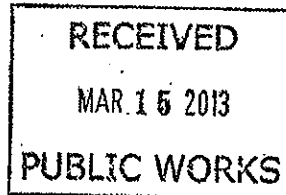




March 13, 2013

David Corliss, City Manager
City of Lawrence, Kansas.
P.O. Box 708
Lawrence, Kansas 66044



Chuck Soules, Director of Public Works
City of Lawrence, Kansas.
P.O. Box 708
Lawrence, Kansas 66044

Re: Wesleyan Church Property -- SEC 31st and Kasold

As pastor of the Lawrence Wesleyan Church, I am writing in support of the Benefit District petition that has been presented to the city, and Pat Peery discussed with you at a meeting on Monday, March 11.

The Wesleyan Church has been a part of Lawrence for over 75 years. In 2002, we purchased, remodeled, and moved into the former USD #497 administration building. Brown Development, a church consulting firm, has confirmed what we suspected: we need to re-locate in order to accommodate our growth.

It is important to us to have a facility that allows to worship and grow in our faith. However, we also have developed community partnerships with 4 institutions in Lawrence: New York School, Pioneer Ridge Retirement Center, Heartland Community Health Center, and Family Promise. We want to serve these organizations because we believe they are making a difference.

It would be a monumental challenge to produce capital up-front to build the necessary roads on the property we are developing to re-locate. Our desire is to use the generous donations of our constituents to continue to worship Christ, grow as his disciples, and serve our world. Granting the benefit district, as requested, would greatly enhance our ability to do so.

When we sell a portion of our property, the reduced mortgage payment and the additional costs of paying off the benefit district will be considerably less than what we are currently paying in mortgage payments now. In other words while paying capital upfront drastically hinders our ability to build a much needed facility, paying off the benefit district obligation is well within our ability.

Thanks for your consideration of our request.

J. Nathan Rovenstine
Lead Pastor



Patrick E. Peery
1605 Crescent Road
Lawrence, Kansas 66044
ppeery@lane4group.com
Mobile: 414-628-4228

March 10, 2013

David Corliss
City Manager
City of Lawrence
PO Box 708
Lawrence, KS 66044

Chuck Soules
Director of Public Works
City of Lawrence
PO Box 708
Lawrence, KS 66044

Re: Wesleyan Church Property
SEC 31st and Kasold

Gentlemen:

The Kansas District of the Wesleyan Church through its local congregation, The Lawrence Wesleyan Church, ("the Church") is the owner of a 33 acre tract of land in the location known as "Kasold on the Curve" (the "Property"). I am a Lawrence resident and regular attendee of the Church and am writing as a lay volunteer and the Church's representative for the development of this Property.

This letter is in support of the recent petition for the formation of a Benefit District for the construction of public street, storm sewer and waterline improvements for Atchison Street and 32nd Street and upgrade improvements to 31st Street and E1200 Road (the "Public Improvements") which was submitted by J. Dean Grob of Grob Engineering Services by letter on February 11, 2013. A copy of the Petition and submittal letter is attached.

In 2009, the Church acquired the property and obtained annexation into the City of Lawrence with an RM 12 zoning classification with the intention of using a portion of the property for construction of its new church building (the "Church site") and selling a portion (the "Residential site") to help reduce its cost basis in the Property. As recommended by staff and in conformance with the Southern Development Plan, the Property was annexed and zoned with a condition that the residential density not exceed 6 dwelling units per acre.

Until now the Church has been unable to find a buyer willing to pay fair value for the Residential site with this conditional zoning attached and consequently has been unable to generate the needed proceeds from the sale of the Residential site to proceed with its new facility on the Church site. However, with the improving prospects in the local market for development and financing of low density housing, the Church believes it has found a Buyer (a partnership among John McGrew, Jerry Willis and Mike McGrew, the "Grand LCC") that can profitably develop a residential project under this zoning and is very excited that this will enable the Church to commence its long-awaited project. But we believe that this will not be feasible for either the Church site or the Residential site without a Benefit District to aid in the financing of the necessary Public Improvements.

As specified in the Petition, the Church is not requesting that any of the cost of the Public Improvements be borne by the City at-large. We propose that 100% of the costs be assessed to the property owners allocated according to an adjusted front foot method with the adjustment as stated in the Petition which is designed to cap the Church's allocation at a specified amount of the cost.

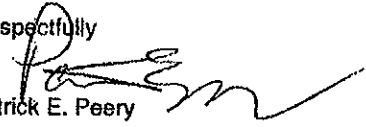
We understand that the policy of the City in these matters for newly developing areas is to limit the inclusion in the special assessments for financing the improvements to 75% of the costs; however, in this case the Church is requesting that the City approve 100% of the costs for inclusion in the special assessments. There are three reasons that justify this:

1. The area surrounding the Property can be considered to be a substantially developed area allowing the City Commission to waive this limitation.
2. The new streets have benefit to the City at-large namely improved traffic circulation for the interest of the public convenience and safety by reducing the car trips using the existing intersection of E1200 Road at the apex of the Kasold Curve to access the South Lawrence Trafficway. Creation of 32nd Street and Atchison Way will allow a safe alternative route for motorists to access southbound E1200 Road from westbound 31st Street and vice versa without having to make turning movements in front of higher speed traffic just as it approaches the curve.
3. The project is not financially feasible without it. According to Grand, LLC, the Residential site project with the additional capital and interest required to pay 25% of the Public Improvements upfront will not deliver an adequate rate of return to justify the development under the conditional zoning that exists on the Property. As for the Church, its capital reserves need to be conserved to enable it to construct its facility while its operating budget can be more easily managed to make the increased special assessments.

The Church and Grand LLC are at a point in the project where they will need to incur significant costs to design the Public Improvements. If it appears that the City is not going to approve the use of the Benefit District method of financing the Public Improvements as requested in the Petition, then we would appreciate receiving an indication of that before this money is spent. Accordingly, we are requesting a meeting with the appropriate members of City staff to answer any questions about the Petition and to request that the Item be placed on an upcoming City Commission agenda with a recommendation for approval.

A separate letter from Rev. Nate Roventine, Lead Pastor of the Church, is attached for further support of the Petition. Please do not hesitate to contact either myself or Pastor Roventine if you have any questions.

Respectfully


Patrick E. Peery

CC: Scott McCullough
Mary Miller
John McGrew
Dean Grob
Mike McGrew
Jerry Willis