



Explore Lawrence

Board of Directors Meeting

March 28, 2025

Present: Drew Gaschler (chair), Kim Anspach, Executive Director, Heather Shull, Tina Tourtillott, Heidi Champagne, Kirk Goodman, Andrew Holt, Commissioner Amber Sellers

Present online: Luis Ruiz, Anthea Scouffas

Absent: Emily Peterson

Guests: Paul Davis, Paul Davis Law Firm, Julie Murray, Chancellor's Office University of Kansas

Staff: Allison Calvin, Director of Marketing, Laura Carbrey, Director of Sales, Ruth DeWitt, External Affairs and Sales Operations Manager (note taker)

Drew called the meeting together at 1:05 PM

MINUTES/FINANCIALS:

The board approved the minutes of the January meeting (there was no February meeting) without changes. (Kirk, Heather)

Kim and Tina have not had a chance to meet about the financials so there are no updates for January or February's reports. There are some adjustments to the year-end numbers due to an omission of some 401K payments, an ARISA compliance form was missing, and \$6,000 that was categorized incorrectly.

Kim is getting audit materials together and will get those to the city per requested in the city agreement.

Kim shared the old RFP for an accountant, will develop an update. If any board member has a recommendation for a good contact to send the RFP, she would appreciate it.

The board accepted the financial report.

GATEWAY DISTRICT PRESENTATION:

Paul Davis and Julie Murray presented the plan for Phase II of the University of Kansas Gateway District Project to the board. They requested a letter of support from the board to the City Commission.

Key takeaways from their presentation include:

- Phase I is nearing completion. The west and north sides of the stadium renovations and renovations to the Anderson Family Complex, as well as the 55,000 square foot conference center will be operational this fall.

- KU has contracted with OVG (Oak View Group) to manage the conference center and the David Booth Kansas Memorial Stadium. OVG is already selling the space to groups, and is projecting around 200 conferences/year. They will also manage hospitality and food and beverage at all athletic facilities and conference center.
- Proposed in Phase II are renovations of the east and south side of the stadium, 443 unit student housing unit with retail, restaurant, and office space, a parking garage (1,000+ spaces), a 20,000 square foot plaza for outdoor events, and a 162-key hotel (Marriot Cascade), with 16 condo units on the top floors.
- They are projecting approximately \$2.5 million in net new transient guest taxes generated over the 20-year bond repayment period, and 7,500 new hotel room nights annually to non-Gateway district hotels.
- Key Timeline Points with the City of Lawrence:
 - April 1:** Public hearing at City Commission to approve resolution to set a public hearing to consider establishing STAR and TIF Districts.
 - May 6:** City Commission public hearing to consider and approve the establishment of the STAR and TIF Districts. (This would be where the letter from the EL Board would be included).
 - June 6:** City Commission public hearing to consider and approve establishment of the STAR and TIF Districts.
 - August 5:** City Commission public hearing to consider and approve STAR and TIF Project plans and establishment of the Community Impact District CID.
- Total project = \$759 million. KU is requesting – Tax Increment Financing, Community Improvement Districts, STAR Bonds, and IRBs – Sales Tax Exemptions for Construction Materials to combine with their private fundraising dollars to keep the momentum of the private sector participation.
- They are expecting a strong economic impact for the city and KU by addressing parking and housing challenges, increasing event spaces, and hosting more events for the community (ie concerts in the stadium). In addition, once the project bond repayments are made, the project will come on to the City’s property tax rolls.

Board Feedback/Questions:

Andrew Holt shared that Downtown Lawrence Inc. received this presentation at its last meeting, and had several questions. While they are not formally supporting the project at this point, they are behind it and support it with some conditions. Those include ensuring the retail spaces at the plaza do not take away from the shopping downtown, and that the district connects visitors to Mass Street.

The EL board received assurances that the project intends to connect downtown visually, promotionally (even with kiosks at the center), and perhaps even with a dedicated shuttle to take conference go-ers and visitors to hotels and downtown. The proposed restaurants will not be large enough to accommodate all the game day visitors and downtown restaurant options will still be necessary.

Kirk Goodman shared he has hired a director of sales who already is selling the conference center for 2026 and 2027. He noted that the conference center will be operational for at least two years

before the new hotel is completed, making it absolutely necessary for the conference center to develop relationships with the hotels and fill existing hotel rooms with conference attendees. When the new hotel comes online they will still need existing rooms, as the 162 rooms will not be sufficient to handle the size conferences they are booking.

The shuttle discussions also raise the issue that until Phase II is complete, there will be quite limited parking for the conference center, and they will have to operate off-site parking and/or run the dedicated shuttle between the center and hotels.

They are also working on concerts for the fall and 2026 and hope to book those in the coming months. The intent will be to bring entertainment that will appeal to residents and visitors alike and bring overnight rooms to Lawrence.

Commissioner Sellers asked if there was any way to consider negotiating the terms of the TGT collections so the City could realize some of that funding before the 20-year payment is over? Paul cited that the Department of Commerce wants the bond to be repaid as quickly as possible, but they are open to negotiation.

Drew recommended support (noting he works for KU Athletics) but stated this is a once in a generation opportunity for Lawrence to bring people here and that the project will bring benefits to the City and KU.

Heidi and Heather shared they were interested in the transportation aspect and said that was a “game changer” on their position on the project. Heidi mentioned how critical it is to connect that area to the downtown and that has been missing for a very long time.

Kim talked to Emily Peterson about the project earlier in the week, and Emily had concerns about the restaurant space at the plaza. Kim promised to check in with Emily to see if the new information from the presentation would change her position.

Luis shared he is in conversations with Craig Owens, City Manager, about the possibility of raising the TGT collection rate. Lawrence is currently at 6%, lower than our surrounding neighbors are and the rate hasn't been raised since 2011. Craig has asked Luis to put together a list of stakeholders to discuss the matter.

Board Action:

The board agreed to sign on to a letter, but similar to DLI, one that details some of the concerns/considerations discussed above. Drew and Kirk may stay off the letter as they have a stake in the project through their work.

Kim will present the letter to the executive committee and board for approval in time to be submitted in the commission packets for the May 6 City Commission meeting.

Sales Team Report:

The sales team presented its 2025 goals for board approval. We have adjusted previous year goals based on new classifications in Simpleview (our database).

The team has created definitions for leads, assists, and prospects (included in the sales packet). The director of sales has goals of:

- **15 leads/quarter** (this is business that would not be coming to Lawrence were it not for the work of the sales team – the but/for standard).
- **30 prospect/quarter** (business that was once here, and hasn't come back OR new contacts that haven't been to Lawrence before but whose meeting profiles are viable profiles for Lawrence). The targeted conversation rate on prospects is 10% for the year.
- A **four-day turnaround time with assists** (since we don't always know when these come in and we don't control the total annual number, we want to move these on to hotel or event spaces as quickly as possible and develop a reputation for responsive partners).
- Creating a target list for **use of bid fund opportunities**.
- **\$3 million economic impact** for the City through sales activity.

The board approved the new 2025 sales goals (MSP Heidi, Heather)

The next step for the sales team will be to update the monthly board reports to reflect these new goals and metrics.

EXECUTIVE DIRECTOR'S REPORT:

National Fishing League

Kim received an email from the National Fishing League's attorney, requesting the final payment of the bid fund. She has responded with a counter-offer to the League.

Freedom's Frontier

Freedom's Frontier is under threat of losing its funding with the DOGE cuts to the federal budget. They are facing an uncertain future. Kim has been asked to sign a letter of support on their behalf to the Kansas federal delegation and asked the board to approve her doing so. The board was supportive.

TGT Conversation:

The board circled back to the conversation Luis raised earlier in the meeting. Ruth is working on research about other municipalities additional fees on rooms. The current idea behind the proposal is that the increase would be dedicated to funding the World Cup efforts.

Luis wants to convene a group of stakeholders to determine how that funding is used after the World Cup is over.

The process is fairly simple, the City Commission would approve the rate, and it can be implemented quickly. The money is remitted to the state, and returned to the City. In order to realize the rate increase in time for World Cup, the new rates would need to be in effect by third quarter.

ADJOURNMENT:

Drew requested a motion to adjourn (Heidi, Heather). The meeting adjourned at 2:30 pm.

Next meeting is April 25 at 1:00 pm in the Carnegie Building.

Respectfully submitted,
Ruth DeWitt