tonight. So happy to respond to any questions and I know that the university is also here and has several slides prepared to provide an update on the project.

Speaker 2 (00:35:01):

Great, thank you. Kim, do we want to move forward with the presentation from KU then? Okay, please

Speaker 13 (00:35:15):

Mayor, members of the commission, thank you for having us today. I am Jeff dewitt, the Chief financial officer for the University of Kansas and what I would like to do, I assume there'll be a slight presentation come up here and I'll walk you through very quickly. Just to remind you what we talked to you about last December, it's been that long City manager and I and others have spent a lot of time together since December, like every Friday, first couple hours every Friday trying to work through and understand the terms and conditions of the project. So let me walk you through this. This is the rendering of what this would look like when completed and you'll see the east side of the stadium is completed. You'll see a hotel, which is the tan colored building. I'll talk a little bit more about that in a second.

(00:35:57):

The browner area is the apartments, student housing and then you can see the underground parking garage in the very bottom of the picture you can see the opening to get into the underground parking garage. There's a 20,000 square foot plaza and this all compliments the project in terms of making that whole multi-use stadium go. It is going to open on August, but it's going to open with the old side of the stadium still there. The conference center will have a hard time booking people who stay longer from out of state until we get this part of the project built, but it will begin operating in August. We're going to have graduation there in just a few weeks. You'll be for the first time, see the big scoreboard, see how that works. And you'll get a flavor for what this is going to look like when it opens as we're working on all the interior in the coming weeks and months.

(00:36:45):

This is what it will look like on August. It will be the west and north part of the stadium completed 55,000 gross square foot conference center, which is to the bottom right of the picture, Anderson family Complex, kind of to the top right of the stadium. And again, it's going to open in August with our first events and our football games will be played there instead of Kansas City this coming year. And forevermore even during construction of phase two, assuming we get all the approval that we'll continue to play football and our sporting events in that particular facility as well as a multi-use conference center.



This is the elements of the project in more detail. Phase two is the east side of the stadium that's going to be largely donor funded and we're working on that with the donors now to get that project finished up.

(00:37:31):

162 Key Service Hotel or a Marriott Cascade Brands similar to what's in the plaza in Kansas City. 43 student housing beds, which are really critical to our enrollment and all the efforts we're taking. We need to do a thousand beds on campus. We've got approval from the state for some of that funding. But this is a key element because this is being provided by the developer as part of their the project retail restaurant and office 43,000 square feet. I'll get in a little bit more detail of that in a minute. We've had lots of meetings with downtown Lawrence to make sure that what we're doing there compliments does not compete with the downtown Lawrence area. And I'll show you that in just a second. Replacing 361 spaces lost by the development with a thousand spaces underground. We have a parking study we talked to the neighborhood about.

(00:38:16):

We're looking at that and we're looking at adding \$5 million to the project to make sure the parking is covers the parking needs of the facility. And then the Plaza 20,000 square foot Plaza. And this project, and this is from OVG, our operator who by the way the mid general manager sets on Explore Lawrence's board where we want to be in with you as a community. So we have the general manager, this is actually on the Explorer Lawrence board with a lot of the community members with this project. The output of that conference center doubles because you bring in people from out of state, they have a place to stay, they have a place to be, a place to go. So this is really critical to making the state's investment, which is \$85 million in the stadium and look at Star bonds is another 40 plus million dollars of state investment if we do phase two to make that really, really go.

(00:39:04):

This is a little bit more detail in the retail office space. The downtown community wanted to know what we were thinking about what the developer was thinking about. You can see a KU store, restaurant and retail inside the hotel student focused market. So this is going to be focused on the students in the market nearby athletics, things that are going on there, office space, 10,000 square feet. We're looking at maybe a healthcare provider that may want to partner with us there, but we have to land that and again, total 40,000 to 43,000 square feet and that's the view of what that plaza would look like when completed, which is nothing like KU has anywhere else.

(00:39:41):

The culture and community benefits are, it's an entertainment and recreation, sporting events, concerts, other entertainment options for residents and visitors. This will be a place to go connected to downtown Lawrence through the corridor. And we've been talking even about that with the community of ensuring that we work with the hotelier and find a way to link downtown that's in the MOU actually is the effort we're going to take to help link those two together because we want this to lift Lawrence, not just lift KU community gatherings with local meetings in the conference center and community events on the Gateway Plaza. It enhances our multi-use stadium. This is not a football stadium. This is a multi-use stadium that's activated all the time to enhance both the city of Lawrence and the university and be that experience that students expect whenever they pick where they're going to go to school.

(00:40:30):

This is critical to our enrollment challenges that we have across the country and this provides that experience. It's a first impression you're going to get when you come to KU and the World War I where when you see the renderings of that which we will present in future times when you want to see it, it is a really, really cool World War I world like the concepts you see in Washington dc it is really going to enhance World War I message of this facility way beyond what it does right now. Economic benefits, it's again the new gateway. It's critical for our recruitment and retention. You can see the sight line right to

the campan where people walk through it a few weeks to walk down the hill into the stadium for graduation. That's the view you would get. It's going to be an economic center to compliment mastery.

(00:41:15):

Again, we are interested in complimenting that, competing with mastery and lifting the whole downtown area, fully functioning conference center and running at its full capacity because it's got all the amenities that needs to work. High end quality hotel, very critical apartment style housing, which we have a shortage of in terms of who we're trying to recruit. We're also going to be building some residence halls. We got approval from the state for some funding to issue debt on behalf of the university issue debt with authority from the state to build residence halls on the campus, which will provide another price point for our housing. And again, the parking's critical neighborhood brings it up. Everybody we talked to, I think I've done 35 of these presentations, the other staff have done probably a dozen of these over the time. And that's the comment we keep hearing and we're going to keep listening.

(00:42:00):

Just had a conversation before the meeting about the parking and the challenges of it and how we want to deal with that. The benefits to a large Douglas County state of Kansas are almost 2 billion in direct and indirect benefits. That's employment, people working there, the revenue they generate, the income taxes they generate, all the things that happen whenever you have something like this. Activated net earnings of four \$18 million to support four 30 full-time jobs over the next 20 years. Incremental sales tax are not related to the star bonds. TIFFS and CAD that we'll be talking about over the next several months. 27.8 million over 20 years to Lawrence, 32.5 to the county over and above what it generates. And then when it's paid off, the whole amount goes to the city of Lawrence and the county. So this is, that happens while the project's going on.

(00:42:47):

And then increased property taxes are 8.5 million over 20 years per city, county, and state as was mentioned earlier, part of the mill stays with the school district. So this reflects that over that period. Phase one, which we are nearing completion as hard as it is to imagine was really only possible by really generous fundraising from our donors. Two \$40 million. We issued debt, I dunno, maybe two or three months ago, \$115 million to finish the stadium up. We're drawing a lost amount of cash as we finish it up and close out the build here in the next few months. Myself and many other people in this room have spent a lot of time on this in terms of all the support for it. And the state of Kansas provided \$85 million of ARPA and economic development funds. It made phase one happen. Phase two is more donors. Again, we're meeting with one of our major donors tomorrow to talk to them about where they are on this project.

(00:43:37):

Kansas Athletics continues to support it. University Kansas, continuing star bonds from the Department of Commerce, the economic development debt and equity by the developer for the hotel, retail and the apartments. And then we're asking for your help on the other economic development tools. And here's what this looks like when you take this all together and this changes a little bit from December because we have stormwater project in here as well that is critical to the success of this and I know it's a critical element for the city. We talked about that over and over again in our weekly Friday weekly meetings. This gets you 4 48 is phase one. Phase two is 126.2 from the developer for the hotel, housing and retail. That's their debt and equity. They're putting in donors. Were looking at a hundred million dollars to wrap out the project, to finish the project up.

(00:44:27):

And then when you add all these tools together, we're only talking about star bonds and TIF today, but when you add star bonds, TIFs and CAS together, it's about 99.7, 325.9 for phase two, that's almost a seven \$75 million project. The contribution of these economic tools from the state and the city are about

100 million out of roughly seven 75 million of the total project. These are the maps that we are talking about here. You'll see the tax increment financing. It looks like the pictures are kind of covering that, but that's really just the red part of the gateway project on there. And then on the left hand side is the star bond district, and that is really the entire campus with parts of student housing carved out because of the challenges you have with star bonds and student housing. So you'll see that is the campus with the student housing kind of edged out of it.

(00:45:18):

That is the proposed star bond district that we're asking for your approval on. And then the tax increment financing is a gateway part of the project because the property taxes is going to apply to the private development, which is the hotel, retail and the apartments. So that's where the property taxes is going to be generated from. So that's the map that we're asking for approval for. We've had a lot of discussions again since the beginning of the year every Friday for the most part. And we're asking for your commitment to star bonds, tiffs and community improvement districts, industrial revenue bonds, which is basically a tax providing tax relief in terms of construction sales taxes. That's pretty common in projects funding for the watershed project. That's something they got added as we start talking about the critical nature of this to the city of Lawrence and how bad that's needed and finding a way to build that into the project and how do we finance it, how we make it work that's been added into that as part of these discussions that did not exist when we talked about it in December.

(00:46:16):

Affordable housing. This is a, I know it's a really big deal to you as a city. It's a big deal to us as a university too. We have employees that probably need affordable housing. So this is things that can help our employees. These are things that we do not want to create an environment where we don't have student housing. And there's agreements in there as you'll see that we will have at least 25% of our students in Lawrence have a on-campus housing option so that we're not putting pressure on the city of Lawrence anymore than necessary. And committing to that through the leases we have and through the building that we're talking about on this project and building additional units in the next few years. And then the transportation collaboration, making sure that if this project really is going to connect to downtown Lawrence, how do people get from their conference that they're at down to downtown to work, play shop People come to conferences, they don't just stay in the room and they don't just stay in the conference.

(00:47:12):

They want to see the community and we want to make sure they have that experience and we want to make sure the Lawrence benefits from that experience, which makes it more likely they're going to come back three years from now when they have that conference again. So this is really important for us. It's really important for the business community to do that. And you'll see that we are on the affordable housing side. The university has land and endowment has land, and we're going to look at what we can do as a university partner with the endowment, KU endowment when possible. And we've worked through that extensively with the city manager of how to do that. That's something that we have our processes we go through and we'll work in the coming weeks and months to identify what's the best way to do that, to help you achieve your goal of affordable housing and make sure that because it's a benefit to all of us.

(00:48:01):

One thing we learned working together is we care about housing, you care about housing a lot. We care about housing a lot too. If we don't have good housing, we don't attract students. If we're putting pressure on your community, our community, Lawrence, then that doesn't work in terms of the experience the students have. So we've also agreed to an office of student housing that works with off-campus housing. It works with them in terms of helping them understand what the landlord issues are, making sure that they're good, good community members, good neighbors, and giving them the resources to help find that when they want to choose they want to live off campus and not live in student housing anymore. So

there's a whole lot in that agreement that we've worked through and talk through and I've learned a lot about what your priorities are and hopefully you've learned what our challenges are.

(00:48:47):

And through that I think we have an agreement that we can move forward on a really, really important project. And this is kind of the map that we talked about, sorry, the calendar this today we're asking for the approval of those two maps and you've got an introduction of what the MOU looks like that we will negotiate through and work through in the coming weeks and months. We are at the place where we need to know who we can count on as partners, whether it's a state, the city, the donors, because the developers chopping at the bit to go. We don't let 'em go. So you may hear comments, well geez, I haven't talked to us much since December. We haven't had anything to talk about. We've been waiting, we've been working through this MOU with you all to make sure we can get to a place and hopefully if you choose to approve this, we'll start talking to developer tomorrow and we'll start that project moving forward.

(00:49:41):

So there's not been a lot to communicate about if you hear those comments because there's nothing we can do till we know all these pieces go together without donors, without the state on the star bonds, without you on the others, the project, we don't have any way to do it and and the developer too. And we want to keep them on track. So this gives you a little bit of the date. Again, this picture is what it will look like on August. And just in closing, this is a great project just as it is, but if we don't do phase two, we don't finish the stadium, which doesn't provide the ability to address parking. It doesn't provide the ability to address the housing challenges we have because the developer's bringing the parking and the housing and the hotel with it, the conference center doesn't reach its full potential.

(00:50:27):

So the issues that a lot of people are worried about and legitimately so will not get addressed if we don't do phase two, phase two addresses, housing addresses, parking, it addresses a whole lot of other issues in terms of, and the economic potential and all the things that go on. So I really don't want to look and see that say 10 years from now, I want to see two or three years from now that first slide you saw because that starts addressing those issues. And this is again, a really, really critical element as we are facing really big challenges in terms of recruiting for students. As the enrollment starts to drop off, we're seeing it already, the challenges of taking a bigger piece of a smaller pie and this experience this will provide is a really, really big recruiting tool. So this is a really critical catalyst for the university as well as what it provides for the community. And so I appreciate you letting us come here today and appreciate the time we spent together for the last several months with the city and learned a lot of things and look forward hopefully to a partnership to move this project forward. And I really appreciate and thank you for your time.

Speaker 2 (00:51:31):

Great. Any questions for Mr. Witt? Why sit down?

Speaker 14 (00:51:36):

I had one just in regards to the parking. I think you mentioned a \$5 million plan. Would you be able to expound upon that?

Speaker 13 (00:51:44):

So one of the things, we have parking study that got done and one of the things we looked at is we're going to need to in phase, even in phase two shuttle parking for probably the lead center. So we were looking at funding to identify another service parking lot to get it closer to the place. So those are things that we're looking at because in the long run we don't really want to have to shuttle all the time, but we

will if we have to. So it's just part of the project as we're discussing with the developer, how can we solve that gap that's requiring us to shuttle.

Speaker 14 ([00:52:14](#)):

And I had a question regarding, I know I appreciate the consideration of the watershed, but of Mississippi in general, that street, is there any attention going to be paid to that? Because I know as it's currently constructed, I'm not sure if it's really conducive to all the activity that'll be going on at the stadium there.

Speaker 13 ([00:52:35](#)):

I think that's part of the ongoing discussion that's going to be happening in the coming weeks and months is we got to have that connected and be nice. Otherwise I want them to come back again and again and again and they need to be able to connect to downtown. So these are other things that we're going to be working on together is how do you make that corridor work for transportation to and from the site.

Speaker 14 ([00:52:58](#)):

And I just had one more that just popped up. I know that you've been talking to the neighborhood and that's great. I really appreciate it. Were there any ideas of continuing in that conversation afterwards? I mean as the project goes on and potentially afterwards words.

Speaker 13 ([00:53:13](#)):

One of the, we've had a discussion about this outside before this just because let's assume you approve this today and we move forward. This has to be, for this to be successful, this has to be a permanent partnership between the city and the university and a permanent regular relationship with the neighborhood and the community. And Kurt Goodman, who is our general manager from OVG, he's on Explore Lawrence's board to have that connection with Lawrence, but he's going to need to be talking every time if there's a concert, we're going to have to have communications about how we're going to deal with parking, when's the concert going to shut down. So this is going to be, there's have to be a permanent relationship with the community for this to be successful.

Speaker 8 ([00:53:54](#)):

Okay.

Speaker 2 ([00:53:55](#)):

I have a question about the understanding that the state of Kansas had when they made the investment in the conference center, did they have any guarantees on the number of potential conferences that would be so they went ahead and made that investment

Speaker 13 ([00:54:09](#)):

In these buildings? We sent them information on what we thought the potential was and no, there's no guarantees. But again, you want to maximize that state investment.

Speaker 2 ([00:54:18](#)):

And so in the future you I think intimated at some point in time that you have guarantees from certain operators of these types of conferences that they could generate certain number of conferences at this building. Correct.

Speaker 13 ([00:54:33](#)):



We will have an agreement that will dictate standards that we expect them to meet in terms of how many events you have. And again, we can have 200 events, but they're going to be more regional. You have to have a hotel product to have bigger events. So what we have will determine on what we can expect from them.

Speaker 2 ([00:54:51](#)):

So what I want to make clear is that from what I understood is you will have guarantees in place for a certain number of conventions every year from somebody when you sign somebody up, that'll be part of the contract.

Speaker 13 ([00:55:02](#)):

Yeah, we'll have a contract with them on the events, whether it's concerts or trade shows or whatever. Yes, we will have a contract with them that we can't do it till we know what we have. And then we're going to have agreements with the developer as well in terms of what they do and what their performance is.

Speaker 2 ([00:55:20](#)):

In order to get different kinds of conferences, we need to have a hotel adjacent to the conference building. Is that correct?

Speaker 13 ([00:55:26](#)):

You need a hotel of the quality that we're asking for. There's going to be a lot of spillover into the local because the hotel, hotel 162 beds, right? It's going to be a 500 to a thousand person conference. They're going to have to go to the hotels in the community as well. And so this is going to lift the whole hotel market. We've met with the hotel owners as well through this process.

Speaker 2 ([00:55:49](#)):

So without the hotel, we'll have a lower level of conventions and therefore less of a need for additional hotel rooms as well.

Speaker 13 ([00:55:56](#)):

So what OVG has told us, if you don't have something in proximity of the kind of thing we're talking about here is we're probably going to be working to generate more regional and local kind of conferences as opposed to bringing people in from Chicago or Colorado or California. The kind of businesses they'll bring in are less likely to stay overnight and stay here for a few days and spend money at restaurants and hotels if you don't have this whole development to make this thing attractive.

Speaker 2 ([00:56:27](#)):

Okay, very good. And then can you just highlight, you talked about the MOU and I think to make sure everyone understands, you've been discussing this since December, since this is first discussed because we wanted to make sure that we had discussions about the impact on the community and how you could ameliorate those impacts in some way. But when you talk about the affordable housing section, it's probably the greatest of all the things. And I want to maybe make sure that we get some clarity on what you mean

Speaker 13 ([00:57:00](#)):

Moving forward. So if you read that, watch the news, our particular research side of the university is being extremely tested. I'll just kind of use those words by things that are going on at the national level in terms of our research funding and things like that, which really, really affects the medical center. So we're facing all the fiscal challenges that come with that and other things going on. And so as we looked at this and said, okay, what can we do? So we have assets, what can we do that gives you what you need? And we have assets, we have land, we own land that we're not necessarily going to activate that it's worth money that you might want to put housing on it or you might want to sell it.

(00:57:47):

And then we had lots of conversations with endowment. Now endowments board has to engage and approve this, but they've already offered up the land near Rock Shock Park, which has got value to it or you could develop on it. That would be a choice you would have. That's something we have on the table right now that we are pretty sure we could get approved. So as we're looking at all the challenges we have and all the challenges you have, the thing that we can leverage in this kind of short timeframe is our real estate assets.

(00:58:16):

And we are actually creating a new real estate division. Heather Blank who's here, she's in charge of the gateway project and real estate. The new real estate function is going to be under her. And when you look at the entire campus, it's one of the reasons why the maps there, we have lots of real estate there that has lots of development potential that could benefit us both. That is an asset we have that we know we can leverage now in this time. And we believe that you could use it for your needs of affordable housing. So it's the tool we have because the other challenges that we're facing that we can deploy right now, that's the discussion we went back and forth on. Could you do cash? We have challenges we're dealing with over here. We couldn't guarantee that, but we have land and the land has lots of benefits for housing and it can be sold in the right market and sometimes real estate may be more worthwhile than cash. So that's something we all got to figure out what that trade is, right? Indeed. Yep.

Speaker 2 (00:59:10):

Given the amount of public land, excuse me, city, private county land, the ratio is a little off. So any more land we could get is great. Thank you.

Speaker 13 (00:59:18):

So that was back and forth hours of back and forth.

Speaker 2 (00:59:22):

Okay.

Speaker 13 (00:59:22):

Thank

Speaker 2 (00:59:23):

You. Any other questions from the commissioners at this time? Okay, thank you.

Speaker 13 (00:59:29):

Thank you.

Speaker 2 (00:59:30):

Are there any other presentations or can we go ahead and open the public hearing? Okay. Should we separate them since they're two separate ideas, I think open each item.

Speaker 8 ([00:59:40](#)):

Yes,

Speaker 2 ([00:59:40](#)):

That's correct. So at this time I'm going to go ahead and open the public hearing on the establishment of a TIF redevelopment district and take public comment.

Speaker 15 ([00:59:58](#)):

Hello, Steve Jacob live in Lawrence. It's easier to ask for forgiveness than permission. That's exactly what happened here. This discussion should have happened a year or two ago. Who builds a conference center without any idea of when a hotel is coming on? This is a bailout. Plain and simple. I just don't know what I mean. A conference center is going to be great for Lawrence, but at what cost is this going to take? And if you know anything about the Prairie Fire District and their star bonds, they defaulted after 10 years. That was a disaster. So star bonds are not an automatic win. Thank you.

Speaker 2 ([01:00:45](#)):

Thank you, Steve.

Speaker 4 ([01:00:54](#)):

Anyone?

Speaker 16 ([01:00:57](#)):

Good evening, mayor Council Daniel Lowing, university of Kansas graduate, 1974, William Allen, white School of Journalism. The stadium, when it is finished will be the most handsome piece, but there is a major problem. The University of Kansas has turned a deaf ear to the student's request for specific information concerning the final stages of the gateway project, I have presented the mayor and the commission with a published article that appeared in the April 21st, 2025 University Daily Kansan titled, campus Leaders Say Gateway Project Lacks Transparency and Outreach. Everyone that's in earshot of this tonight needs to read this article. It's on web. Go to kansan.com. We are here tonight. And strangely enough, spring classes end in two days with final exams next week. It looks like though the student body has selectively been silenced, chancellor Douglas Ard employ the same tactic as chairperson in executive session when he addressed the Council of President's Kansas Board of Regents to receive 650,000 for the demolition of strength.

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

Smith Hall, the School of Religious Studies. Strange as this may be, this occurred on May 18th, 19th, 2022. Conveniently for the administration, the student body had left campus five days earlier on May 13th, the last day of finals. They wanted to destroy a perfectly sound building to reach their actual hidden goal to the removal of the 10 foot bronze statue of Moses and the stained glass window of the burning bush. The secular humanists on this campus have hated this timely artistic presentation for the last 43 years. In fact, it was 43 years ago, tomorrow, May 7th, 1982, that the sculpture of Moses was set in place at Smith Hall. The event would take place the last day of spring classes and the students were gone again. And for anyone's information, Moses in the burning bush had been in the official seal of the University of Kansas for 159 years.

([01:03:01](#)):

In closing, I would like to offer a prayer. Heavenly Father, I ask of you that if there has been any concealment of facts from students or possibly misrepresentations that are being committed here tonight, that you'll open the eyes of those who are legislative oversight and give them discernment that will be required to move forward in a true and fair manner. It is you that has the authority to shower blessings or to levy a curse as it was when you sent Moses back to Egypt on a mission after witnessing the burning bush. The stadium is going to be a handsome structure when it's finished. But the student body has been mistreated with misinformation. Thank you. God bless. Thank you sir. Fact read it.

Speaker 2 ([01:03:58](#)):

Okay, who's next?

Speaker 17 ([01:04:04](#)):

Good evening. Gary Strode. 6 6 0 4 7. Thank you, Mr. Mayor and commissioners, I want to thank you first for the service that you give our community. I know this thankless many times, but you are appreciated. I'm here tonight to speak on in favor of the question in front of you to establish these I think two or is it three districts, one star bond tip and CID, to enable this project to advance. I've had an opportunity to work in a couple of different capacities in the community and whether it's looking at housing or talking about parking in the code or talking about economic development, there's always a common theme in that and that is how can we find ways to work with ku? It's in our long-term plans, it's in all the documents that we have and the opportunities are hard to find, but along comes one now, not just a tiny thing, but a significant thing. And when you break that open, as the presentation just showed, many of the elements that we struggle to find opportunities to work together on are present inside this project. So I'd encourage you to think about all of those. I know that you do housing and parking and economic development and you have that coupled with a pretty strong positive ROI story.

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

There's a good path forward I think for the community here. Star bonds have been used successfully across Kansas, not so much here, and maybe it's our time, maybe it's our turn to participate in that program. I don't think that there are many who doubt the potential success of a hotel and a conference setter located between the stadium and housing in the middle of Lawrence. I think it's a great opportunity for our town and encourage you to support. Again, thanks again for your service. Really do appreciate you. Thank you.

Speaker 3 ([01:06:01](#)):

Mayor. Can I just remind folks that we can hear whispering in the back no matter how hard you try, just the shape of the room. So if you would just mind trying not to talk while other folks are talking. Thank you.

Speaker 18 ([01:06:15](#)):

Okay. Andrew Holt, executive director Downtown Lawrence Inc. Mayor Commission and the team of Lawrence. Just wanted to say that downtown Lawrence Inc. Strongly supports the gateway project based on an assurance that the city and KU will work hard to enhance between KU and the Gateway Project and downtown Lawrence, particularly ninth Street. We believe that if the gateway project is to reach its potential that an enhanced corridor that creates a direct and meaningful link between the gateway and downtown Lawrence is essential. We know that the city has looked at ninth Street and is planning for some enhancements to ninth Street, but we would ask that that be broadened out even further to things like a super pedestrian friendly corridor, consistent public transit shuttles or what have you from the gateway to downtown Lawrence, even looking at zoning so that there is a express zoning that really guarantees the density and commercial frontage that you would see in a commercial area.

(01:07:44):

We feel that if this occurs, the Gateway project will be not only a great asset for downtown but also for the entire community. It'll bring a tremendous amount of more visitors to the downtown area, not only during the football games, but the large events that are planned for the stadium, but even more importantly, the conference center that will bring a tremendous amount of visitors and foot traffic to downtown on the weekdays, which is greatly needed for the downtown. We also feel that the hotel is a major factor in this project that without an anchor hotel, the conference center may struggle. That is the history of conference centers without anchor hotels. So we feel that that is an essential part of the program, part of the project and we'd like to see that included. To summarize or to close I should say, we think that the Gateway Project, although it has some competing aspects to the downtown, will be a great asset for the community at large on its own with an enhanced corridor to the downtown with a meaningful link. It's a game changer. Thank you, Andrew.

Speaker 19 (01:09:17):

Good evening commission. My name is Blaine Carver Alman. I'm owner of Kaiser Cummings Jewelers in downtown Lawrence. I'm here to support the Gateway project. I feel that it will be a big benefit for downtown increasing traffic throughout the district on off days, especially with the conference center and many of the activations that they're discussing of the stadium throughout the year without just the seven days of games that we have currently. So really as a business owner in the downtown, I am very much in support of this. Thank you.

Speaker 20 (01:10:03):

Good evening. I'm Steve Kelly. I live at 45 29 Broadmoor Drive in Lawrence and I'm here this evening to speak on behalf of Lawrence Chamber. In support of the actions before you regarding the Gateway District, the Chamber of Lawrence is very proud to support and to have this opportunity to speak on behalf and in support of this project. This is an ambitious and very visionary plan, one that will provide a foundation for prosperity and economic opportunity for generations to come. This district will be funded through a variety of sources including the tax increment financing and the special tax and revenue or star bond financing, which is before you this evening. These are critical, funny components of this nearly \$775 million project that will involve provide a new vision reality for kus Football Stadium, a state-of-the-art conference center that will accommodate groups and gatherings that cannot be accommodated in Lawrence currently, and that's all part of phase one and then phase two, there will be a significant amount of student housing, which is badly needed, 160 plus room hotel, a retail plaza, a large outdoor event plaza, which I think is a great feature and it'll also add over 700 net new parking spaces to accommodate visitors and the local community.

(01:11:29):

The benefits of this project will be many and varied and the impact on the community, both in terms of revenue and vibrancy will be significant. For example, the Gateway District over 20 years and much of this was already discussed by Mr. Duet, will generate 1.4 million in direct spending over a half a million dollars in indirect and induced spending and spent off approximately \$418 million of net new earnings and 430 full-time equivalent jobs. It will also provide a combined 20 year city county sales tax bump of \$60 million, increased property taxes nearly of nearly \$9 million and \$5.7 million in nets new school property taxes. It will provide new opportunities for the community to elevate our visitor experience to new and uncharted levels. We urge your support and ask that you adopt the ordinances and support the redistricting maps as you've seen. And I also want to thank you for the opportunity to appear this evening and also to the commission. We very much appreciate your actions on this and also your support of the community on an ongoing basis. Thank you.



Speaker 21 ([01:12:43](#)):

Hi, I'm Dustin Stumbling Bear, longtime resident of Lawrence 2017, Stuart Boley, Lisa Larson, Leslie Soden, Mike Amex, Matt Herbert, Thomas Marcus. An argument was made, a presentation was done for a convention center to be done at sixth Street, right across the street right there, all of the same materials as were done in the presentation tonight. The difference is it's not being done on Lawrence Kansas property. It's being done on KU property. Another difference, the gentleman who spoke all the same comments that were made in 2017, Mr. Dever, your questions, same ones that were asked by city commissioners back in 2017. The responses you received were the exact same as those in 2017. We were receiving the same presentation, the same promises maybe to work out, maybe it won't. KU destroyed McCollum and all the residential housing right near there and they put in a single level parking lot, but now they're going to tell us they need more housing, they need more parking, but they could have done it years ago and we're told they're going to help us in affordable housing.

([01:13:54](#)):

They are putting direct pressure on our housing market in this town and have done so for decades and have not come to the table with us, Mr. Webb or I forget, I don't know. Do it. Sorry brother. Didn't mean to be rude. There's two formerly organized neighborhood associations that are next to this site. He couldn't tell you their names, but he'll tell you they're meeting with the community regularly. And as someone who is in the Lawrence Association neighborhoods, we are regularly receiving reports that they are waiting till the last minute or not having those meetings with neighborhood members. So again, they're saying a lot of things to you and those of us that are the neighbors, those of us have been here for many years.

([01:14:40](#)):

I'm not impressed because again, I heard all this before. I've seen the presentations before eight years ago, so you're going to do what you're going to do, but it's not nothing new. They're just asking us to put it somewhere else, but the taxpayers of Lawrence are still being asked to foot the bill on this foot, the housing for it, bear the barking problems that are going to come because they're not going to fix them. So you're going to do this. I know you are. That's cool. It's what it is, but I'm just saying we have a lot of problems and they haven't changed and this presentation is the exact same one from eight years ago just in a different spot.

Speaker 2 ([01:15:17](#)):

Thank you. Thank you. Dustin.

Speaker 22 ([01:15:32](#)):

Hello? Excuse me. My name is Rick Ren. I'm a business owner here in town and I also would like to thank all of the public servants, especially you over there and you over there for all your service guys. I really appreciate it and since it's the week to recognize that, I think that's awesome. I think I can do this in 45 seconds. I support this project. I think that the points have already been made, but I really like the one about the city and the KU working together. We've been trying to do that for a long time. This is a tremendous way to do that. I think it's not going to cost the taxpayers any money because I think we're going to get more money from investing in the future and what's going on and anytime we can get state money and we can get other money coming in to help out a project, it's awesome.

([01:16:27](#)):

It's the perfect combination. I don't know who else could be involved. We have private developers, we've got ku, you got the city and you got the state. So that's the way projects that are meaningful and good need to be taken care of and I think they've been doing a great job of publicizing everything. If you want to know what's going on, you got to find out and go to the meetings and go to the presentations because

that presentation that was given tonight was the same one that I've heard before, just with a few little tweaks about it and I feel really underdressed tonight because all these professionals are in here with the coats and ties. So thanks for wearing a t-shirt. Thank you very much. Appreciate it. Thanks Rick. I'm going to go home and drink some water from the

Speaker 2 ([01:17:15](#)):

City of

Speaker 22 ([01:17:15](#)):

Lawrence.

Speaker 2 ([01:17:21](#)):

Oh gosh.

Speaker 23 ([01:17:24](#)):

Good evening, mayor Dev and Commissioners. I'm Marcy Francisco. I graduated from KU. I worked for the university for 35 years and have been a neighbor of theirs for more than 50. I'm now living at 1101 Ohio. The EHS Bailey house named after or Bailey Hall was named after him. I certainly understand that the city and the university can do better together, but only by respecting the needs of both. Tonight you're considering establishing both a tax increment, financing redevelopment district and establishing a sales tax and revenue star bond project district. These could and should be an opportunity to bring tourism and economic development to Lawrence. The mixed use development is for the Gateway Plaza, a hotel, student housing, retail restaurant and office space. The Gateway Plaza may be a tourist attraction, but student housing, probably not. You are saying in the findings of the redevelopment district that the conservation development or redevelopment of the district is necessary to promote the general and economic welfare of the city.

([01:18:36](#)):

While I understand letters from the Chamber of Commerce in downtown Lawrence, Inc. Are supporting the project, please acknowledge your receipt of comments from the neighborhoods surrounding this area that should also be respected. I'm particularly concerned with the statement that the parties agree that the entire gateway project as presently configured, constitutes an expansion of the David Booth, Kansas Memorial Stadium structure for the purposes of the cooperation agreement, I don't know that the surrounding neighborhoods agree with this statement. A hotel and student housing separate from the stadium doesn't seem to be an expansion of the stadium and I'm wondering if it's part of the stadium. Shouldn't that also mean that property taxes can't be collected? It seems like they're having it both ways. The Star Bond district ordinance refers to cooperation in the establishment of a community improvement district. KU student representatives have come to me for a number of years asking that the sales tax on textbooks be eliminated. I would be remiss if I didn't request that those sales should also be removed from this request. We need to look at what the effect will be if there's a grocery store moving from outside the Star Bond district to within that district and make sure that we understand that those taxes are still available for Lawrence development. And last but not least, please ask that locations for bus and shuttle stops be identified on the plans if you're committing to regular transit service between the Gateway district and downtown. Thank you very much.

Speaker 24 ([01:20:33](#)):

Pat Peery. I have a perspective from the neighborhoods that have been talked about in this meeting. I'm currently and have been serving as a neighborhood representative on the community advisory committee that was formed under the current cooperation agreement. I've been in every meeting. It's been attended

off and on by certain members of the city staff, but there have been a core group of neighborhood representatives that have been in every meeting and it's basically been mostly performative I would say, in the way those meetings have occurred. In other words, we've got a lot of information in the neighborhoods about what the city is proposing to do and how they're designing the project and that, but we really haven't had a exchange of back and forth on what could be changed to improve the design elements of the project that would better protect the neighborhoods that surround the gateway district.

(01:21:38):

Specifically, I have three primary issues that I don't think are well enough addressed in the memorandum of understanding to make sure the neighborhoods around it are better protected. The first is with regard to parking. The memorandum of understanding says there'll be 640 new net spaces provided and that's fine, but those 640 net new spaces need to accommodate the conference center, which kus own parking study, which we just got a couple of weeks ago, said it'll require 200 parking spaces for a typical weekday event and 1000 spaces for a large weekend event. On top of that 443 beds of student housing. If you take two beds for one space for two beds, you get a certain number and you got 43,000 square feet of retail restaurants and office, you apply a ratio to that and you've got so you add it all up. It's fairly adequate to service the uses that are going to be built there, but it doesn't do one thing to alleviate the parking concerns that already exist in the central district and the North district would. Kus parking study says currently are 880 spaces short of the capacity needed to supply the current demand 880 short currently. So this does nothing for that. So parking's number one, traffic mitigation through the neighborhoods.

(01:23:18):

We suggest that there should be some coordination with the neighborhood traffic management plan to mitigate the ill effects of cut through traffic through the neighborhood that are trying to get to the project and out of the project time, given the fact that we have no arterial roads in the third one. I'll leave to one of my other neighborhood representative.

Speaker 2 (01:23:41):

Yes, thank you very much.

Speaker 24 (01:23:42):

Thank

Speaker 2 (01:23:42):

You.

Speaker 25 (01:23:50):

Good evening, Haley Bruns. I live at eight 10 West eighth Street. I support the Star Bonds and phase two of the Gateway District. I've participated in the neighborhood community meetings for the Gateway District and watched the project progress. I'm a former elementary school teacher and no two years of teaching were ever the same each August, approximately 25 kids and their parents trusted me with the child's learning. Every kid read differently, did math differently and had different interests in science, music, art, athletics and history. Some like to learn about by listening some with hands-on activities and some by reading on their own. If I had wanted to spend less time working in the evenings, some might say I should have done my lesson plans in the summer. It would not have been effective. I did do a rough map of my year, but I could not actually plan for my lessons until I had my students in front of me and I watched them play, learn, and interact with me and one another.

(01:24:46):

I needed to know who needed to work on addition, who was ready for fractions, who might enjoy some multi-step word problems. Yes, there are some of those and I might have needed to work for myself on improving my skills to work with children who had visual impairments. I didn't know what was needed until the students arrived and I knew what my students would need in my classroom. Then I had a detailed plan. My point is I could make a plan of my, I could make a map of my plans but couldn't execute them until the bell had rung and I met the kids, talked to them, learned from them, and found the ways I could be the teacher each of them needed. I feel like we are at that point with the Gateway project of needing to meet the new kids, the convention center and the renovated stadium.

(01:25:34):

We have had a stadium before, but not one like this. It will have different quirks and nuances just as each class I taught did only so much lesson planning and mapping can be done before the school year began. And I believe the same holds true for the gateway district. KU has the map for handling parking games, crowds, traffic, and more. I am trusting KU will continue to listen to the community and make changes as concerns arise from the KU community, neighbors, the city and the visitors who utilize these spaces. Additionally, I believe KU will rework their lesson plans when it comes to concerts and non-game events at the stadium should the need arise. I recall years ago when the stadium renovation was just a thought, then a drawing was revealed, demolition began, construction started. Today I walk by and I see the Big K in the North Bull and the words rock chalk in the west side seats. It is developed, changed and been under construction. I look forward to the day it is complete and the campanile will chime with the first class to graduate in the new stadium and the campanile will chime with the first Jayhawk touchdown. Please approve.

Speaker 26 (01:26:59):

Hi, I am Chris Flowers and I heard something about trusting KU a little bit ago. I just want to say why would you trust ku? KU is a greedy corporation that cares more about money than the community. And I want to talk about Stofer Apartments, the old ones that were for I think non-traditional students and it was affordable and KU tore it down to build the new ones and I think it's been a while, but they were asked here about what about those people living in the Stofer apartments when it gets torn down. And I think their response was, well, they'll find other housing in Lawrence. So I mean my problem is this affordable housing aspect is well, KU tore down affordable housing and basically said, well, it can be the city's problem and now they're going to solve our problem by giving us land for affordable housing when they are part of the cost to begin with.

(01:28:08):

And also I want to talk about the grocery store at 21st when it wasn't that long ago they were here. Was it Price Chopper? Was that there's some new grocery store that got mentioned and it turns out it wasn't a new grocery store. It's just moving the Dylans on 23rd over to 21st and now the taxpayers are helping pay for that move. And then there's also about what about Rock Chalk Park? You can't tell me KU was a good partner in that whole deal and wasn't there a no big contract to a felon involved in that?

(01:28:50):

And also I want to throw out a different idea if you do go ahead with this. What about kus Tobacco free? Is there any way you can make 'em do away with being tobacco free? Because after all smokers, are they going to live at a place that's tobacco free? I'm going to argue that kus tobacco free policy makes housing more limited because it limits the people who can live there. So if they want to have policies, I say we influence their policies also. What's their minimum wage employees getting paid? Is there a way you can say, if you want us to approve this, you need to start paying all your employees at least this much. I mean we can't impose a minimum wage, but can we impose wages on people who come here asking for money to benefit the community? I say paying our residents more would benefit the community. Thank you. Thank you. Chris.

Speaker 27 ([01:30:04](#)):

Patrick Ross, 6 6 0 4 9. Had to wait for my partner in crime, get up there so I can tag in. I'm sort of new to this issue. I look forward to digging into it over the coming meetings and I applaud the university for endeavoring to advance the community and build a great stadium and provide housing and a lot of the great things that I see with this project. I just have a few questions on maybe process and I'm glad Chris brought up Rock Chalk Park because I was researching that in my public comments tonight that I encourage people to check out on the City Civic website because there's a lot of tie over with the industrial revenue bonds that were issued 40 million that waived \$17 million in taxes for that project. And so I guess my main fixation at this point is on the taxes involved. And so they highlight 27.8 million in sales tax over 20 years on just that district and then also 8.5 million in property taxes over the 20 years.

([01:31:10](#)):

So I guess my question is what is the loss in the city's sales tax if all of the university's campus turns into a star bond district? And so I think that's one way we should be looking at this is the offset not just from the benefits that we'll get over the 20 years on just that particular parcel of land, but also on the entirety of the university that this star bond will then encompass. And so I guess my fear is all of the sales tax that the campus generates now currently, if we lose that to finance this project, what is going to be the impact on the city's budget that we're currently operating at a deficit and then sort of tied to that, the 12 month tax estimate that it was based on. I wonder if that factors in all of the football games that didn't occur in the previous 12 months.

([01:31:57](#)):

There's something about enrollment dropping off and I thought we just had our largest enrollment class in KU history, so I just questioned that being a basis for some of the financial concerns. Also wanted to just point out Dylan's and Olive Garden going in the research park, which interestingly enough in the Rock Chalk Park meetings back in 2013, that was a location that they were looking at for the development, but then they wanted to save it for development reasons for research-based projects. And so just wanted to highlight that change. Now quick shout out to biochar. If we're looking at interesting projects to put into that district for industrial scale, we could do classes, we could also generate money off of that and help local farmers and clean the land. Also just curious who the contracts are that would be building the project. And then as it relates to the conference centers, are there any comparative conference centers that you hope to mirror model? If you can already promise who's going to be using those? That would be my question there. And then just want to give a quick shout out to Holly Krebs, coalition for Collaborative Governance. They meet at Cider Gallery Thursday, May 8th at six to 8:00 PM that a lot of key grad students are doing a lot of great research on projects like this. So thank

Speaker 2 ([01:33:07](#)):

You Patrick. Anybody else? Okay, looks like Courtney.

Speaker 28 ([01:33:25](#)):

Thank you Mayor and commissioners. I'm Courtney Shiley. As far as I'm concerned as a taxpayer, no detail that's been discussed tonight is particularly relevant because the MOU is non-binding. It's not a contract. No promise that has been made here tonight is binding. As soon as you vote for this. And in my estimation, you've given up all your leverage with transportation, storm water, pedestrian parking. Again, this is a non-binding. The parties that agree to this memorandum has been executed for the purpose of setting forth general terms and conditions and we form the basis of a future agreement between the parties as it relates to the project of development, but it is not binding, so I do not expect you to, but I would suggest asking staff legal and of course I would love to hear from Commissioner Finkel die as to whether or not any promise made here tonight can be expected in the future. When this MOU is non-binding, I feel like the promises made here tonight to the taxpayer, there will be expectations in the future, none of



which will necessarily be realized. So before you vote, I hope that you explain to the taxpayer how A MOU is or isn't an actual contract and whether we should expect to see any of these promises made real. Thank you.

Speaker 2 ([01:34:57](#)):

Thank you. Anybody else in the room?

Speaker 23 ([01:35:09](#)):

Point of order?

Speaker 2 ([01:35:10](#)):

Excuse me?

Speaker 23 ([01:35:11](#)):

Yes, there are two ordinances up, both the TIFI

Speaker 2 ([01:35:16](#)):

Understand

Speaker 23 ([01:35:16](#)):

And the star buns. So is there an opportunity to speak to both?

Speaker 2 ([01:35:20](#)):

We're going to have a separate hearing. We're going to open up a separate public hearing after we're done with this one. Okay, thank you. Alright, we'll go. Oops, go ahead. Thanks.

Speaker 29 ([01:35:29](#)):

Good evening, Katie Nier. I live at 6 0 8 Louisiana in Old West Lawrence. I have also attended every CAC meeting and am a representative of the neighborhood of Old West Lawrence. I have just a couple remarks. One, there is nothing that has prevented KU from coming to the city previously to say, let's get a pathway to downtown. Excuse me. Now that they want something, they're saying, okay, let's get a pathway to downtown. I do want our downtown businesses to survive. Secondly, with the 20,000 square foot programmable outdoor event plaza, I'm concerned about concerts there. I'm concerned that kus promise to bring downtown bring KU pregame activities to downtown will stop and all that will start in the gateway. And so whatever benefits downtown would get, pregame, those are missed out and I'm asking the city. Finally, I'm asking the city to put the neighborhoods up there with priority, the city and KU talk, but the neighborhoods don't get to talk to anybody we are talked at. It's just this is what's going to happen. We wait for the traffic study. We wait for the parking study. Now we all of a sudden we're learning there's going to be concerts, but we don't know how many when cutoff time. The neighborhoods are a big part of this. They will bear the burden. Thank you.

Speaker 2 ([01:37:24](#)):

Thank you, Kate. Okay, anybody else in the room?

Speaker 30 ([01:37:39](#)):

Good evening, Phil Engelhart. Huge gamble in front of you. Not all star Bond projects are successful. As you move through this, I ask that you keep in mind the basic locational tenants destination versus zero sum. The more zero sum that you pull from the surrounding areas to the gateway project, that doesn't help the city as a whole, a successful star bond project like the Legends, which is only a 70 30. I lived it, watched it was involved in it throughout the thing. 70 30. Okay. Cerner's setting out there on a huge piece of ground. Okay? Remember destination versus zero sum. As you read through these things, keep it in mind when you make decisions. Thank you.

Speaker 2 ([01:38:41](#)):

Thank you Bill. Okay, anybody else in the room? Okay, please.

Speaker 31 ([01:38:55](#)):

My name is Bill Sampson. I live in Lawrence. I'm a big believer and exceptional. Last summer with my niece, I went to a concert in Ames, Iowa. It was a country music concert. I was sold out. It was a great concert if you liked the people who were performing, I did, so did my niece. Pretty soon, Wynton Maral, who is one of the great musicians in America, is going to come to here to Lawrence and perform. He will have to perform at the lead center. It's a beautiful facility, but it seats 2000 people. This stadium is going to seat somewhere north of 40,000. When people go to concerts, they almost always have a great time and they spend money in the local community. There are statistics about this, but I think it's close to a hundred dollars per person that they spend beyond the cost of the tickets.

([01:39:52](#)):

So if we had one concert for someone like Wynton Maral and we drew 40,000 people to this new stadium and they all walked downtown, which they probably would and spent a hundred dollars, we'd have \$4 million that Lawrence didn't previously have for one night's music. If we have 10 Knight's music and in a place like the KU campus where you can look out on that as contrasted with what I saw at Ames, it's okay. It's just not as pretty. We would have something exceptional here. I'm a big supporter of this proposal and I hope you vote in favor of it. Thank you for service. Thank you Bill.

Speaker 2 ([01:40:44](#)):

Okay, anybody else in the room? Sherry, can you check online please?

Speaker 3 ([01:40:49](#)):

We do have one. Kevin Elliot. Kevin Elliot.

Speaker 32 ([01:41:20](#)):

Can you hear me?

Speaker 3 ([01:41:21](#)):

Yes.

Speaker 32 ([01:41:23](#)):

Okay, sorry about that. Well, I'm not going to pretend this isn't perfunctory. The university decided they're going to do this and they went forward and they just asked the city to go along and the city decided they're going to do this and now they're just asking the people to speak up. So let's not pretend this is really a public common session. This is just asking us to go along, but there are some areas where the city can make a difference and I'm going to ask you really, really, really to step up and make sure that this is done right. The neighborhoods have been left out of this process they've been talked to, not spoken

with. I expect the city to make that change and make the neighborhood organizations partners in this process, not silent partners. There are a lot more that can be happening to make this affordable housing, not just campus housing, but talk with why not make it section a housing talk with the Affordable Housing Commission. Talk with Lawrence Douglas County Housing Authority, make it real public housing and public housing. Campus housing is subject to the bylaws of Lawrence. Let's make sure that these houses do not discriminate on the basis of gender identity in this town. We can do that. Let's make sure if we're taking away land away from Lawrence Tax base that this land becomes taxable and we don't lose our tax base for our schools.

(01:42:58):

Thank you.

Speaker 33 (01:42:59):

Thank you Kevin.

Speaker 3 (01:43:00):

We do have another one there. Tony Kch.

Speaker 34 (01:43:41):

Can you hear me

Speaker 3 (01:43:42):

Now we can.

Speaker 34 (01:43:45):

Thank you guys. I'm glad Rero showed up under grass. I'm in Kansas City for a sporting event, so I apologize it can't be there in person. I think this is my first time giving public comment and I'm excited to speak in support of this project and I'm sure that you guys will address this, but people concerned about losing their tax base. Obviously this is only the tax increment for the additional taxes that would not exist, but for this project moving forward, but I'm here tonight to speak briefly on the affordable housing that's been mentioned before. As many of you know, I served as the legislative chair for the Kansas Housing Association during the last legislative session that just wrapped up. I was the lead lobbyist working alongside three very capable contract lobbyists on house Bill 2119, which eventually passed under the name House Bill 2289.

(01:44:37):

Unfortunately, our efforts came up short with the governor signing a bill into law on April 25th, which permanently eliminated approximately 80% of all affordable housing across the state of Kansas, leaving only \$8.8 million of the approximate 34 million state affordable housing tax credit resource intact. The remaining 8.8 million is set to completely sunset permanently go away in 2028. This will be further devastating to the affordable housing and homeless prevention efforts that we have made statewide since 2022 when the affordable housing tax credits were passed. I was pleased to hear that the university is interested in helping with our affordable housing epidemic in Lawrence, Kansas. Whether or not it's 2, 3, 4 acres, this could provide hundreds of affordable housing units in a critical time when very few will likely be built due to the loss of our resource week and half ago. And keep in mind, although people don't think about student housing as affordable housing, the creation of a student housing directly improves the affordability through simple supply and demand fundamentals. I believe that this Gateway project is a wonderful project for a variety of reasons, but specifically due to the affordable housing component and

in my opinion, I believe that a vote for this gateway project is a vote for affordable housing. I appreciate your time and thank you for your service,

Speaker 2 ([01:45:57](#)):

Tony.

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

That's all the public comment.

Speaker 2 ([01:46:02](#)):

Okay, so we'll go ahead and close that portion of the public hearing for public comment and then we'll bring it back. This is related to the TIFF portion of the redevelopment District Commissioners. Do you have any comments or questions

Speaker 35 ([01:46:18](#)):

You want to do that before we open the next public

Speaker 2 ([01:46:21](#)):

For both together? Yeah, I guess we could just do 'em both and then discuss both aspects since we have to vote together on it. Yeah, okay, sounds good. Is that okay with you guys then? That's fine with me.

Alright, so we will close that public portion of the hearing and then we'll go ahead and open up the public hearing related to the establishment of a Star Bond project district. Other public comments on this portion related to the Star Bond?

Speaker 24 ([01:46:53](#)):

Pat Perry, again, neighborhood representative on the community advisory committee. Further to my last one other topic that I think the memorandum of understanding needs to be strengthened is to provide some sort of reasonable restriction or regulation on the use of the stadium for outdoor music concerts. I'm talking large event outdoor music concerts. I just remark in passing T boons pick stadium in Stillwater, Oklahoma was recently used for a music festival that brought in 200,000 attendees to that concert and maybe that can happen once in a while, but we need some sort of a mechanism of enforcement for the city to have some reasonable regulations on that for the benefit of protecting the neighborhood. Although the economic development ramifications of this could be big, we can't forget that there's neighborhoods that need to be protected and preserved in this process. So you got a lot of support for doing this and that's fine.

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

It could be financially a great project, but in the process, and I don't know when you get to that project in this process, we need to get more detail into the final agreement that protects the traffic management plan through the neighborhoods and gets the traffic onto the connecting roads, gets to the project and gets them out of the neighborhoods, provide mitigation for the traffic that's going to go through the neighborhoods and strengthens the amount of parking spaces provided on the project. If you can do those three things, I don't know if you lose all your leverage. I think one commentator, if you pass this tonight, you lose your leverage with KU to bargain for those things. Maybe you do, maybe you don't, but I would like to have you not take any action that would foreclose your ability to negotiate on behalf of the neighborhoods for other things that could protect the neighborhoods. Thank you. Thank

Speaker 8 ([01:49:14](#)):

You.

Speaker 16 ([01:49:23](#)):

Daniel. Lowing again, it is my understanding that in the star bonds there is \$14.5 million that's going to be allotted for stormwater abatement control. I have photographed the whole process of the stadium being constricted. Our mayor has seen my photographs and they have brought in a four foot culvert. It ties back into Mississippi and the low spot of it is at Arkansas. And if anyone's wondering in town what all this stuff down on sixth Street was with all the construction that's for the stadium, the excess water that comes off of them, and for years the University of Kansas has done nothing. Pearson Hall, you have dumped water on the neighborhoods, you have dumped water on the neighborhoods. I've stood knee deep in the middle of the intersection and now all of a sudden they want to do something where the mill restaurant, the way when the Jayhawk up there at Fabro in Missouri, the floods are so intense.

([01:50:35](#)):

When that was being constructed in front of Owen's Flower Shop, I picked up five gallon buckets, five of them full of road base. It's a grade eight construction road base limestone. It literally shot off of Fabro down Missouri alluvial fan across ninth Street down the hill in the low spot is literally at the intersection of ninth and Indiana. There is so much that comes off of the university campus and no one cared at all until now. And really do they really care at all? Either because the 14 and a half million is going to be used. I don't see how that literally that four foot culvert is not going to begin to handle it. If you look at their plans, they have a diagonal from Fran bro and Mississippi that runs to Campanile. That is the floodplain. The stadium sits four feet above this swale, this floodplain and the floodwaters are still going to come rushing off because you are not going to have the capacity even in a four foot culvert that has been installed alongside of the stadium to handle the floodwaters. I've seen railroad ties, everything fly down there and this is a booger. And so if this good community thing wait till when it's all put together and it still doesn't work because it's not going to, I've seen the capacity of the water that comes down there and for the residents all of these years, nobody has cared. Their garages have flooded, everything has washed away and 14.5 is whatever. Thank you. Thank you, thank you. Daniel

Speaker 33 ([01:52:29](#)):

Mercy

Speaker 23 ([01:52:33](#)):

Again, mercy Francisco 1101 Ohio. And to relate specifically to this question about the Star Bond district, it's just only today I saw a note about what is the effect of the Dylan's store that's moving from outside the Star Bonds district to inside the Star Bonds district. I'm wondering, one thing I think that the commission will be doing is setting the boundaries for that district and certainly the redevelopment district is much smaller than all of our campus. So is there an opportunity to look at should the Star Bond district just be the main part of campus and east of Iowa? How do these dollars, how will the sales tax dollars be affected through those additional collections if there is that move at the grocery store? I think that that would be a very interesting thing that the public should understand. The commission should understand before those district boundaries are adopted. Okay, thank you. Thank you. And I will sign in.

Speaker 27 ([01:53:59](#)):

Okay. Patrick Ross, I just wanted to follow up on Marcy's comments. That's really where I fall with this project and again, I want to encourage high density projects like this one. It really seems like a great project. It's just my question is the burden that it would be fall on the city of Lawrence and its tax base. And that was going to be my question directly was what guides the districting of the star bond district? Is



there any way to mitigate that to just the development area? Why does it have to include all of the campus and west campus? That's really the one pressing question I'd like to have answered. Thank you.

Speaker 8 ([01:54:47](#)):

Anybody

Speaker 33 ([01:54:47](#)):

Else?

Speaker 36 ([01:54:51](#)):

Hello, I'm Kristen Eldridge. I live right in the middle of Lawrence and I want to lend a voice in support of advancing the conversation advancing to the next steps in this, both the tiff and the star bonds. Everything starts with a great idea that an innovative idea. And I think we can all agree that this is a really innovative idea and what makes it even better is that there's collaboration between the university and the city and the state star bonds are an opportunity to have the state be a partner in this project that is going to benefit Lawrence, our community. We are not guarding a pile of money. It's not that we're giving something that we already have. We have seen the potential for a big gain for the community. What it's going to take is collaboration to get there to that gain. So please consider advancing this conversation and going on to the next step and then we can argue over details of the plan when it looks like July, when that comes back to us. So thank you.

Speaker 2 ([01:56:16](#)):

Thank you Christa. Any other comments in the room? Okay, anybody online? Sherry?

Speaker 3 ([01:56:30](#)):

No, that's it.

Speaker 2 ([01:56:32](#)):

Alright. Alright, we'll go ahead and close the public hearing portion of this agenda item. Commissioners, do you have any questions or comments? I know we have some questions from the public I'd like to get answered, but

Speaker 35 ([01:56:44](#)):

Yeah, I was going to go through a few of those and maybe Kevin can help us probably on talk a little bit about the taxing issues with the existing KU sales taxes as well as the Dylans and how that wakes.

Speaker 12 ([01:57:00](#)):

Sure, commissioner and appreciate the question. So the way star bonds work is that the establishment of the district sets the base sales tax figure and under statute it requires a Department of revenue to look back over the last 12 months of sales tax collections within the district and figure out what that figure is. And then going forward for the life of the district, that number is preserved and the taxing jurisdictions are held harmless at that amount. It's only the amount captured in excess of that number that accrues to the star bonds. And as I mentioned off the top, that is not every sales tax dollar the city imposes. Your current sales tax figure is 1.6% and I believe it's 0.6 is dedicated to causes such as affordable housing and other dedicated causes by the voters. Those are off limits. For star bond capture, it's only the 1% city sales tax and your portion of the county sales tax that is captured.

Speaker 35 ([01:57:59](#)):

And how about the Dillons?

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

Sure, so the Dillons, there's a mechanism in state law to provide for entities that move from within the community to within the district. And as some of the public stated that has the opportunity to potentially cannibalize some of your budgets, some of your general fund dollars and there's a mechanism within the statute for the Department of Commerce to basically credit those out of district sales taxes that later move into the district and weren't a part of the base. So there was the ability to make a base adjustment for those types of entities. We've broached the issue with the state and hope to be able to further that discussion soon but haven't received anything definitive because again, it's not until the formation of the district, until the state moves on establishing the base value at all. Does that answer your question?

Speaker 35 ([01:58:51](#)):

Yeah, certainly the hope or the expectation would be that Dylan's tax would not be included in our base. That would be protected. Correct.

Speaker 12 ([01:59:00](#)):

That is the ask and I'm glad you said the city's base as this group's aware state no longer imposes sales tax on groceries, so it would be the city's sales tax is at risk there.

Speaker 35 ([01:59:11](#)):

Yeah. I think another related question is maybe talk about how the stall bonds work and really the tiff, it goes to pay back a certain amount of eligible funds, not that they get all the money for the 20 years, it's actually they get all the money until either they pay it off or they get the 20 years. So talk a little bit about how that works.

Speaker 12 ([01:59:46](#)):

So each of these tools is proposed to result in a bond issuance and as we've talked about, there's several more steps and public hearings and discussions to be had before then. But ultimately if bonds are issued that are secured by these TIF and star bond revenues, I'll make a way too simple comparison to a mortgage lender. They won't let you borrow for every dollar that is your net income, right? So the bond market also looks at those projected 20 year revenues and will in conjunction with the city and the city's financial advisor and the underwriter would determine amount of net proceeds that could be generated upfront for the project for the bond issue. And then as you stated, commissioner, those revenues are then captured for the maximum 20 year term under either TIF or star bond to repay those outstanding bonds. So the bond holders are the beneficiaries of those revenues during the term and should the project overperform or meet expectations, there's the opportunity for those bonds to be repaid early and at repayment of those bonds, the capture of those sales taxes, incremental property taxes would stop and the full taxes would flow through to the taxing jurisdictions including the city.

Speaker 35 ([02:00:55](#)):

Okay. I

Speaker 5 ([02:00:58](#)):

Think, hey commissioner, real quick to your point about Dylan's and it being the city's portion of that, because we don't have sales tax on food for the state, that statute does have a potential severability clause.

So if the legislature doesn't see things addressed in that they can claw that back and they can reinstate sales tax. If that was to happen, how does that model change for us with the grocery store with a potential grocery store being in a star bond district?

Speaker 12 ([02:01:32](#)):

I don't think I heard all that commission was the question if state sales taxes later imposed on,

Speaker 5 ([02:01:38](#)):

So if the state was to reengage and sell tax on food for a grocery store in a star bond district, then what does that look like? Are we just set by, is the agreement then set by what was signed and agreed upon when the district was established or with the idea of a grocery, with that being that tax being reestablished, does that change and we need to then readdress it?

Speaker 12 ([02:02:05](#)):

Good question. There's probably two scenarios, and this is just me editorializing a bit about the hypothetical. As we mentioned a minute ago that the bonds would be sized based on projected revenues at the time the bonds are issued and at the time the bonds are issued, we'll suspect the state is not imposing sales tax on food products. And so none of those revenues would be sized into determining the amount of the bonds at the date of issuance. And so I guess the scenario is it would be to the benefit of the city and the bond holders if sales tax was later imposed and helped repay the bonds more quickly.

Speaker 35 ([02:02:44](#)):

There was a question also about the MOU. Obviously it's not binding on us, that's when MOU, it's also not binding on ku, but I guess to make sure it's clear, what we do tonight does not establish, is not the final vote. We're not bound to approve the stall bonds or approve the TIF district or approve the CID if we don't decide to, I mean we have more votes on that, correct?

Speaker 12 ([02:03:14](#)):

That's correct. More votes, a lot more public notices, public hearings to come for step two as I mentioned, which is consideration of the TIF plan, star plan and also community improvement district financing and alongside those approvals in the meantime we'd work with the university and their council on a full-blown development agreement that will expand upon the MOU for you tonight. I always consider the MOU or term sheet stage to be a critical first stage for visibility to where we think we're headed and to provide some context for your vote tonight about setting the maps and the bases and so forth. But yeah, in the interim here, the next several months we'd go to work on a much larger agreement that would be executed, would be binding and solidify a lot of what you heard tonight.

Speaker 35 ([02:04:00](#)):

Okay. And then a couple, Jeff, I think there's a couple of questions for you. One I think was who the contractor is going to be. Do we know who the contractor is going to be yet?

Speaker 13 ([02:04:16](#)):

I'm sorry,

Speaker 35 ([02:04:17](#)):

Who the contractor on the project's going to be. Do we know that yet?

Speaker 13 ([02:04:20](#)):

Edge More Sunflower is the developer that we will begin negotiations with once we know we have partners that we can go forward with. So that's who the developer is for this project. They're the same people that built the Kansas City airport and the central district.

Speaker 35 ([02:04:36](#)):

And I think there's a question, and I think maybe at the DLI meeting, we heard Jason Booker talk about this, but the idea of pre and post game activities downtown versus at the stadium, any discussion on that? I mean obviously we're early in, but

Speaker 13 ([02:04:54](#)):

I think there was an article not long ago about engaging one of the benefits of those lights, their LED lights. So it is like lighting up those blue and doing the downtown blue and connecting. I think what we want to do is what's really important for students coming in and for the community is engagement. So athletics is I think approached downtown about engaging in pre-activities downtown, bringing the game downtown, bringing the whole experience to the whole Lawrence campus. So that is something that the athletics department and the university is very, very interested in.

Speaker 35 ([02:05:34](#)):

There might have been other questions, those are the ones I wrote down.

Speaker 2 ([02:05:38](#)):

It's related to the map, the district map, and I think there's a lot of understanding on both sides that wouldn't be better just to keep it simple, narrow it down to either university property or the immediately Jason areas to the district. I get those questions, but I also see the advantages of looking at a larger area. Can you explain how changing this map might impact the ability to repay this? I mean, are you at, is this as a mechanism to do this faster so that we can more quickly receive our abilities to tax?

Speaker 13 ([02:06:12](#)):

So when you look at the footprint of the campus, there's a lot of undeveloped land still on the campus. So in the next 20 years, our goal is to develop more than just this project. We got the crossing going and if you're selling these bonds to the market and look, when they buy these, they're betting their money that the project's going to be successful.

([02:06:35](#)):

So to get these to sell, they got to believe people won't buy these until they know all these agreements are in place until they know that the developer has their equity in the bank and their debt in the bank. So until everything's known, you can't really sell these because they want to know that risk of construction risk is gone, all the financing pieces are in place and then you go sell the debt. When you show a bigger district and you show that we're looking at developing more, it makes the bonds easier to sell because they know that it's likely I'm going to get paid back earlier betting on the project. I believe on the project if something happens that's going to go to pay that off and you'll get your taxes fully dedicated to the city quicker. So it does two things. It gives us the incentive to develop our assets. It gives you the incentive to be a partner with us in doing that and it helps sell these bonds at a lot better way because that whole district is captured for paying off this project. That's the logic of the full district is let's just together make everything KU can be to help the city of Lawrence and ourselves. A lot of vacant land still undeveloped on this campus.

Speaker 2 ([02:07:49](#)):

So summarize, if there's more land, it's more likely to be paid off faster.

Speaker 13 ([02:07:53](#)):

Yes.

Speaker 2 ([02:07:54](#)):

And through other means other than university, excuse me, sports related activities?

Speaker 13 ([02:07:59](#)):

Correct.

Speaker 2 ([02:07:59](#)):

Okay, thank you.

Speaker 13 ([02:08:00](#)):

Anything that happens, anywhere that gets developed, we'll go to pay this off quicker and if it pays it off in 10 or 15 years or whatever it is, it is scheduled to pay off in 20 years.

Speaker 2 ([02:08:09](#)):

But

Speaker 13 ([02:08:09](#)):

If it pays off quicker, then that's a benefit to all of us.

Speaker 2 ([02:08:13](#)):

Okay, thanks. I was just curious about the map question. That was a good one.

Speaker 33 ([02:08:17](#)):

I have a question, mayor. Yes, please. If a project is built out at Castle and Bob Billings on the land that KU has out there on the southeast corner, would it also be part of the star bonds? Yes. So those sales taxes would be captured by the project, correct?

Speaker 13 ([02:08:35](#)):

Correct.

Speaker 33 ([02:08:36](#)):

And so we would be issuing bonds for that?

Speaker 13 ([02:08:39](#)):

No, it would just, the way we'd look at it, if there's a development happens at 15th and Castle, using your example, that taxes that generates, we go to pay off this project quicker. That's where it can go. It can pay it off faster. You could do that if we together decided we wanted to do that for some reason. But if you don't, then it goes to pay off that because it's in the district, it pays off those. What happens is when the



taxes are collected, the state will collect them. They'll put 'em in escrow to pay the bond holder. If there's more than they need, it just pays off faster. Okay, got

Speaker 8 ([02:09:15](#)):

It.

Speaker 13 ([02:09:16](#)):

They'll figure that account the faster the bonds get paid off.

Speaker 33 ([02:09:18](#)):

Okay. I have one more question. So the crossing area, it's concluded as part of the star bond district, correct? That's the way it's written. It's designed right now. So right now the crossing has pretty significant tax incentives. So by adding that star bond district to it, what is the advantage? What does KU get from that?

Speaker 13 ([02:09:38](#)):

That would just be any incremental growth that occurs there. Beyond the base is the council over there described anything above the base. We go to pay off this project, but we are in an agreement that the Dillons is a relocation. Just to clarify this, that that should not be in the base. You should continue to get that base that you got at the old Dills and the state has a mechanism to do that and we will be with lockstep with you making that point that that Dylan should be excluded from the old Dylans. So it's an increment that occurs there is what you would go toward paying off the gateway project. The base we use still continue to get it

Speaker 35 ([02:10:18](#)):

And make sure I say this, that the largest difference is under what's happening at the crossing. None of the state tax dollars, the 6.50 cents, it's not anything part of the crossing. But once we put it in the stall, in the state degrees, all that state tax dollars flow to hit, that's where the state is investing in this. Is that correct? Am I understanding that correctly? Yes.

Speaker 13 ([02:10:46](#)):

That's the benefit

Speaker 35 ([02:10:47](#)):

State

Speaker 13 ([02:10:47](#)):

Tax dollars into the project and

Speaker 33 ([02:10:48](#)):

Those, yeah, those taxes got to pay off this project. Pay this off gateway, not the crossing.

Speaker 2 ([02:10:54](#)):

Exactly.

Speaker 33 ([02:10:55](#)):

Gateway. Alright.

Speaker 2 ([02:10:59](#)):

Any other questions for Mr. Whitt?

Speaker 33 ([02:11:02](#)):

Just a couple more on your interactions with the neighbors. Can you talk about that a little bit as to what you're working with them on with the parking situation. Can you give us an idea of what your plans are?

Speaker 13 ([02:11:15](#)):

So the developer, we've had lots of discussions with the developer about what do you need? Developer wants to make sure they build a parking so that their hotel is successful and their apartment successful, otherwise they don't make money. So it is making sure the parking is there. And then one of the things the parking study said is that you're one of the people who testified made this point. You're 200 some short of dealing everything, which is why we're doing shuttles to the lead center, but we don't want to do that. So we want to look at other opportunities for building parking in that area by looking at other opportunities to build surface parking or expanding on other options. And the other comment you heard earlier is about parking in the West and central, which is the bigger campus thing. That's a longer term thing that we're going to start needing to address as well, but that's not related to the Gateway project. Okay. Did I answer your question?

Speaker 33 ([02:12:09](#)):

Yeah,

Speaker 5 ([02:12:12](#)):

I have a couple of questions. Mr. Dewitt and I may have some for Heather May be able to chime in as well. Just looking in on the MOU under the I number three, immediate benefits of the city. We've talked a little bit about the housing piece. I don't want to stress it too much, but I do notice that in subsection B where it says that in regards to the 4 million or whatnot that would occur within 60 days following the is issuance of the star bond project. And then I'm looking at subsection C where it says the university will establish within reasonable time an off-campus housing office to assist with the relationship between university students living off campus and the city and its residents. So some people love ambiguity, some people don't. Could you give me a better understanding of within reasonable time, you discussed this, I know that the project is slated to be completed by 2027. I'm imagining you're probably going to want housing to jump off a little bit quicker than that. So tell me a little bit about that line.

Speaker 13 ([02:13:19](#)):

As you're probably aware, we've had discussions with Sarah Waters, who's the housing director, Heather Blank, and I and Julie Murray have already had those discussions about the challenges that have been brought to our attention that student housing provides to off-campus housing. So this is something we'll start talking about right away is how to do it. We're not going to wait until 2028 or 27 or whatever the time the project's built. We've already started those discussions about how do we establish that relationship to help our students because it's helpful to our students to be able to navigate the local community owned housing. So it's something we're already starting to talk about and start to address.

Speaker 5 ([02:13:56](#)):

Okay. And then of course, the line that folks have been discussing is about the 25% of housing support in there is a nice little bracket there that says that 25%. Well, I guess, let me back up real quick. The current housing that's on campus, what percentage of that is supported supports your undergraduates?

Speaker 13 ([02:14:23](#)):

So we have about 6,000 housing units under our control, but we're leasing, we don't have enough housing. So we're leasing here, we're leasing Naysmith, we're leasing a Hawker right now. And so we are in that range, but those leases can't go forever. So we're going to have to build housing to replace it. So our commitment is to keep and exceed that 25%. When you look at Greek housing as well, we're probably in the 8,000, another couple thousand that we're getting. So the reason why we discussed this is when those leases run out, we could just say it's not our problem. We don't want to do that. We need to replace those with the 4 48 here and probably a 600 bed roughly residence hall to replace the property that we're leasing to keep us and to exceed that 25%.

Speaker 5 ([02:15:13](#)):

And so the rationale for, because I feel like adding the Greek houses in there, maybe conflates this a bit, but why would that, am I wrong to think that

Speaker 13 ([02:15:23](#)):

25% would in theory get you, your freshman class is always fully housed and it's not fully housed. Right now we probably house 80 some percent of our 87% of our freshman class. If you're at 25%, you have the ability to house your entire freshman class and deal with some of your sophomores that want to relive in housing. Usually juniors and seniors typically don't like to be in student housing, but we at least need to be able to house our freshman class. That's the logic that goes with that.

Speaker 33 ([02:15:58](#)):

So I would just piggyback a little bit on what Commissioner Sellers was talking about with some of the language in the MOU is what I consider pretty squishy, not in favor of the city. She pointed out the one with affordable housing. But there's also another part where it says that KU will use best efforts to cause KU endowment to contribute \$4 million to affordable housing. That's not real strong language as far as I'm concerned.

Speaker 13 ([02:16:24](#)):

Well, I think endowment would tell you we don't control them. They are an independent entity.

Speaker 33 ([02:16:28](#)):

I

Speaker 13 ([02:16:29](#)):

Appreciate that. So if I said I will make them, I think I'd probably get in big trouble when I left this meeting. So that language is there to say we're going to, and I had discussions today with the president of endowment and it is, we have land, but we may be best served by partnering with them. So what we're saying is we don't even have a seat on the board. They're an independent entity that partners their mission is to serve and to provide fundraising and donor money. For ku, we have a very, very good relationship. So that is just language that says we'll partner with them, but we can't tell you we can make them because we can't. But we got land. They got land and I am confident between the two of us we'll find that 4 million value or land that you may want to use through that partnership. So the language there is to make

clear they are an independent entity, but we are engaging, we will engage with them and put our request to them for their help. Chancellor does every year on annual basis, he puts an annual request to their board. They consider it, and this would be part of that request,

Speaker 33 ([02:17:38](#)):

Should we be having discussions directly with them, the city to

Speaker 13 ([02:17:45](#)):

Sure. But we will, I am confident between endowment and us, we will get you what you're looking for. But it is just when we're putting a language together, I can't say they are not us. They are a separate entity. So that's the reason for that.

Speaker 8 ([02:18:01](#)):

As

Speaker 13 ([02:18:01](#)):

You called it squishy language, it's being real that they are independent and they want to make sure that everyone knows that. But look, they funded \$248 million for the phase one or project and raising another a hundred million. I'm pretty sure we have a very engaged and willing partner here.

Speaker 33 ([02:18:20](#)):

So going forward, if this goes through tonight, then when we come back with a final MOU, I would want to cease more solid language for several of those items.

Speaker 13 ([02:18:29](#)):

Maybe we'll have identified the land by then. That would be the hope.

Speaker 33 ([02:18:33](#)):

So that's what I would expect if this goes forward. Yeah,

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

I think that's clear. All of us realized, and I tried to bring that up, it's kind of vague, your language related to housing without being specific. Hopefully we can get that specificity, this concept developed for any agreements are made. Yeah, four

Speaker 13 ([02:18:52](#)):

Weeks ago. So we haven't had time to

Speaker 33 ([02:18:54](#)):

What? No time. Yeah.

Speaker 13 ([02:18:58](#)):

We don't move that fast, but we try to. But yeah, this is a recent concept that we'll continue to work toward.

Speaker 33 ([02:19:08](#)):

Okay, thank you.

Speaker 13 ([02:19:09](#)):

Thank you.

Speaker 2 ([02:19:10](#)):

And I want to make sure I follow up on Commissioner S's question about the fraternal organizations thrown into your evaluation. Is that because some of the freshmen actually live in the fraternal organization?

Speaker 13 ([02:19:23](#)):

Yeah, well there's people that live in Lawrence that you probably don't want to make them pay student housing. That's why they probably chose to go here. Or they live in Olathe and they drive every day or whatever. So there's a certain percentage that just don't, we do not have a freshman requirement. Many other universities do. We could at some point if we had that challenge, but at the moment we do not have a freshman requirement. But 25% get you roughly to that equivalent.

Speaker 2 ([02:19:47](#)):

But you're adding in fraternal, I think she was asking why we're considering the fraternity organization in that

Speaker 13 ([02:19:55](#)):

Thousand, what we were in our discussions. Again, this is a developed negotiating discussion is what I think you want from us is that we're housing as many students as we can. And look, the Greek life is part of that. So we were just recognizing that in mou

Speaker 2 ([02:20:12](#)):

It is, there's no financial connection between KU and many of these houses that are privately owned entities. You're just throwing them in there as a catch basin four

Speaker 8 ([02:20:20](#)):

The

Speaker 2 ([02:20:21](#)):

Freshmen numbers that you're trying to achieve. Yeah. Okay, cool. I want to make sure I got that. Thank you. So thank you. I don't think anyone else has anything to do.

Speaker 5 ([02:20:33](#)):

Can you speak a little bit more, I know you were working with, or at least you had a hearing with the Board of Regents on issuing a debt and how those conversations for that plays into your overall goal of,

Speaker 13 ([02:20:51](#)):

Are you talking about housing?

Speaker 5 ([02:20:52](#)):

Yes.

Speaker 13 ([02:20:52](#)):

So we in the state of Kansas, you must get Border Regent approval and you must get state legislative approval. So we were in the legislative session this year and we got approval to do a hundred million dollars of bonds to build student housing. So we now have that legal authority now, and it has a two year window. It has to be executed. So we are beginning the process to say, do we build a residence hall? Do we buy a hall? Do we do a public private partnership? All these discussions are just now beginning

Speaker 8 ([02:21:28](#)):

Because

Speaker 13 ([02:21:29](#)):

We had no mechanism to do it and that debt would be paid from student housing receipts to do that. So what can we do with the market? We can charge and be affordable to our students to use that a hundred million dollars. But the legislative session that just ended gave us that authority for the first time. And we committed to Craig early on that we would go forward and do that because we know that that is we need another 600 bed somewhere and that will help us go toward that goal. If that hadn't passed, I would probably be weeping, but it passed. So we now have a path forward to figure that out.

Speaker 33 ([02:22:08](#)):

I had one more question please. So just to go back a little bit to the sales tax capture of these different areas within the star bonds at the Gateway project itself, it was still my understanding that the base sales tax, we would still retain that. Correct? It would still go into the right coffers, correct? Correct. So with KU not having the stadium open for the past year, how were they determined accurately determine what that sales tax would be?

Speaker 13 ([02:22:38](#)):

So the formula is it goes back 12 years from the date of issuance. 12 months. What's that months? 12 months? I'm sorry. 12 years, yeah, that would be a long time. You want to try to answer that maybe? Sure,

Speaker 12 ([02:22:53](#)):

Sure. Commissioner. So the statute requires looking backward 12 months in time to arrive at that base sales tax figure. So should you advance tonight, or I suppose on second reading next week, the Department of Revenue would look back over the last 12 months of sales tax receipts within the district to arrive at that base figure. That obviously overlaps with a time period where football games were not played at the stadium. And so those would not accrue to the base figure.

Speaker 35 ([02:23:25](#)):

When do we think these will be issued if we stick to our current timeline? Because there will be some football games starting in August, and so the 12 months look back could include them depending when we actually issue these. And I guess that's my timing question.

Speaker 12 ([02:23:42](#)):

Well, the 12 month look back is at district formation.

Speaker 35 ([02:23:45](#)):

Oh, district formation right now. Okay. Allegedly, I'm sorry. Thank you.



Speaker 2 ([02:23:52](#)):

Or the second reading probably. Or after the second reading probably.

Speaker 35 ([02:23:57](#)):

I'm

Speaker 2 ([02:23:57](#)):

Sorry, mayor,

Speaker 35 ([02:23:58](#)):

District formation. When we have a second reading, they do.

Speaker 12 ([02:24:01](#)):

Sure. The ordinance would be should it advance? I assume it'd be on second reading for next week's meeting and then it's effective upon publication. So sometime this month it would sound like

Speaker 33 ([02:24:17](#)):

That's a tough one.

Speaker 2 ([02:24:19](#)):

Yeah. Any other questions for Mr. Whitten?

Speaker 33 ([02:24:24](#)):

I like Mr. Whit stands better. 12 years.

Speaker 13 ([02:24:30](#)):

Don't hold my slip ups against me. I'll trouble.

Speaker 8 ([02:24:39](#)):

That's a

Speaker 2 ([02:24:40](#)):

Question. Okay.

Speaker 14 ([02:24:43](#)):

Well, I'll go ahead and get us started. From what I've heard, I can move forward with supporting both the districts, the TIFF and Star. I look forward to having a little bit more concrete language going forward as my fellow commissioners had mentioned to give us a little bit more stability and a little bit more certainty. And as well as part of that, I'm looking forward to being curious to see what kind of structures are put in place to further encourage that traffic downtown and create a connectivity and flexibility so that different components of our city can go ahead and benefit as well. And as well the furthering conversation with the neighborhood. I would really, really like to see that and continuing to flourish because I think that's going to help us have the best project possible. But yeah, that's all I had. Thanks.

Speaker 35 ([02:25:43](#)):

Thank

Speaker 14 ([02:25:44](#)):

You.

Speaker 2 ([02:25:45](#)):

Anybody else want to chime in?

Speaker 35 ([02:25:47](#)):

I mean, I can jump in and say I too want to see this move forward. Dustin came and mentioned earlier how we were talking about the convention center at one point and we've been wanting a convention center for a long time. The major difference here is we have, if my number's right, like 120 million of state money in the convention center, if they would've given us 120 million to build one right over here, we might've done it, but there was no state money at that time. So between the 85 they've already put into the convention center plus the stall bond money, that's about \$120 million into a convention cent. And I mean even if you put almost everything else aside, having to convention cent in this city will drive so much as the folks from DLI and others talked about. I mean, when you can bring visitors in on Monday, Tuesday, and Wednesday for a conference, so Wednesday, Thursday, Friday for a conference that drives hotel rooms, that drives restaurants, that drives merchandise downtown, that is a huge driver for this just the convention center. But when you add on top of that, the idea that you have not only football games but concerts.

([02:27:15](#)):

I was trying to do Bill Sampson's math on 200,000 people coming in on one weekend for concerts like they did down in Oklahoma when they filled up their football stadium Friday night, Saturday night, Saturday afternoon, Saturday night and Sunday afternoon for one weekend of country music. I think it was, I mean the numbers that would drive in and of itself would be huge. And I understand the neighbors probably don't want that every weekend, nor do we want 200,000 people every weekend. But one of those in addition, I mean obviously you could have what we've gotten in seven football weekends. You could also have in other large conventions or in large concerts and or both. So I think in and of itself, this project is good and to have the state put 120 million into it is huge. The share of the city money is such a small fragment of it when you compare it of course to the state, to the donors and to the developer, I think it's an important deal for us.

([02:28:35](#)):

And those people say those risks to this absolutely risks to it. But unlike some of these other projects, some of those projects are backed only by developers. This project is backed by the university and endowment in particular. That gives a lot more protection to this project than any of these other projects that don't have that backing. And so I am not very worried about that. When you add on top of that things, we talk about the MOU with helping pay for the Jayhawk Watershed project, which we've been working on for a while. But to have that assistance and accelerate it through this project, huge, the housing components, the housing office, I think the off-campus housing office I think is going to be one of the least expensive, but the most impactful parts of this. And then lastly, I would say ever since Chancellor ARD came in, I think the KU is becoming a better and better partner with the city, with the county, with economic development, with the chamber. But this project helps move many discussions ahead and I think several people said this in various ways. This is the beginning of the conversation, not the end of the conversation. And for this to be successful, we have to have ongoing conversations. And I would say that to the neighbors and I'd say that to us. I mean, not all issues with the neighborhood or all things with transportation or all things will be solved by this project. We're talking about putting in a poking permit system.

(02:30:29):

If we put it in a poking permit system that might help the neighbors who are concerned about people coming to this project and parking in front of the houses. We can do that and address that ourselves. Obviously if we see, as one of the neighbors said, once we know where people start cutting traffic through, I mean, we're not going to be able to anticipate how people get to this project beforehand, but that's our job is to do traffic calming once we know that's happening. And so we'll have obligations to address those concerns. Certainly I want this project and KU to work with the neighbors and us to work with the neighbors, but I also say to the neighbors and to ourselves, the obligation to the neighborhoods don't stop with this project. It will sit with us going forward. And I look forward to working with the neighbors on that.

(02:31:26):

And I guess to end with that, Courtney asked the question about the MOU. Yes, the MOU is not binding on us to tonight, but neither is our approval of the stall bonds binding. So we have a lot of work to do and frankly, I don't think we lose any negotiating power as it will by moving this forward tonight. We actually continue that process the further we get into it and we wanted to get those details spelled out and we want to know exactly where that land is and all of those, that pressure actually mounts as we all work together to bring this to a conclusion and get this project built and out of the ground. So anyway, I'm excited about it and I think there's more work to be done, but this is the first step and I want to thank KU for all the work. Craig, Kevin Baker, Tilly, our whole team for working on this and continuing to work on this and appreciate your efforts. Thank you. Nice Mayor.

Speaker 5 (02:32:35):

I wanted to take a brief moment. I was reading from an article called The Rise of the University, and it's an interview that was done with a distinguished professor of American Studies and founder of the director of Small Cities Lab at Trinity College. And the professor is Dr. Darian Baldwin, and there's a specific section in the article that says, economic impact is a phrase that universities love to use in their press releases. They talk about increasing prosperity by boosting local economies, raising housing values, and creating secondary enterprises. But we must ask prosperity for whom the retail price points are targeted towards the demographic that boosters hope will be drawn to these areas, not the existing residents. The job creation is often overstated flying above the capacity of existing residents. The housing quickly becomes unaffordable for people who already live in the area. For example, in the two thousands, John Hopkins University displaced 742 black families to make way for its mixed use biotech park.

(02:33:47):

The school now brags about the \$36,000 housing subsidy they offer that will allow their workers to come back and purchase housing on the site calling this community engagement. But the housing subsidy is precisely how gentrification is packaged at John Hopkins because it underwrites inflated housing costs, which are unaffordable to the previous residents who don't happen to be employed by the university. I think a lot of the conversation around this particular project has centered around is the city, the state, and the University of Kansas. We've said partners, we've said collaborators, we've said, but we haven't used the word cooperation, which is technically the word that we should be using. Collaboration speaks to the work was done together to begin with, which is not the case. Yes, the state gave the university \$120 million of ARPA funds, not the city, the university. And I imagine that the university has plans for what it wants to do for the areas of the proposed star bond district that we've not seen development plans for that should be expected.

(02:35:07):

It was expected when Star Bond project went up with the legends that I studied in school and we studied the legislative post audit report of the Legends and to, oh, I'm drawing a blank on his name, but I appreciated the EE who came before us to talk about the 70 30 split because yes, star bond projects could

be great if when they're innovative and they're used in systems where you're wanting to draw. And a lot of communities in this region have not done that. Closest one is down the street in Eudora. So I'm not opposed to star bonds. I've been preaching about star bonds since I've been on the commission because I do believe it is a way that it can infuse an economic jolt for our community to bring jobs and to bring other aspects of economic prosperity to Lawrence and to its residents that it benefits everybody.

(02:36:04):

And so that projects and SAR bond project can be a collaborative project. This is not a collaborative project. This is a project that needs our support in order to make it happen. It's a non-binding agreement, but it's a cooperative agreement that we're going into with the city and with ku. So there are aspects of this that right now for tonight, we're not voting on, we're voting on the districts. A lot of my concerns have to do with the minutiae, which is what a lot of folks who came to present today want. They want to know the minutiae we're dealing with the big part of the project. Now we got to get into the weeds and man, am I going to be in the weeds? Because when we go to the line where it says for whom I do, I read the article and I'm listening to the community.

(02:36:51):

The university has a lot that it owes this city when it comes to housing and infrastructure. And I separate those two because the housing piece is huge. The university has been almost derelict in its responsibility of providing adequate housing for its student population and affordable housing. Those things need to be addressed. A little area outside of rock, chalk park and maybe some property inside of the city and having an office is a good start. It's not going to get us to perfect or even close to it. That's going to take some work and it's going to take some good faith work and even above good faith work for that to happen. I expect that to happen. KU is my alma mater. I stayed at Ellsworth, not the pretty Ellsworth, the ugly Ellsworth and spent a lot of my time at McCullum Hall. I cried when I saw the destruction of McCullum Hall.

(02:37:52):

I didn't when I was on campus. Temple and Lewis were the new things. Oliver was a death trap. Everyone talked about how the rich kids stayed at Naysmith and everyone wanted to know why couldn't they live in a cool place like Corbin and GSP. One of the places that I truly became a student and really enjoyed my life at KU was at Stofer Place because I had friends who lived there. I had friends who came here from Texas who left abusive relationships, who got law degrees at ku, who stayed at Stofer. I had families that had children that were special needs who were returning to school and living there because they couldn't afford housing. In 2000, in Lawrence staying at Stofer, my sorority sister who I tragically lost in 2001 and her husband stayed in Stofer, I stayed in the towers. Students like me wouldn't be able to afford to live on kus campus right now as a student, as a freshman.

(02:38:56):

And so when I hear things, when I hear people say We need much needed housing for the type of students you want to recruit, I hope that means that students that look like me who are not athletes, who want a chance to go to a prestigious university like the University of Kansas. So there are aspects of these districts I'm not too fond of. There are parts of this that are yet to be seen and that we do all have to be good faith partners in this work. But I hope moving forward, I don't want to feel like a cooperator in this project. I want to be a collaborator. So I'll leave it at that.

Speaker 2 (02:39:37):

Thank you. Any other question or you want to comment you good? Okay. So I think everybody's pointed out most of the things I wanted to talk about. I think the focus, the two things I wanted to focus on is the district map that we have to vote on today and the land that's open and available in the city limits of Kansas currently serviced by our utilities and our infrastructure, open land that we need to put to use.

Hopefully these types of arrangements might actually stimulate the creation of the types of housing and the types of projects that we want. And instead of sprawling outward, we can actually utilize some of the university and endowment property that exists and we can enjoy that proximity. So for me, I think drawing the boundary of the districts might actually increase that interest by KU and others. And if they end up donating land to us, perhaps we can be a stimulus to that.

(02:40:38):

And then the neighborhood conversations. I know this is shoehorning a very large establishment into a very small section of our community with a dense residential single family and multifamily residential and talking to the neighbors is very important, but listening to the neighbors is I think what we need to do most of in the future so that we can put to use some of their ideas if we move forward with this so that they're going to be seeing some of the most benefits and some of the worst, most severe impacts. And so we need to make sure they're not just talk to but a partner as well in this process because of the density that we're going to be seeing take place. But for me, everyone else I think touched on a powerful partnership. KU is our largest employer. If any large employer came to our town and asked for help, I think most people would open their eyes and ears and see how we can accommodate them.

(02:41:37):

More importantly, they're in a position, a unique position to do things. Most people can't because they aren't subjected to many of our rules and regulations. And so anytime we get a chance to communicate and collaborate publicly and set some guidelines, I think it creates a long-term relationship that's not based on an agreement, but based on experience and on completing a major task together. So for me, it's important that we really focus on KU as a partner, but also as a larger employer in our community and one that enjoys benefits that many in this community do not when it comes to land use and development. And so anytime we get a chance to work with them, I want to do that. And so this would put us in a position to do that more effectively I think. And I would like to try to move forward with establishing the maps as is.

Speaker 33 (02:42:33):

I'll just add a couple of things. Everybody pretty much said many of the things that I was thinking. For me, this is, well, for all of us, it's the first step. My understanding, we've got six more steps. Is that right, Craig? Something like that. And so my goal from here, I can support the districts defining the districts, but to focus on the MOU between the city and KU in the importance of making sure we have really tight language that identifies what both parties are going to do for each other. Because the way it's written right now, I couldn't support it. So for now, I will support that. I'll support the districts, but I want to see a lot of work done on this MOU.

Speaker 2 (02:43:20):

Okay, thank you. So I don't know, I move forward. If we can move forward with a motion, then

Speaker 35 (02:43:29):

Move to do on first reading reading ordinance number 1 0 1 3 9, establishing the TIFF redevelopment District and ordinance number 1 0 1 4 0 establishing the KU gateway stall bond project district.

Speaker 2 (02:43:42):

Second, a motion by fing dice, seconded by Littlejohn. All in favor say A

Speaker 5 (02:43:48):

Where we're voting on both ordinances together in one vote.

Speaker 2 ([02:43:51](#)):

Yeah, that's the way it was, I

Speaker 35 ([02:43:53](#)):

Think. Yeah. Thought the act time was written.

Speaker 5 ([02:43:55](#)):

I'd prefer to split it.

Speaker 35 ([02:43:57](#)):

You want to vote separately?

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

Separate. I would prefer done

Speaker 35 ([02:43:59](#)):

It. Before I withdraw my motion, I'd move to adopt on first reading. Reading ordinance symbol 1 0 1 3 9. Establishing the TIF we development district

Speaker 2 ([02:44:10](#)):

Second. Okay, that motion of 1 0 1 3 9 by Commissioner Keldi, seconded by Commissioner Littlejohn. All in favor of say aye.

Speaker 35 ([02:44:18](#)):

Aye. Aye.

Speaker 2 ([02:44:20](#)):

Those opposed. Motion passes as five zero.

Speaker 35 ([02:44:23](#)):

I move to adopt on first reading ordinance number 1 0 1 4 0 establishing the KU gateway star Bar project District

Speaker 2 ([02:44:32](#)):

Second. Okay. Motion for number 1 0 1 4 0 by Fing Dice, seconded by Littlejohn. All in favor say aye. Aye. Aye.

Speaker 5 ([02:44:39](#)):

Aye.

Speaker 2 ([02:44:41](#)):

Was that an nay? Sorry.

Speaker 5 ([02:44:42](#)):



That was a Okay.

Speaker 2 ([02:44:43](#)):

So four one. I didn't hear Commissioner Larsen, I couldn't hear you. Okay, sorry. Yeah, so that motion passes four one. Okay.

Speaker 14 ([02:44:53](#)):

Alright.

Speaker 2 ([02:44:54](#)):

Do we want to take a break?

Speaker 14 ([02:44:56](#)):

Yes.

Speaker 2 ([02:44:57](#)):

Okay. Please take a 10 minute. Is that enough?

Speaker 14 ([02:44:59](#)):

Thank you everybody for your presence. Thank you very

Speaker 2 ([02:45:00](#)):

Much. 10 minute break. We'll reconvene here at Thank you staff

Speaker 14 ([02:45:05](#)):

For all

Speaker 1 ([02:45:05](#)):

Your hard work. 8 34. Okay, I think we're back.

Speaker 2 ([02:56:18](#)):

And come back. Start our meeting back up. Move on to the second regular agenda item. Sorry, my computer's going very slow here but back. And the item is to consider actions related to Q 39 barbecue restaurant project at 6 39 New Hampshire.

Speaker 37 ([02:56:42](#)):

Good evening, mayor and commissioners. Brandon McGuire, assistant city manager. I've been helping to shepherd this project through our incentive review process. The item before you is a recommendation to create a community improvement district and issue industrial revenue bonds to support redevelopment of 6 39 New Hampshire by R-K-M-K-U, the developer of the project and Q 39 would be their tenant. This would be the first redevelopment project of a property within the former Lawrence Journal World Complex. The requested public incentives, which were analyzed by city's bond council and our financial advisor satisfy legal and policy requirements and were determined to be necessary to produce a market rate of return for the project.

([02:57:28](#)):

In other words, the project is not likely to move forward without the requested public incentives. The request comes with a positive recommendation from city staff and it has the potential to catalyze broader redevelopment of the former journal world complex and other nearby properties in the New Hampshire corridor. The city's financial advisor, Tom Calico of Baker Tilly will present the technical analysis this evening and elements of our negotiated proposal. Additionally, we're joined by bond Council, our city engineer and planning and development services director who are both online. Finally, members of the development team are in attendance and they will provide brief a presentation following Mr. Calico's presentation.

Speaker 38 (02:58:14):

So Tom, okay. Thank you Brandon.

(02:58:17):

Thank you, Brandon. Good evening Mayor. Commissioners, good to be with you this evening. Brendan did a fine job of giving me a little bit of introduction. I'll add just a little bit to it. Baker Tilly or Baker Tilly Municipal Advisors, which is the division of Baker Tilly that I directly work for is employed by the city. We are four fee economic development and financial advisor to the city. We don't have a stake in this project. We don't represent anyone. The applicant in this particular case. Our sole client is the city, so just wanted to be clear on that.

(02:58:50):

An overview of the project. You see a map here that shows the location. I think you're probably familiar with it, but for those who might not be between Massachusetts and New Hampshire, over on the northern end of the Massachusetts corridor, roughly across from City Hall, the main entrance would be off of New Hampshire. It's a redevelopment of a portion of the vacant former or journal world building at 639 New Hampshire. The applicant is R-K-M-K-U, which will be the ownership entity for the building. Their intention then is to turn and lease it to the Q39 restaurant, which would be a roughly 8,000 square foot restaurant with the capacity to serve 290 customers.

(02:59:38):

Here you can see a summary of the budget. It's about a \$5.6 million project. You can see that the main costs are the core and shell furniture and fixtures, which I should clarify is primarily mechanical and other building systems. As you can imagine, it is a challenging project. The building needs quite a bit of work to make it useful in today's commercial environment. New roof, windows entries, mechanical electrical, plumbing improvements, new utility connections, a DA compliance. Obviously this building predates the A DA and the redevelopment of a historically significant building, which comes with its own challenges. Do the requested incentives are a community improvement district? So a community improvement district is, those of you who may have sat through the previous hearing will understand it's an add-on sales tax. So it's a tax that exists solely within the district. So it'd be only collected within the building.

(03:00:46):

It would be an add-on 2% sales tax for up to 22 years. And per the agreement would reimburse core and shell costs. So it's really being dedicated at the primary rehabilitative costs to bring the building to productive use. The value of that is estimated at about \$3 million. And then there is a sales tax exemption on construction materials. This is through the issuance of industrial revenue bonds. Some people may be familiar with industrial revenue bonds as a means to get to property tax abatement. That is not the case in this project. The purpose of the industrial revenue bonds would be solely to provide a sales tax exemption on construction materials. So once the building is constructed, that sales tax exemption falls away and after that point, the only remaining incentive would be the community improvement district sales tax,

which as I said, is an add-on sales tax and doesn't affect the city or any other taxing jurisdictions existing sales taxes.

(03:01:58):

The value of the exemption on construction materials is estimated at about \$177,000, but it's applicable to where the construction materials are sourced. So it only impacts Lawrence to the degree that the construction materials are purchased in Lawrence. In this case, we expect that most of the construction materials will be purchased from outside the city. So the impact on the city should be minimal. We were asked to prepare a but for analysis for the project, the purpose of the but for analysis is to answer the question. But for the incentives, would the project likely occur in the current market? As I've noted earlier, the project requires significant building, rehabilitation, utility modernization, and regulatory compliance. We do the buffer analysis, we examine all the assumptions, we examine the expenditure assumptions, revenue assumptions for their reasonableness. I will tell you in this case, because this is a very unique construction, all of the industry sources that we have are not quite applicable, but we're benefited by the fact that most of the construction costs are under contract. And these were contracts, contracts entered into by the applicant with the idea obviously, of trying to minimize their costs to maximize their profitability. So we do have the benefit of being able to look at the actual contracts, which were very helpful. When we forecast the internal rate of return without incentive, we see that it's insufficient compared to what investors would expect for like projects. It's insufficient for the project to move forward in the current market. So it's unlikely that it would occur without the incentive.

(03:03:57):

The project is eligible for the requested incentives under state statute. With regards to the city's economic development policy, we feel it meets the policy on a number of things, but mostly by placing a vacant, underutilized property into production, a lot of your economic development policy is certainly dedicated to that purpose. It creates a positive return, a positive fiscal return to the city because there's no abatement or redirection of existing local government taxes. Beyond the construction incentive that we spoke about, we are estimating \$5.1 million in tax receipts to the city over 25 years. And the other taxing entities, all the other taxing entities affected would also see positive fiscal benefit. So recommendations for tonight, conduct a public hearing on establishment of the community improvement district and then consider an ordinance establishing the community improvement district. And then finally consider a resolution authorizing the issuance of the industrial revenue bonds. Again for the purpose of the sales tax exemption on construction materials. With that mayor, I'd be happy to stand for any questions. Thank

Speaker 2 (03:05:07):

You very much. Do we have any questions this time?

Speaker 14 (03:05:14):

Nobody? I did have one just real quick, do you have an estimate? I know I probably asked this the last time, but I just want to make sure it's out there. Of how long the building was empty or has been empty, Mr. Any idea? For some reason it was

Speaker 37 (03:05:30):

2014. Yeah. Okay. Yeah, I was reflecting on that thinking about tonight, and I started in the city manager's office in 2014. It was almost a year ago to the date the end of May, 2014. And I remember that first year watching the printing, final printing presses being removed from the building on flatbed trailers. So it has been at least 10 years

Speaker 14 (03:05:56):

And I know it is hodgepodge, as you said. It's all kind of put together. I believe I learned from last time the general age of the site is what, 1940s,

Speaker 2 ([03:06:08](#)):

Fifties to seventies,

Speaker 14 ([03:06:10](#)):

Sixties,

Speaker 2 ([03:06:11](#)):

Fifties is late sixties, I think more or less

Speaker 14 ([03:06:13](#)):

From what I could tell. Yeah, mostly.

Speaker 2 ([03:06:16](#)):

Okay.

Speaker 14 ([03:06:17](#)):

I just wanted to make sure that that got out there.

Speaker 38 ([03:06:23](#)):

Yeah. Well, no other questions for me. I think the applicant has a presentation. Great. Thank you very much for the analysis.

Speaker 39 ([03:06:34](#)):

Good evening commissioners. My name is Patrick Watkins. I'm an attorney here in town. I'm here on behalf of R-K-M-K-U-L-L-C. That owner is Kelly McGee. She is here with us tonight. Part of our team is here, Kirk Ridgeway from Fisher Patterson. Andrew Keni is here with Q 39. Thank you for the opportunity to be here again with you all. And I would like to recognize Brandon Tom's work on this. We've been working with them closely. It's been about three months since we last saw you and we provided our data, our financial model. We met at their request to walk through it. We think they've done a comprehensive and thorough review of the model. We appreciate their work and we stand by our comments in February that the incentives are needed for this project. Those comments were validated in their report. And you'll note in the report, even with the incentives, the property owner still expected to garner less than market rate returns.

([03:07:26](#)):

It's not an especially flattering sentence in there, but it's an indication that this is not a windfall. This is necessary to make the project feasible. I want to draw your attention to a couple of letters that were submitted in the packet. It's page 111 and 112. The first is for Matt Gilhausen, who is rehabbing the Reuter building. He notes the challenges with this type of development, the need for city support in this type of conversion from industrial to commercial. He notes that this portion of downtown deeply needs the city's investment. You'll see a letter from Mark Emer, and this is news. He shares that alarm.com has been looking at the Mass Street side of this building. He shares that they're a publicly traded company. They want to expand their workforce into a part of the rest of the general world building. It's not an

exaggeration to think that there could be a hundred tech jobs right on Mass Street on the other side of this building.

(03:08:24):

They have been one of the variables that we've been working with and we've been planning around them. And it's been a bit challenging because it's taken time for them to wrap their arms around it. We're excited that they're looking at it. But part of the challenge is making the building work for these different types of uses. In the letter. Their team expresses support for Q 39, excuse me, RKM LLCs, incentive requests. And they note that they're less likely to move forward with the project if this incentive request is not approved. We mentioned in February this project qualifies for incentives because it's a substantial investment in the vacant building in the downtown district. It's not about a restaurant. Restaurants do not qualify for incentives on their own city's policy is clear. It's deliberate about what projects should receive this type of incentive. And as we've mentioned, the CID has been narrowly tailored to reimburse those expenses related to making this project this property usable.

(03:09:23):

It's not about specifically the CID does not reimburse improvements related to the tenant's use. This project qualifies for incentive because it turns a vacant building into a usable commercial space. It qualifies because this property will immediately become a significant contributor to the sales and property tax bases, not 15 years from now, but as soon as the project is over, this is all uniquely beneficial cost benefit relationship for the city. I don't think you'll see another incentive request like this where both the sales tax and the property taxes are going to be fully intact for the city. But perhaps the most significant contribution is getting things started on this journal world production facility. We need it to turn around. We need to fix this vacancy in the downtown district. We're pleased to have the staff report. We're pleased to have Baker Tilley's confirmation that we need the incentives. And I'll have Kelly say a few words, but we'd be happy to stand for any questions you have.

Speaker 2 (03:10:29):

Thank you. Pat. Any questions? Pat right now.

Speaker 14 (03:10:36):

Probably want to hear from you. Thanks.

Speaker 40 (03:10:41):

Good evening. Kelly McGee, managing partner at our cam properties and CEO at Q 39. We are very eager to start our business in Lawrence and excited to be part of the downtown community. Taking on this development of this historic aged property has proven more complicated than I initially anticipated, especially for restaurateur. But we are committed to opening in Lawrence. However, the development costs are too great to proceed without the needed CID and IRB. So thank you for your time consideration this evening.

Speaker 2 (03:11:18):

Okay. Okay. Are there any questions of the applicant at this time before we move on to the public hearing? Okay, we'll go ahead and open the public hearing then. Public comment.

Speaker 14 (03:11:43):

I Rick hold a hat at this.

Speaker 22 (03:11:48):

My name is Rick Renfrow and I'm a business owner here in town. And for all the reasons that they've said that this is a good idea, I agree with those wholeheartedly. Getting the journal world going back again would be awesome, helping out the downtown. People always ask me, aren't you worried about other restaurants getting benefits that you might not get? Well, they're going to spend about \$3 million on their tables and their chairs and their TVs and all that kind of stuff, let alone the money they're talking about on just the building. And I think it's fair and easy. They're not giving money to the restaurant, they're giving money to the building to make sure that that thing gets back up and revitalized. And I think even like with the Gateway project, even the restaurants that I own out west of town, they're going to benefit from that.

(03:12:44):

It's the same thing down here. The more we can do to enhance Lawrence and get people to come from outside of town and the people that are here stay and utilize our services, the better we're all going to be. And the other thing is, I don't think most people understand this whole because we're not giving them anything. They're going to invest all this money into building this building up and then all of a sudden the taxes is going to go up because it's worth more and the city's going to get that money back. Whereas if we don't do anything, then it's going to be sitting there. And that might be our homeless place. We could redo that whole thing and make a thing there. But anyway, I'm for it. I think you guys ought to vote for it.

Speaker 2 (03:13:30):

Thanks, Rick.

Speaker 15 (03:13:36):

Steve, Jacob again, I'm glad we have all five commissioners here so we don't have to do this again. But basically we're looking to spend 5 million for a restaurant to take market share from other restaurants in the area. And it just seems unethical to me. And they talked in the last meeting we just had about ku. You guys wanted a lot more assurances before you signed off on some things. They didn't give you any assurances of anything else happening there. They threw out a name, a letter. I hope you want more from that, from ku. So I don't know why it's not that would work here. So just in general, I mean, plus the restaurant industry is during recession. The restaurants are the worst first casualties of a recession, which is here to be honest. So again, it's a gamble and I think you should vote against it, but it's corporate welfare. Let's just call it what it is, which I'm not in favor of, but it's just calling it what it is. Thank you.

Speaker 8 (03:14:51):

Okay, thanks Steve.

Speaker 18 (03:15:01):

Andrew Holt, executive director of Downtown Lawrence Inc. I spoke in favor of this project the last time we visited it, and I will speak in favor of it again tonight. I think this is the Q 39 project is a great investment for a sector and a building that has been dormant for over a decade. This is a rare opportunity for us to really revitalize not only that building, but the sector that was mentioned earlier, that whole part of the 600 block and New Hampshire. When you have a dormant area like this that has sat for a long time, the clock is ticking. The longer the building sits un revitalized, the harder it gets and the more money it will take. So again, this is an opportunity that I don't think we can afford to miss.

(03:16:00):

When you have a dormant building like this and you have a dormant sector, the first thing you want is to develop a solid anchor that starts the revitalization. And I don't think you can get a better anchor than Q 39. And on top of that, Q 39 has already shown their commitment to Lawrence, which I think is tremendous. When the initial project for the LJ world building fell apart, they could have cut and run.



Instead they've stayed in the fight. Their commitment to downtown Lawrence is important. It's valuable and I think it should be rewarded. The other thing is there's been some concern about, this doesn't address the whole building, but Q 39 is going to do a ton of the heavy lifting. Most of the infrastructure, most of the important aspects of the building that will benefit businesses that come in later will be done during this phase and funded heavily by Q 39. So to use a football analogy, Q 39 is driving the ball all the way down inside the five down to the one, and then the other businesses will just have to carry it across the goal line. So again, there's a lot of value to that. There has been a lot of rhetoric about investing in downtown Lawrence. Let's proactively do economic development projects for downtown Lawrence. Let's make sure our downtown stays revitalized. This is the chance. Thank you.

Speaker 30 ([03:17:36](#)):

Thank you Andrew.

Speaker 27 ([03:17:44](#)):

Patrick Ross, just another quick question. So I've been learning a lot about industrial revenue bonds. I still don't really understand them. So be really great at the city could explain to us lay folk what industrial revenue bonds are because we were told that it's not going to cost us any money. I know that they were tied to tax abatements, and so I understand how that works. But I guess what are the rules with industrial revenue bonds and just as a community, it'd be great to understand that a little bit more, especially as it pertains to products like these. Thank you. Thank you, Patrick.

Speaker 2 ([03:18:23](#)):

Anybody else in the room? Okay, Sherry, I think there's a couple online.

Speaker 8 ([03:19:13](#)):

Courtney Shipley.

Speaker 28 ([03:19:17](#)):

Sorry, did you say my name?

Speaker 8 ([03:19:19](#)):

Yes.

Speaker 28 ([03:19:20](#)):

Thank you, Sherry. Sorry, I apologize. Mayor and commissioners, I just wanted to remind us all that we can't be choosing winners or losers as a government. There's no question that everyone would love this business to be here. But there's many big businesses and small businesses who've never asked for these kinds of incentives and who have invested in historic and non historic buildings in this town. So I would just implore you to think about that. Of course, some of you are pledged to be more conservative than others, but as a local government choosing winners and losers, it's actually not your job. So I appreciate your time and be thoughtful in who you give these incentives to. Thank you.

Speaker 2 ([03:20:18](#)):

Thank you.

Speaker 3 ([03:20:19](#)):

That's all the comments.

Speaker 2 ([03:20:21](#)):

Alright, thank you. Sherry,

Speaker 35 ([03:20:27](#)):

You have questions? Kevin, you want to give an IOB one of you IOB?

Speaker 12 ([03:20:37](#)):

Yep, you bet. Commissioner. I'll do the high level IRB 1 0 1 to refresh this group. And I think a member of the public off the top mentioned it's a \$5 million investment or we're giving something about the \$5 million tag to the irb. So the first thing with IRBs is the vast majority of them in Kansas are not a true financing vehicle. So there's no bonds issued that are backed by this city. The project costs in this case will be privately financed through private debt and equity or whatever conventional matters. And then the applicant or the company in this case will purchase its own IRB. And so it's responsible for making lease payments that pay back the debt service to themselves as the bond owner. So again, not a true financing mechanism and instead is just a vehicle for accessing the state incentives available for IRBs. And there's two.

([03:21:30](#)):

One is property tax abatement for a maximum term of up to 10 years. And the second is sales tax exemption on construction materials and furniture fixtures and equipment. This request has no property tax abatement angle. There'll be no abatement of the property taxes for the property. It does involve only the exemption of the sales tax on construction materials and ff and e. And we spent a lot of time tonight talking about sales tax. So again, to reiterate, most of that sales tax is the estate's dollars. That's part of the incentive at six and a half percent at estate. And as Tom mentioned, sales tax is destination source. So depending on where the materials are purchased is where the local sales tax would apply. And so as we think about incentivizing these purchases, and I'll just say most of the money is the states and a minor portion of it is likely the city's sales tax, that's foregone. Does that cover it? Commissioner, is there anything else you're looking for? I

Speaker 35 ([03:22:27](#)):

Think that's it.

Speaker 12 ([03:22:28](#)):

Okay. Thank you.

Speaker 35 ([03:22:31](#)):

Yeah, I don't have any other questions. Do you have any questions for anybody?

Speaker 2 ([03:22:38](#)):

I have one. Okay. So we mentioned core cost. Core cost, I think getting to core costs involved with what could be involved in the IRB. I guess what I'm going to make sure is, can you define core costs for me? I think it was mentioned, maybe you said it earlier, relative to the construction?

Speaker 38 ([03:22:59](#)):

Yeah. Okay. You'll see in the cooperative agreement that the restriction on the use of the community improvement district sales tax receipts is for essentially the structure. It can't be used for anything else.

Speaker 2 ([03:23:17](#)):

So he mentioned FFF E though in that last bit.

Speaker 38 ([03:23:20](#)):

Right. But yeah, so nothing beyond mechanical systems. Things that are structural to the building, but we're not going to be paying for tables, chairs, that kind of thing.

Speaker 2 ([03:23:32](#)):

I heard that. I want to make sure, married with your comment, you mentioned separating the core costs and then I heard ff and E in that discussion. So I want to make sure I got that.

Speaker 38 ([03:23:41](#)):

Yeah, it's eligible but under the cooperative agreement,

Speaker 2 ([03:23:45](#)):

But it's not in this one. Correct. I want to make sure that's clear.

Speaker 38 ([03:23:48](#)):

If I could mayor one other thing. There was some talk about risk and one thing maybe I was negligent and not covering is that this is a performance based incentive. So the applicant only receives the community improvement district sales tax to the degree that their business generates it. So the risk is entirely on the applicant

Speaker 2 ([03:24:12](#)):

As

Speaker 38 ([03:24:13](#)):

Far as whether they'll see their reimbursement.

Speaker 2 ([03:24:15](#)):

And then lastly, theoretically, we could forego zero sales tax if all construction materials were purchased outside of our jurisdiction. Is that correct? Correct.

Speaker 38 ([03:24:24](#)):

So

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

There'd be zero impact to the community if that happened,

Speaker 38 ([03:24:26](#)):

If all the construction purchases were made outside the city? Yes.

Speaker 2 ([03:24:30](#)):

So that was bantered around. I wanted to make sure that was clear. And then I think that'll do. Thank you very much. Anybody else have any questions?

Speaker 14 ([03:24:43](#)):

I just had one regarding kind of what you said, not necessarily for you, but I believe for Kelly, I'm just kind of curious, how long did it take for you, if you could come up for your previous store to get up and running and once you were able to open it?

Speaker 40 ([03:25:02](#)):

Sure. So I have two existing locations. One in Midtown, Kansas City area on 39th Street and another one on college at Antioch and Overland Park. It took us about two years from inception and getting all the financing going and all the capital lined up.

Speaker 8 ([03:25:19](#)):

Cool. Alright.

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

Okay. Any other questions? Good. Commissioner Sellers, do you have any questions? Okay. Alright. So commissioners, do you want to comment or

Speaker 35 ([03:25:35](#)):

I'll jump in and say, I'm going to go ahead and support this. I mean, I think, and thanks for the presentations from everyone based on the emails we received in other comments. I think there's a lot of different thoughts about what people think this is or what they think it's not. And as those questions just indicated, we're somewhere less than probably \$30,000, maybe closer to \$0 that the city is putting into this. Those it's mostly a CID, CID and then the state sales tax and sales tax, otherwise. And then I think the second fallacy is we're not investing in this because it's a restaurant. We're investing in a vacant building that needs to be renovated and someone ask, put money into the, would you give an incentive for a clothing store inside the Masonic Temple? And my answer was yes. I mean, the Masonic Temple's has been empty forever.

([03:26:50](#)):

I would definitely support something going in there and an IRB for someone to put millions of dollars into a project to bring it to life that really costs the city nothing but it's a vehicle. To make a vacant building come forth I think is great and I'm going to support that last time the O' here. I want the whole building renovated and I was glad to see the alarm.com letter and that they'll continue to work on that project. I do think this is a catalyst not only for the North End door as well, I've been excited to see some more restaurants, established restaurants move to New Hampshire and I think they're doing better drawing along New Hampshire, but having Q 39 New Hampshire, I think will strengthen that whole block. I mean the whole street, not just the north end of downtown. So I think it has a double advantage and then to pair that with what's we to happen with VO and it's happening with vo. It's really exciting. So I'm going to support this.

Speaker 14 ([03:28:09](#)):

Good. Yeah, I'll jump in as well. I'm going to support it as well just because that projects of this nature usually need this kind of help. I mean, I think of Reuters, I think of turn, holla that had set empty for a long time that needed that help to go ahead and get it going or get it worked on and other projects around

town that kind of need it. And honestly, to what Andrew said, it's like the longer you leave it vacant, it's been vacant for a little bit over a decade, the harder it is to go ahead and renovate it. So the fact that somebody is willing to step up a company or entity is willing to step up and go ahead and be the first one in to go ahead and tackle it so that others can join, I think is exemplary. So I'm really, really excited about the potential traffic that'll come around that portion of downtown and to what Rick says, if we can go ahead and get that, it just lifts all boats. So I'm really looking forward to it and I'm glad that we have this in front of us. So

Speaker 2 ([03:29:10](#)):

Thank you

Speaker 3 ([03:29:12](#)):

Mayor. You may have and I may just have missed it. I just want to make sure before we vote that we officially closed the public hearing.

Speaker 2 ([03:29:19](#)):

I think I did close the public hearing.

Speaker 3 ([03:29:21](#)):

Okay. You probably did. I just wanted to make sure that I caught it. Okay.

Speaker 2 ([03:29:23](#)):

Did yeah, after we are done with the meat and talk. Yes. Thank you.

Speaker 3 ([03:29:26](#)):

Thank you.

Speaker 2 ([03:29:26](#)):

If not, the public hearing is closed

Speaker 4 ([03:29:30](#)):

Either

Speaker 3 ([03:29:30](#)):

Way.

Speaker 2 ([03:29:30](#)):

Yes. Thank you. Anybody else want to chime in before we vote? I'm just going to say I think I have to move forward with this makes a lot of sense in the dollar amount invested versus the financial tax benefit, both sales and property tax far away, any kind of risk we have here. So I'm going to be in favor of moving forward with this.

Speaker 35 ([03:29:59](#)):

Do we want two motions or one?

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

We have two separate motions.

Speaker 35 ([03:30:05](#)):

Adopt on first reading ordinance number 1 0 1 3 7 authorizing the establishment of the all KMKU Community Improvement district.

Speaker 2 ([03:30:16](#)):

Okay, that's a motion by Finkel Dye, seconded by Littlejohn. All in favor say aye. Aye. Those opposed

Speaker 35 ([03:30:23](#)):

No.

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

Motion passes is four one

Speaker 35 ([03:30:26](#)):

Move to adopt on first reading resolution number 7 5 7 3 authorizing the issuance of industrial revenue bonds for sales tax exemption and eligible project costs for the Q 39 Barbecue restaurant project at 6 39 New Hampshire.

Speaker 2 ([03:30:40](#)):

Second. That's a motion by Finkle Dye and a second by Littlejohn. All in favor say aye.

Speaker 35 ([03:30:45](#)):

Aye.

Speaker 33 ([03:30:45](#)):

Aye.

Speaker 2 ([03:30:45](#)):

Those opposed?

Speaker 33 ([03:30:47](#)):

No.

Speaker 2 ([03:30:47](#)):

Motion passes four. One again with Larson and dissent.

Speaker 33 ([03:30:51](#)):

Okay.

Speaker 2 ([03:30:52](#)):

Thank you. Thank you. Okay. And next we're going to receive and hold the public hearing on the 2025 annual action plan of the 2023 2027 Community development block grant and home investment partnerships program, consolidate plan opening the 30 day public comment.



Speaker 35 ([03:31:23](#)):

I think it's online. I think Daniel's online.

Speaker 41 ([03:31:31](#)):

Good evening, mayor Commissioners. My name is Danny Walters and I'm with the Housing Initiatives Division of Planning and Development Services. Tonight we will be making a very quick presentation on the community Development Block grant in the Home Investment Partnership program and we'll be asking you to open our 2025 public hearing for a comments regarding the plan and for the funding recommendations. Before I turn it over to staff, I just wanted to note a couple of items. The first is that with your packet, we have included a fact sheet about our housing rehabilitation programs. We're implementing some changes to these programs and we're wanting to align 'em more with these strong welcoming neighborhoods as well as a lot of our community partners that are doing the same work. And also we wanted to bring up the dollar amounts. This program has been something that's been with the city since the seventies and eighties and these list to say the dollar amounts that we were working with don't really correspond well with where we're at nowadays. So just a couple of changes on there for your information. Second item is that understanding that you will likely have some questions about funding for the 2025 program year.

([03:32:49](#)):

I guess I just want to put out there that we don't know anything. We haven't had any correspondence from our HUD office. We just know that this is how we work every year, and so we're moving forward with our process so when we do hear from them, we are ready to go. So if you have questions, we will do our best to answer, but I doubt that I'm going to have many answers for you at this point. Then the last thing I just wanted to do was give a really big thank you to the grant staff as they've really been working nonstop on both this plan and getting ready for this hearing and for a program year that we don't have much information about. So I just really appreciate their help and dedication to the work that they're doing. So they had a very instrumental part in completing this plan.

([03:33:38](#)):

We also had input from community partners as well as from Leah, Rosalyn and Misty Bosch Hastings. They helped out a lot with some of the sections that pertain to the work that they do. So to Brad Carr and Kaitlyn Doller, I just want to say thank you so much for your work on this and for everything that you do for the community and for these grants. So with that, I will turn it over to Brad. Our whole staff is online here tonight if you have any questions that we may know the answers to. So thank you.

Speaker 2 ([03:34:09](#)):

Thank you, Danielle.

Speaker 42 ([03:34:13](#)):

Hello. Good evening Mayor and commissioners. As Danny said, I'm Brad Carr. I'm the community Development Analyst in the Housing Initiatives Division of Planning and Development Services. We are here tonight to hold a public hearing and I'm going to go ahead and share my screen for the presentation. It looks like I have to get approval for that.

Speaker 3 ([03:34:45](#)):

All right, now Brad.

Speaker 42 ([03:34:57](#)):

Okay, so we are here tonight to hold a public hearing on the 2025 CDPG and Home annual action plan. CDPG stands for the Community Development Block grant and home is the home investment partnerships program. Both of those are federal grants that we received from HUD yearly. Attached to this agenda item is a memo that explains the application process and the allocation process that we went through to get to this point. Also attached are these slides from the presentation and then a draft copy of the actual annual action plan that's for public comment and that includes what we term as the investment summary, and that's just kind of a one pager that quickly summarizes how we're proposing to use the funds for our 2025 grant year.

(03:35:46):

So the main objective tonight is that we're asking for the public to input on that action plan and also on that investment summary, how we're planning to use these funds for next year. The action plan also has other important sections about our community, things that we're seeing right now, market conditions, and so we are really looking to ask the public to comment on this. Some quick background, the city is required to work under a five year consolidated plan, and we're currently under a 2023 to 2027 consolidated plan. So our 2025 year, which starts August 1st, 2025, would be the third year of our five year consolidated plan. Inside each of those consolidated plans we're required to prepare an annual action plan. The annual action plan identifies specific projects that we're proposing to be funded for the 2025 grant year.

(03:36:48):

As Danny mentioned, an important issue to note is that at this time we do not have any actual dollar amounts from HUD for these grants. So we are required to use just estimated funding at this time. When we do receive grant funds, we will adjust the payout recommendations evenly across the grant awards. So we are estimating that we will receive a base CDDG grant of \$740,000. Add to that an estimated program income of a hundred thousand dollars program income is loan payments and payoffs from past program years where projects were funded and had a mortgage placed against them, and then program reallocation of \$150,000 of unspent previous grant year funds. So for a grant total of 990,000 in CDBG to allocate. On the home side, we're estimating that we'll receive a base home grant of 430,000. We received program income of \$1,639 in the home program for a total of 431,639 program income works a little different in the home program. We can only use what we actually received in the last program years and that. So that's the amount that we actually received. 1,639. To this point, we're on the CDVG side. We're working with what we think we're going to get based on past year's amounts that we received.

(03:38:19):

So if we start with the home recommendations of that 431,639 to allocate 43,000 of it is set aside for program administration for the grant program, HUD regulations established that a maximum of 10% of that base home grant can be used for our administrative activities. So that leaves the remaining 388,639 that was put out for competitive applications. Applications were received and reviewed by the Affordable Housing Advisory Board. And so at their April 10th meeting, the AHAB provided these funding recommendations, which included \$240,000 to the Lawrence Douglas County Housing Authority for their tenant-based rental assistance program, which is a HUD program, provide housing vouchers to individual households to help them afford market rate housing rather than subsidizing specific rental units. And so the assistance moves with the tenant that way and can be provided for up to 24 months along with case management. The next recommendation was \$127,139 to tenants to homeowners for their community housing development organization project funds, that's a big long acronym, so it's cut down to chodo is what HUD calls that.

(03:39:42):

CHODO is a HUD recognized local organization that has to meet specific guidelines, and by meeting those guidelines, it's required that we give at least 15% of that base home grant to be awarded to any local CHODOs in our area for the actual development of affordable housing. And so of the \$430,000 base

home grant, we're required to give 15% of that. So at least 64,500 we have to award to local CHODOs. The AHAB recommended amount of 1 27 139. And then the final home recommendation is also to tenants and homeowners, and that's for 21,500. For CHOTO operating funds, HUD regulations set a maximum of 5% of that base grant can be awarded to CHODOs for their operational expenses in order to produce that affordable housing. So that's the maximum amount that they could be awarded. That 5% would be 21,500 on the CDBG side, 148,000 is set aside for administration.

(03:40:52):

HUD allows a maximum 20% on the CDBG grant side for use for our administrative for city projects, 341,000 is recommended for projects in the housing initiatives division, and those include homeowner repair programs such as that revamped homeowner housing rehab program that Danny spoke about. And it also includes acquisition of existing housing or land to produce affordable housing. 175,000 is recommended for other City Department projects such as MSO, sidewalk Gap project or street Restoration projects or parks and rec projects in low and moderate income neighborhoods. Specific projects for that funding has not been identified by another department yet in the city, but we'll work through regulatory things such as environmental reviews on proposed projects.

(03:41:49):

Continuing on with CBG, HUD allows a maximum of 15% of that base grant, so that would be an estimated 111,000 to be awarded to public service activities. Those are direct, low and moderate income client services such as childcare, healthcare services for seniors or the homeless. We did receive one application for public services and that was from the Lawrence Community Shelter. And so staff is recommending that the full 111,000 is awarded for their stabilization services for sheltered guests program. An additional 215,000 was set aside for CDBG, what we term non-public service activities. And so those would be those capital type projects and that was a competitive application process.

(03:42:38):

And so we received two applications in that pot of money and staff recommending funding 160,000 to Good Life Innovations for the rehabilitation of one of their group homes that provides intensive care for individuals with disabilities. And then 55,000 awarded to Lawrence Habitat for Humanity for their critical repair for weatherization assistance program. That brings us to our timeline, and so a notice of public hearing of tonight's hearing was published in the April 18th journal world, and we also released that draft copy for public comment of the annual action plan. Tonight's public hearing begins a required 30 day public comment, so that will run until June 7th. We really encourage citizens to provide written public comment via email to [housinginitiatives@lawrenceks.org](mailto:housinginitiatives@lawrenceks.org) or it can be delivered to the planning and development services office at City Hall. We'll be back here in front of the City Commission on June 10th for your final approval. If we have our final numbers from HUD at that time, which we hope we do, we will update all of these amounts and deliver those to you. And then our final plan is due to HUD by June 13th. Other than that, I would answer any questions that you have. If no questions, then I'll just ask that you please open the public hearing and we'll take any public comment that we have at this time and just encourage people to during that 30 day comment period, the plan is attached. They can review that and submit those written comments to us.

Speaker 2 (03:44:22):

Thank you, Brad. Commissioners, do you have any questions for Brad before we open the public hearing? No. Okay. Thank you, Brad.

Speaker 5 (03:44:31):

Now real quick, Brad. Sure. Remind me again, when do you anticipate hearing back at least preliminarily what funding's going to be?

Speaker 42 ([03:44:42](#)):

Last year they released it on, I believe May 10th. I think things are different this year and we might be pushing that back a little farther, but at this time we have not heard anything one way or the other from it.

Speaker 8 ([03:45:01](#)):

Okay.

Speaker 2 ([03:45:06](#)):

Different?

Speaker 14 ([03:45:07](#)):

Yes,

Speaker 2 ([03:45:08](#)):

The same thing. Okay. That's a good word.

Speaker 14 ([03:45:09](#)):

Yeah.

Speaker 2 ([03:45:11](#)):

Anything else for him?

Speaker 5 ([03:45:20](#)):

I'll bring it up in discussion.

Speaker 2 ([03:45:22](#)):

Okay. Alright. Well then I'm going to go ahead and open the public hearing on this item. Is there any public comment?

Speaker 27 ([03:45:34](#)):

I just have a quick question for Brad. You asked for a public comment. Is there a particular area of focus that you're looking for the public's input to help you on and yeah. And how much does this plan sort of overlap with the unhoused population here in Lawrence? What kind of goals or strategies are being implemented to accommodate people in vulnerable communities such as that? And are there any sort of out of the box ideas in hoping to accommodate and serve that community beyond actual physical structures that maybe might be open air when the weather allows and other sort of unique aspects of addressing the situation? Those would be my comments. Thank you. Okay. Thanks Patrick.

Speaker 2 ([03:46:29](#)):

Any other public comment in the room?

Speaker 28 ([03:46:38](#)):

Mayor. Commissioners. Thank you, Courtney Sheley. I did want to just maybe mention that once upon a time this money used to be for neighborhoods, they would be able to use that and memory serves Commissioner Larson, even directed staff to help us make sure that that money still went to

neighborhoods. Now it's somewhat waylaid by staff to other things such as sidewalks, which is support, you all know word word, but it isn't used for what it was once intended and it was never made widely available through any program that was equitable among the neighborhoods. And I just wanted to remind you all that there was something, and if it was never executed in spite of direction from the commission, that constitutes insubordination. So I would like you all to consider the ways in which this CDBG money was originally for neighborhoods for the use of neighborhoods by their own direction and not city staffs.

Speaker 8 ([03:47:43](#)):

Thank you. Kevin Elliot?

Speaker 3 ([03:48:16](#)):

We do have one on Zoom there.

Speaker 8 ([03:48:20](#)):

Okay.

Speaker 3 ([03:48:21](#)):

Kevin Elliot. Kevin Elliot

Speaker 2 ([03:48:54](#)):

Got connectivity.

Speaker 3 ([03:48:56](#)):

I'm not sure.

Speaker 32 ([03:48:57](#)):

There we go. I'm sorry about that.

Speaker 2 ([03:48:59](#)):

All right. Thanks Kevin.

Speaker 32 ([03:48:59](#)):

I'm, I apologize. I'm on my phone. I would like to echo that. I think it's a shame that this money used to be commanded by the community and it's been taken away from the community and I'd like to see it redirected back to the community. That being said, I'm glad to see that there has been at least lip service that some of this money will be earmarked for the unhoused community. What I haven't heard tonight is, and I would like to hear, is there a commitment to some of this money being funneled to people with disabilities? I'd like to see a commitment to some housing or accessible housing modifications for accessible housing. Thank you.

Speaker 2 ([03:49:54](#)):

Thank you, Kevin. Good suggestion. That was just one?

Speaker 3 ([03:49:58](#)):

Yep. That's all the comments.

Speaker 2 ([03:50:00](#)):

Very good. Thank you very much. I'm going to go ahead and close the public comment portion of the public hearing and bring it back to the commissioners. There was a couple of questions brought up and did you write them down?

Speaker 35 ([03:50:19](#)):

The first one, Brad, is just generally, is there a particular area you're looking for more comment than Heather's or from the public?

Speaker 42 ([03:50:28](#)):

What HUD asks us to try to gather from the public is things that ways the citizens would propose to use the funds and then how we actually have proposed to use the funds. So if a citizen disagrees with what's being proposed, absolutely, we'd love to hear that all written public comments are submitted to HUD along with the plan so they can see the way that our community is reviewing and commenting on these plans.

Speaker 5 ([03:50:57](#)):

So Commissioner Finkel, I had to add to that, Brad, this is part of what we're looking at is based on the current consolidated plan, when will staff start working on the new consolidated plan?

Speaker 42 ([03:51:17](#)):

I'm trying to think back on our 23 to 27. I think we started about a year and a half before the due date of that, which would've been June of 23 would've been the due date of that. That consolidated plan is a much larger document. There is market analysis that has to be done there. There's many more sections in that consolidated plan that take a lot more planning for.

Speaker 5 ([03:51:52](#)):

So if there was consensus from the commission to go in a different direction, what would that look like under the current consolidated plan versus implementing it in a newer consolidated plan?

Speaker 42 ([03:52:15](#)):

So our current consolidated plan lists out goals and then projects that we had proposed at that time to cover under that five year period. If we identify a new goal that wasn't in that original plan or a new project, then we just have to do what's termed as a substantial amendment where we publish in the paper what we're proposing to change and why we're proposing to change it. We hold another public hearing such as this to explain to the public how those dollars are being shifted from what we originally said to what we want to use 'em on. Now. We again have to provide the public a time period to comment on that. We have to submit it HUD and then HUD has a time period that they have to review it before they would accept it.

Speaker 2 ([03:52:59](#)):

And then while we're talking about this, we had some discussions about the migration of CDBG funds moving from more of a neighborhood based allocation to a different version. Can you speak to the changes that have occurred? I remember that being more so in the past, I just don't know what led to the current status of fund distribution.

Speaker 42 ([03:53:23](#)):



Sure. So it used to be that neighborhood associations were funded out of that 15% public service,

Speaker 8 ([03:53:31](#)):

Those

Speaker 42 ([03:53:32](#)):

Client service dollars. So there was a limited pool of money that people that agencies apply for and neighborhood associations could apply along with that. So we did receive some guidance under changes to two CFR 200 that any, what was termed as a sub-recipient that we're funding has to be a registered 501 C3. And so at that time, none of the neighborhood associations met that qualification. And there was a few other concerns from HUD when they monitored us that how were those dollars that were being used by the neighborhood associations actually benefiting low and moderate income residents in the neighborhood. And so instead it was proposed by the city commission that the neighborhoods would be funded out of other funds out of the general fund for several years. The neighborhoods were funded out of that pot of money instead of to avoid the federal regulations and the strings that are tied to these funds.

Speaker 2 ([03:54:28](#)):

Thank you. That's very helpful. Okay.

Speaker 42 ([03:54:33](#)):

I would comment too, in the past we did fund Independence Inc. For accessibility modifications. We ran into problems in that program for procurement. So in order to procure a contractor to do those type of projects, we had brought to bid and we have to receive at least two bids. And so we were not getting two bids at that time. We were only getting one company in town that would bid on these projects. There was a dollar amount limit usually set on those projects. And so if we could not get a successful bidder, the projects were not being completed. And so we sat down with Independence Inc. And we suggested they instead apply to the Affordable Housing Advisory Trust Fund to once again not have those federal strings tied to that money. And so they've been successfully funded by the Ahab for several years for their accessibility program.

Speaker 2 ([03:55:31](#)):

Excellent. Thank you. Right. Any other questions, staff or from Brad about the action? I think all we have to do is move forward with holding the public hearing and we've done that. So Yep. I Alright. Any concluding comments on this item then?

Speaker 4 ([03:55:57](#)):

Okay,

Speaker 2 ([03:55:58](#)):

Very good.

Speaker 5 ([03:55:59](#)):

Well, real quick, I just want to thank Bradley for his presentation. I can just do a shameless brag. I've listened in on a couple of Bradley's presentations and I can probably say they're one of the most, I think in lay or I don't want to say lay terms because I have a bias, but I think for folks who are in this space and have some knowledge of CDBG, affordable housing, federal state regulations around this particular program, you do a very good job, in my opinion of explaining it. And particularly in the presentation with

Ahab. I thought that was a very good example of good dialogue from various different education points and knowledge points and the way you handle that. I thought it's very commendable. So I do want to just say thank you for that is a wonderful asset for us to have because often these are high level miles away products that the normal person don't think of on a day-to-day basis unless they have some touchpoint to it.

(03:57:10):

So thank you for being able to give it that proximity and thank you for sharing about the consolidated plan because of a lot of the uncertainties, I wouldn't suggest right now wanting to shift something particularly because we don't know what funding's going to look like. We don't know what the current administration's ideas are on projects. So I do want us to be careful with that. But I do want us to be able to capture and hopefully see this as an opportunity to start the process of what are options and availabilities for us to use CDBG dollars and reimagine it. I appreciate what we do right now for IT for housing. There's other avenues that we can utilize it for other outcome commitments, outcomes and commitments that we have in the strategic plan. And I think when the timing is good for that, I think it's worth the conversation for the commission to have that I, but I wouldn't want us to necessarily produce any amendments of substantial that would be substantial at this point with the current consolidated plan.

(03:58:26):

So I look forward to us moving forward with this. This is a world that I lived in state government with public comment period, and unfortunately sometimes a lot of people don't participate. But you get the right coalition to bring people to the table to have discussion and help themselves edify themselves on what this project is and what it can continue to do for our community. I think that's something we can continue, I think everyone on the day of supports as well as staff supports. So thank you for this presentation and I don't think I've ever been excited to hear A-C-D-P-G presentation, but you definitely make it worthwhile and hopefully others in our community can glean from that Bradley. So thank you.

Speaker 2 (03:59:11):

Thank you. Anybody else? All right. Very good. I think we're going to go ahead and move on to our next item, which is commission items. Commissioners, do you have anything to bring up this evening? No,

Speaker 35 (03:59:30):

We good. So I noticed we put the advisory board appointments. We're going to talk about that.

Speaker 2 (03:59:36):

Yeah, that's separate.

Speaker 35 (03:59:39):

Okay, that's separate.

Speaker 2 (03:59:40):

Yeah.

Speaker 35 (03:59:40):

Okay.

Speaker 2 (03:59:42):

And then the advisory board, if you want to address that. Yeah. The only reason that was separated was because the appointment to the building code of appeals, Chris Hudson, Houston, excuse me. He is a Douglas County resident. He doesn't live in the city limits, but he works and operates and has been a part of managing and involved in community for a long time. I just wanted to make sure that that was brought up.

Speaker 35 ([04:00:15](#)):

Well, I know that's an important position because we're going to start working on those new building codes.

Speaker 2 ([04:00:23](#)):

So

Speaker 35 ([04:00:23](#)):

We need a Class C contract on though,

Speaker 2 ([04:00:26](#)):

And they're not exactly growing on trees to be a part of this fun process of helping build and deal with appeals from our building codes. So yeah,

Speaker 33 ([04:00:35](#)):

These are hard to fill.

Speaker 2 ([04:00:37](#)):

But I do know he lives in Douglas County, has lived in Lawrence, I believe around Lawrence, and then also has a opportunity to provide the kind of level of insight into contract into construction in the contractor business that we need. And I know that they're eager to get somebody pointed as soon as possible. So I wanted to separate it but also discuss it.

Speaker 14 ([04:01:00](#)):

I think you've done that,

Speaker 5 ([04:01:01](#)):

But this applies to the exemption we have. It does.

Speaker 2 ([04:01:04](#)):

You were just wanting to separate, just being careful. Yes.

Speaker 5 ([04:01:06](#)):

Okay.

Speaker 2 ([04:01:06](#)):

Alright. As transparent as possible. Thank you.

Speaker 3 ([04:01:10](#)):

And the resolution that you all adopted does state that you should state the reason for the exception reason why when you make an exception. So we just want to make sure we have that on record.

Speaker 5 ([04:01:22](#)):

Okay.

Speaker 8 ([04:01:24](#)):

Yeah.

Speaker 5 ([04:01:25](#)):

So will this be standard policy moving forward on all exemptions that we'll pull 'em in?

Speaker 2 ([04:01:35](#)):

No, I think that was just me. I just did that out of the last time. We had some questions about out of town stuff. So

Speaker 3 ([04:01:43](#)):

Well, we will want you to state the

Speaker 5 ([04:01:46](#)):

State

Speaker 3 ([04:01:46](#)):

When you make an exception, that's what the resolution requires you

Speaker 5 ([04:01:49](#)):

To do.

Speaker 3 ([04:01:50](#)):

So that's why we can't do it on a consent.

Speaker 5 ([04:01:52](#)):

On a consent. Right. That's what I'm saying.

Speaker 3 ([04:01:53](#)):

There's no way for you to state the reason.

Speaker 5 ([04:01:58](#)):

I'm just asking for clarity in the event that we have that it is, your process will be to just drop it down to

Speaker 3 ([04:02:06](#)):

That's right. Put it there so you can have the conversation and we can get it in the record and

Speaker 2 ([04:02:11](#)):

We don't forget to have a conversation too when it's stuck into a bunch of

Speaker 3 ([04:02:14](#)):

Gotcha.

Speaker 33 ([04:02:15](#)):

Can that be part of the executive summary that you submit to us? Sure.

Speaker 2 ([04:02:20](#)):

Yeah.

Speaker 33 ([04:02:20](#)):

You

Speaker 3 ([04:02:20](#)):

Can add that information.

Speaker 33 ([04:02:21](#)):

Just statement in there.

Speaker 2 ([04:02:25](#)):

So anyway, I believe I wasn't around when you created this exemption. I don't really understand the basis, but I want to make sure that it was brought forward that they don't live within the city of Lawrence within Douglas County, but they do live, excuse me, they do work here.

Speaker 35 ([04:02:39](#)):

Work here.

Speaker 2 ([04:02:39](#)):

That was the only reason I brought it up.

Speaker 35 ([04:02:42](#)):

So do we need to, since it's not consenting unit, do we need to move to approve these appointments? Yes.

Speaker 3 ([04:02:50](#)):

Which you do approve them on the consent agenda. It's just under one motion, so that's correct. There's no public comment on this, but we do need a motion.

Speaker 35 ([04:03:03](#)):

Okay. Okay. I'd move to approve the advisory board appointments as stated.

Speaker 13 ([04:03:12](#)):

Second.

Speaker 2 ([04:03:14](#)):

Okay. Motion by Finkel Dice. Second by sellers. All in favor say aye. Aye. Aye. Those opposed? Motion passes. Five zero.

Speaker 8 ([04:03:25](#)):

Alright.

Speaker 2 ([04:03:34](#)):

Any other thing to comment on here? Future agenda items? Okay. No questions or comments? I Okay. We'll move on to item G, the city manager's report.

Speaker 11 ([04:04:00](#)):

Thank you, mayor. The only item is your ex parte notification for upcoming meetings.

Speaker 2 ([04:04:06](#)):

Okay. Public comment on the city manager's report. Okay. Anything online, Sherry?

Speaker 3 ([04:04:18](#)):

No.

Speaker 2 ([04:04:26](#)):

Okay. Seeing none, we're going to go ahead and move on to commission calendar. I could do the ninth if you need me to.

Speaker 28 ([04:04:49](#)):

Okay. No,

Speaker 2 ([04:04:53](#)):

Since I haven't been participating very well.

Speaker 23 ([04:04:56](#)):

What was that?

Speaker 2 ([04:04:57](#)):

Okay, anything else on that item? Okay. At this time I'm going to end the live broadcast and well anybody to leave the room who needs to, and then we'll be moving on to our open public comment.

Speaker 28 ([04:05:19](#)):

Mayor and commissioners, thank you. I do want to draw attention to what you just did, which was move something, which should have been on consent.