



City of Lawrence

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CITY COMMISSION

MAYOR
ROBERT J. SCHUMM

COMMISSIONERS
MICHAEL DEVER
HUGH CARTER
MIKE AMYX
ARON E. CROMWELL

May 8, 2012

The Board of Commissioners of the City of Lawrence met in regular session at 6:35 p.m., in the City Commission Chambers in City Hall with Mayor Schumm presiding and members Amyx, Dever and Cromwell present. Carter was absent.

A. RECOGNITION/PROCLAMATION/PRESENTATION

1. Proclaimed the month of May 2012 as Older Americans Month.

B. CONSENT AGENDA

Dever requested that item number 10, route changes in the Public Transit Service, be pulled from the consent agenda for separate discussion.

Hubbard Collinworth requested that item number 7, Ordinance No. 8727, authorizing a grant to the Bioscience and Technology Center, Inc., be pulled from the consent agenda for separate discussion.

It was moved by Amyx, seconded by Cromwell to approve the consent agenda as below, with the exception of items 7 and 10. Motion carried unanimously.

1. Approved City Commission meeting minutes from 04/17/12.
2. Received minutes from the Aviation Advisory Board meeting of 02/15/12
3. Approved claims to 187 vendors in the amount of \$2,821,566.63 and payroll from April 22, 2012 – May 5, 2012, in the amount of \$1,842,140.75.
4. Approved licenses as recommended by the City Clerk's Office.
Drinking Establishment license for Genovese, 941 Massachusetts St.
5. Approved reappointment of Barbara O'Keefe to the Lawrence-Douglas County Housing Authority to an additional term that will expire 06/30/16.

6. Bid and purchase items:
 - a) Approved sale of surplus equipment on Gov Deals.
 - b) Authorized the City Manager to sign a contract with Walker Parking Consultants in the amount of \$30,000 for assessments, engineering services, and construction administration related to repairs to the Riverfront Parking Garage (6th and New Hampshire). The actual repairs will be bid at a later date.
 - c) Authorized the City Manager to sign a 48 month lease with Unisource Document Products of Lenexa for a multi-function copier for City Hall in the amount of \$407 per month.
7. THIS ITEM WAS PULLED FROM THE CONSENT AGENDA FOR SEPARATE DISCUSSION. Adopted on first reading, Ordinance No. 8727, authorizing a grant to the Bioscience and Technology Center, Inc., for economic development purposes, in an amount not to exceed \$500,000 and issue general obligation bonds to pay the costs (authorized by the City Commission on 04/17/12).
8. Approved a Special Event Permit, SE-4-17-12, for bonsai tree sales in the Checkers parking lot, located at 2300 Louisiana Street, from May 9th through May 23rd, 2012. Submitted by Greenpia America, LLC. for 2300 Louisiana Co, LLC, property owner of record.
9. Authorized staff to negotiate an agreement with Bartlett & West for engineering services for the Maple Street Pump Station Stormwater Improvement project. The agreement will be presented at a later date to the City Commission for approval.
10. THIS ITEM WAS PULLED FROM THE CONSENT AGENDA FOR SEPARATE DISCUSSION. Approved route changes in the Public Transit Service, with the changes being implemented in August, 2012 (changes recommended by Public Transit Advisory Committee earlier this year.)
11. Authorized the Mayor to sign Releases of Mortgage for Scott Sponholtz, 3116 Creekwood and Harold and Esther Hase, 1536 Powers and a Subordination Agreement for Christopher Tosh, 1529 Harper.
12. Accepted dedications of easements and rights-of-way for Wal-Mart Addition No. 4, a two-lot Minor Subdivision (MS-2-2-12) replat of Lot 1 Wal-Mart Addition No 3, located at 3300 Iowa Street. Submitted by Davidson Architecture and Engineering for Wal-Mart Real Estate Business Trust, property owner of record.
13. Adopted on first reading, Ordinance No. 8731, amending Chapter 3, Article 5, (Animal Control Code) of the City Code regarding chickens, providing an exemption for businesses in certain circumstances.
14. Approved the suspension of enforcement of City Code Section 14-407, prohibiting the discharge of firearms within the city, for a "shotgun" start at the Valor Awards Golf Tournament on Friday, May 11, 2012, at Alvarado Golf Club.

Regarding item number 7, Collinsworth asked if there are any statistics regarding employment rates and the Bioscience Authority. How many jobs have we created for what we have spent over the past several years?

Stoddard said we could get that information.

Dever said that LaVerne Epp was in the room and might be able to speak to that issue. He said the first question from Collinsworth was the total contribution to date.

Epp said the city made contributions at several different levels to the Bioscience and Technology Business Center, including \$250,000 per year, \$1,000,000 over ten years for the BTBC. Recently we asked for a capital fund for Phase II of the incubator, which is \$1,000,000 over several years. To date the city has put in 1 to 1.5 million dollars total.

Dever said he knew it was over a million dollars. The second question was about the number of jobs.

Epp said we had formed or recruited to Lawrence 16 companies that were not here prior to that time, and the total job creation was between 80 and 100 jobs. The average salary range was around \$70,000, for a total payroll of between 6 and 7 million dollars.

Moved by Amyx, seconded by Dever, to adopt on first reading, Ordinance No. 8727, authorizing a grant to the Bioscience and Technology Center, Inc., for economic development purposes, in an amount not to exceed \$500,000 and issue general obligation bonds to pay the costs. Motion carried unanimously.

Regarding item number 10, Robert Lewis said there was a bus coming down Emery, an average of 64 buses per day with most of them only having a couple people on them. They are tearing up the street, taking up much of the road and intersection. We should have a smaller bus on that route. Another problem on Stratford has developed – students walking in the street texting.

Bob Nugent, Transit Administrator said they were carrying about 1000 passengers per day. That is a KU route.

Schumm asked if KU took care of their placement of routes.

Nugent said yes. The university makes determinations on their routes. What you have before you tonight is just the city portion and the combined portions.

Schumm said the route in question is not in our package.

Nugent said it was, but it was already approved by the university.

Dever asked for a summary of the changes and where the costs increases came from.

Nugent said the University looked at Route 32 which ran from North Michigan through campus to Alabama, Louisiana, and 25th Streets. He said Route 32 had the lowest ridership of their route system. The University wanted to utilize service in the southwest portion of town which had a potential of greater ridership. As a result, the City designed a Route No. 2, which went from Haskell Indian Nations through the area of Alabama, Louisiana and 25th Street to KU's main campus.

He said Route No. 6 went from 40 minute to 30 minute service by adding another bus to that route. He said they were eliminating one bus on Route 5 which served East Hills Industrial Park to 31st and Iowa and were putting those extra dollars on to Route 6.

He said the coordinated route with KU, Route 19, was a result of eliminating the southern portion of Route 32 and the City was committed to pay for one bus out of the three buses on that route. The potential ridership in the southwest area, Route 11, their first coordinated route had been highly successful and was one of the highest ridership routes in the City.

He said the City was spending \$100,000 each on Route 2 and Route 19 and the remainder was for Route 6.

Dever asked where the money was coming from.

Nugent said it would come out of the tax referendum dollars. We had some money from there we can put into this.

Dever said there is excess dollars coming from the referendum dollars that are available.

Nugent said yes, we are within budget.

Moved by Dever, seconded by Cromwell, to approve route changes in the Public Transit Service, with the changes being implemented in August, 2012 (changes recommended by Public Transit Advisory Committee earlier this year.). Motion carried unanimously.

C. CITY MANAGER'S REPORT:

Diane Stoddard, Assistant City Manager, presented the report.

D. REGULAR AGENDA ITEMS:

1. **Consider adopting the 2012 Action Plan and Investment Summary of the 2008-2012 Consolidated Plan and consider adopting Resolution No. 6974, authorizing the Mayor to execute agreements for the 2012 CDBG and HOME programs and other such documents as may be required to be submitted to the U.S. Department of Housing and Urban Development for such programs. Consider adopting the 2012 updated CDBG/HOME Citizen Participation Plan.**

Danelle Dresslar, Management Analyst, presented the staff report.

Dave Texeira, Community Development Advisory Committee, said they had more requests than funds and it was a challenging process. There was thoughtful discussion and we felt we had a fair and balanced approach.

Amyx asked if the requests were exceptionally higher than the past.

Texeira said no, but funds had declined.

Amyx asked how many hours the committee had in deliberations.

Texeira said 7-8 hours as a group as well as individual time.

Mayor Schumm called for public comment. None was received.

Moved by Amyx, seconded by Cromwell, to adopt the 2012 Action Plan and Investment Summary of the 2008-2012 Consolidated Plan and adopt Resolution No. 6974, authorizing the Mayor to execute agreements for the 2012 CDBG and HOME programs. Motion carried unanimously.

Moved by Cromwell, seconded by Amyx to the 2012 updated CDBG/HOME Citizen Participation Plan. Motion carried unanimously.

2. **Receive letter from Lawrence Chamber of Commerce regarding a proposed partnership between the City of Lawrence, Douglas County, and the Lawrence Chamber of Commerce.**

John Ross, Chamber of Commerce, presented the proposed partnership.

Hank Booth, Chamber of Commerce, said he seconded Ross's comments and thanked the Commission for their support. He said it is important to acknowledge that we have worked as a team in the past. As we go forward the efforts will greatly benefit by the teamwork approach set forth in this proposal.

Amyx asked for a definition of primary jobs.

Ross said there are a number of definitions. One that has struck a popular chord is "head of household" job. It isn't necessarily industry specific.

Mayor Schumm called for public comment.

Gwen Klingenberg, Lawrence Association of Neighborhoods, said she appreciated the League's letter and LAN had similar questions. What do we mean about policies? I don't think several of the organizations interested in economic development had been involved in the discussions. The joint economic development council included the city, county, and chamber, but the other cities in the county only as ex-officio and that was concerning. There was a big concern about the number of chamber people on the council. On other boards the mayor appointed representatives and not the chamber. I was told was that primary jobs were not retail. Primary jobs bring money into the community and secondary jobs supported the people who lived here. We need to settle on one definition. If you look at our record we have pushed a lot of jobs that don't support a family. We need those, but we need a lot more of the others. Are we going to

be pushing particular types and what the community wants, or will it just be the chamber and a few city officials. Where do Baldwin, Eudora, Lecompton fit in the discussion.

Candice Davis said she was here just as an average person. The proposal was confusing. It might be a great idea, but there are mixed opinions about chamber activities and the amount of money that goes to the chamber. There is a measure of mistrust about money going to high dollar developers. A number of small businesses don't feel adequately represented by the chamber. My general understanding of the chamber is that it is an organization that the city and county contract with for services. I would see the city as employer and chamber as employee. The city has the goal of the health and welfare of the entire community. The chamber has a narrow focus. I believe here in a university town we have opportunities to get good information from unbiased sources. Good planning needs to safeguard the jewel of our city, downtown. It also involved public input. She shared a story about a woman from Switzerland who attended the St Patrick's Day Parade and said that Americans loved parades. She said thank God we have a downtown where we can have those activities.

John Tuttle said he had a question about the chamber receiving funding from the city. He asked how that gets allocated.

Schumm said they receive a little over 200,000 per year which is decided in the budget process each year.

Tuttle asked if all of the chamber members were made up of the business community.

Schumm said he didn't know what the breakdown was but they came from other sectors as well such as the non-profit or service sectors.

Tuttle said he thought there would be conflicts of interest. He asked what "policy" meant in the proposal.

Schumm said we would get there later in the discussion.

KT Walsh said she hoped we would remember that there are two universities in Lawrence and involve Haskell as well.

Marguerite Ermerling said the thoughts behind most of the public that she had spoken too was to have true economic advisers, people educated in that field. She said she spoke as coming from an area not in the city but in an area that was affected by the city's planning. She said she had formerly been a member of the chamber. Her experience though had mostly been in opposing the positions of the chamber on specific issues. Sometimes the chamber of commerce position is only a reflection of a focused group within the chamber and not all members. Economic development needs wider public input and not just chamber input.

Kirk McClure said the goals of economic development are laudable and we all want them. A primary job is any job that sells a good or service outside the community, hiring workers inside the community. Unfortunately there are thousands of economic development agencies in communities around the country. Professionalization is a key. This has been going on for a long time. There are decades of research on what works and doesn't work. If we don't learn that research we won't win. The chamber record is not good. It does not avail itself of that research. Of the tax abatements we have had, only 35% had met the standards we set. That is a record of failure, but the chamber fought us every time on strengthening measures of success. The proposed structure is carefully set up so chamber members and staff form a majority. There is not neighborhood or citizen participation. This is an activist group. There is nothing wrong with that, but we spend scarce taxpayer dollars on advocacy groups. Two of you were on the council when the chamber led you into an illegal executive session. Look to professionalize the structure, and make sure you include citizen and neighborhood input.

Carrie Lindsey, League of Women Voters, said the first paragraph of the League's letter thanks the city and county for undertaking the initiative. Having the city

and county partner in the process makes it accountable. The League values transparency. The League has been frequently involved by the chamber to participate in meetings. She didn't think neighborhoods and others had been shut out of the process. The process should be transparent. The question asked in the letter should be answered.

Schumm said one of the themes thus far had been that there is little citizen participation. One of the reasons we had two elected officials on was to allow citizen access. I think people are forgetting that elected officials are there for citizen access.

Lindsey said a structure with city and county administrators and elected officials led to accountability. She hoped the chamber understood that. She thought it was a valid request to address the other questions in the letter.

Ted Boyle, North Lawrence Improvement Association, agreed with Gwen, LAN, and Kirk. There should be more citizen involvement. I would like to see the chamber work as hard to make small mom and pop businesses come to town. Downtown has 30 plus vacancies. Maybe if the chamber put in as much effort bringing small businesses to town we might get those vacancies filled.

Amyx asked if we wanted to define all of the questions asked this evening. Are we going to write policy this evening?

Schumm said no. We have received a lot of information tonight. People have spoken about transparency and I am all about that. This is a fresh start. By getting the county, city, KU, the chamber all at the same table gets us a little hope and life. Ross said we had a meeting with a prospective business coming to town with city and county and chamber reps. The site selector was impressed to hear that all of the major entities were at the table. It demonstrated what a positive reaction we can get when we were together. In the past we had not unified our effort as well as we could. We want to get good jobs, primary jobs, not retail jobs. I am going to keep pushing until we get the

model we want. The incubator has been a big success and if that can work why can't we transfer that model to other economic development activity. He appreciated the League's questions. We do want the citizens to feel good about this.

Dever said one part of improving our efforts was to identify our flaws. We have tried to improve our processes. One thing we did was hire someone in-house who can offer us analysis and be able to quickly evaluate opportunities. Our investment in the chamber is simply outsourcing our efforts to attract businesses to our community. We have a better model and goal to do better in the future. This plan was based on a model where the community gets together. We saw that model work at the incubator. The city is a participant in economic development but a small player. The city and county investments have helped us compete. Now we need to figure out how we can make those investments better. This is a proposed action to lead us down a better path. The council needs to be inclusive, it needs to get input from all sides of the community. If we can include various view points, that is important. I believe a different approach needs to be taken and I am in favor of studying this plan. I have my own concerns but ultimately the tax dollars are the community's and we will have final say on that. It should be said that the chamber has put forth some of their own money, in addition to ours for economic development.

Cromwell said we have an invitation in front of us, not a proposal, but an invitation to create a proposal. There is plenty of opportunity to work through concerns raised tonight. With respect to citizen involvement, we currently do it now, but there is no transparency. This represents an incredible improvement on transparency about where the dollars are being spent. It has been pointed out that the chamber is both an advocacy group and an economic development group. Splitting this into two pieces helps with that. Things have changed over the years. We have had a drastic improvement in relationships in the past 6 years among the city, county, chamber and

KU. I believe this proposal is an opportunity to bring all of these people together and attract businesses to Lawrence. They will see us working together. There is a lot of work to be done still, but this is a big step in the right direction. We will examine the problems and get public input as we move forward.

Amyx said going back 25 years he and the mayor had sat on a commission that put together a three legged stool, city, county, and chamber, to address economic development. Ever since then we had looked to make it better and this proposal does that. We have made a lot of investment of public funds in primary job creation, including the BTBC and Farmland. If we are going to put together a proposal and a committee, we will take the time to answer the questions that have been asked. The final outcome may look different than what we have now. We will make sure that our goal with this policy is primary jobs. This is not easy. The thing that happens is that there is always a difference of opinion on job development. The spending of tax dollars will remain the Commission's responsibility. We are going to follow open meetings laws to the T. Transparency is important. It ought to be our goal to have professionals help carry out economic development. Job creation is our number one responsibility.

Schumm suggested that we allow staff to tackle answering the questions set forth by the League, as well as what is a primary job, the makeup of the board, we may want to put two city Commissioners on there. There is a concern about chamber versus non chamber people on the board and this may get at that. Maybe we could have staff put something together and get back with us in a couple weeks. The statement in the chamber letter regarding policies, he would like to see a blueprint of where we are going with that. I have full faith that the group would come up with the right points, but we can come up with that at first also.

Dever said other communications asked for an explanation of how and why the executive committee and council will function. The makeup of the JEDC should be

elaborated to make sure we address concerns about who should be involved and why. The executive committee should be clarified and how the chamber CEO interacts. The basic structure of the two bodies and how they act and the why of their composition are the questions.

Schumm said it was to fill out the expertise needs, and the members didn't have to be chamber members, they just had to be business people. Their expertise is important.

Dever said there are rules about who can and cannot participate and if those are clearly laid out it makes it clear to people that we are weighting it carefully and not stacking the deck.

Schumm said we want to protect the public but there was also private money involved so the structure is a little different than a city appointed board.

Cromwell said we need to look at where the money is coming from and it should guide where representation comes on the board. Eudora and Baldwin are also represented by the County.

Amyx said inclusion of someone from Haskell was important. As we set this up, people from the three different organizations that contribute money, we also need to figure out what the other representation looks like.

Cromwell said inviting Haskell to the table was important and it could be a good opportunity to bring them in to the community more. One balancing act that we are going to have to go through is that we have all these people we want to add. There is an inverse relationship between the size and effectiveness of the group so we have to find a balance.

Stoddard said we would put together a list of questions we have heard and answers and could bring it back on the 22nd.

Schumm said that meeting could be loaded up.

Stoddard said early June then.

E. PUBLIC COMMENT:

Carrie Lindsey, League of Women Voters, said Kay Hale would be observing City Commission meetings. She is not here to ask or answer any questions, just observe.

F. FUTURE AGENDA ITEMS:

Diane Stoddard outlined potential future agenda items.

G: COMMISSION ITEMS:

None.

H: CALENDAR:

Diane Stoddard reviewed calendar items

I: CURRENT VACANCIES – BOARDS/COMMISSIONS:

Existing and upcoming vacancies on City of Lawrence Boards and Commissions were listed on the agenda.

Moved by Dever, seconded by Amyx, to adjourn at 8:10 p.m. Motion carried unanimously.

APPROVED:

Robert J. Schumm, Mayor

ATTEST:

Jonathan M. Douglass, City Clerk