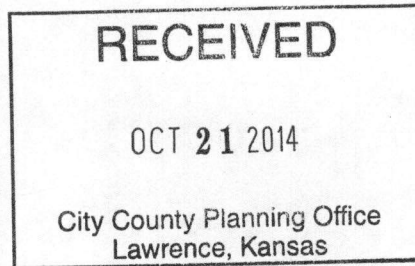


October 20, 2014



Joe and Gina Keating  
5812 Robinson Drive  
Lawrence, KS 66049

David L. Corliss  
City Manager  
City of Lawrence  
6 E. 6<sup>th</sup> Street  
PO Box 708  
Lawrence, KS 66044

Mr. Corliss:

We appreciate you and your staff's time today to discuss alternative plans for our project **920 Missouri Street**. As you are aware, we had originally purchased the property (September 19, 2014) with the expectations of demolishing both the house and garage and replace with a duplex. Prior to our purchase, we performed all the necessary due diligence to ensure that the property was properly zoned and the proposed development was consistent with the location and surroundings. All of our research confirmed that to be factual. Subsequently, we routinely applied for a demolition permit and had expected that to be issued on October 23, 2014 (required 30-day waiting period). Recently, a group of concerned neighbors and citizens vocalized their opposition to the planned demolition and organized and executed a petition to present to the City Council expressing their discontent.

Gina and myself are local small real estate investors and have been part of the community since I graduated from KU in 1988. The Oread neighborhood is a desirable location for students and local citizens alike given its proximity to the campus and downtown. As much as we would like to preserve the charm of the area (which has always been our intention) economics predict the highest and best use of the property is to build a duplex and increase the available bedroom count to maximize ROI. Uncertainties of the existing structure and supporting foundation are of some concern as well -- this makes the new building structure even more desirable.

All that said, in an effort to compromise and demonstrate to both the City and our neighbors that we are trying to find an economically and mutually beneficial outcome, we are proposing the following for consideration by the City and staff.

1. We will NOT demolish the residential structure 920 Missouri; alternatively we will remodel the house.
2. We WILL demolish the adjacent garage located behind the house and adjacent to the back alley

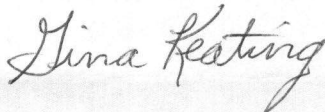
- RE LEVEL
3. The new structure will be constructed on an approximate 30'x35' slab replacing the existing 25' x25' structure.
  4. The structure will consist of 3 or 4 br. This depends on parking from site plan.
  5. The proposed changes and unexpected time delays add additional risk and potentially lower ROI for the investment which we would like the city to acknowledge. In this connection, we are requesting a waiver of ALL city fees associated with the new constructions. Including but not limited to permits, water meter, and sewer tap fees to suitable main line, etc. (Referencing those fees that the City has the power to collect).
  6. The current garage building is in poor condition and adds blight to the neighborhood. Our proposed building will increase the overall aesthetics of the area and compliments the surrounding architect.
  7. Time is of the essence. We had planned to start demolition this month and idle property does not generate any ROI.

We hope we can reach an amicable resolution to this matter and we have demonstrated a commitment to work with you and your staff to find a solution. Personally, we believe our proposal to be extremely fair and hopeful that the City will support. We have already spent the last month pursuing the other alternative (which was not well supported by many members of the community) but in the absence of any other agreement, our initial plan must still remain a viable option for us.

Regards,



Joe Keating



Gina Keating