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CITY MANAGERS OFFICE LAWRENCE, KS

September 23, 2005

To:

Mayor Boog Highberger

City Commissioners Amyx, Hack, Schauner and Rundle

City Manager Mike Wildgen

Subject:

REVISIONS TO OUR CITY'S SIGN ORDINANCE

An informal meeting occurred September 8th at Jim Clark Motors with the six (6) new vehicle dealers of Lawrence, Mayor Boog Highberger. Commissioner Mike Amyx and City Manager, Mike Wildgen, the purpose of which was to discuss the City's concern over the new vehicle dealers' use of Balloons at their respective dealerships. The use of Balloons, Banners, Flags, and Pennants were discussed at some length as they were currently being used and as this use applied to the existing sign ordinance.

It was noted that local realtors are permitted to use signs and pennants for the purpose of promoting open houses and houses for sale. This special "permission of use" was granted specifically and exclusively to realtors. The dealers suggested that such a provision be adopted for their use as it relates to the dealers use of balloons, banners, flags, etc. The dealers stated that the use of these sale aids added a "look and perception" of a sale taking place and assisted dealers in attracting car and truck sale business, which ultimately provides a significant amount of sales tax revenue for our city and county government's use (see economic numbers attached).

Mayor Highberger recommended that the dealers make some notes available to the City Commission as to their thoughts for changes in the sign ordinance that would permit dealers to utilize balloons, flags and banners. Therefore, the following is being presented to the Lawrence City Commission for their consideration as they reflect changes to the existing sign ordinance:

BALLOONS:

The use of said balloons will be permitted during normal business hours, but must be removed at the close of each day's business.

The Maximum height of each balloon will be restricted to a height of 15 feet above ground level.

The Maximum size of each balloon will be limited to a diameter of 24 inches.

BANNERS / UNDERHOOD SIGNS:

A "Temporary Sign Permit" must be obtained for the use of such signs.

This "Temporary Sign Permit" will be limited to 10 days of continuous use/display per quarter (on an calendar year basis), with four (4) such permits granted each year (a total of 40 days).

The annual "Temporary Sign Permit" fee will be \$25.00 and may be purchased on January 2nd of each year making the permit good for all four (4) such permits during the entire calendar year.

Regarding "Underhood Signs", they must be removed at the close of each business day for each dealership.

We would welcome any further questions or discussions with the City Manager or any City Commissioner regarding these miniscule modifications to our City's sign ordinance. We recognize the need for our community having a clean and un-cluttered *look*, yet these sign variances and restrictions of same will go along way in governing our marketing conduct as dealers and they will be most helpful in the attraction of buyers and sales of vehicles. We feel this is truly a "win-win" result and worthy of such request for modifications to our sign ordinance.

Again, Thank You for your time and ear for our concerns. We look forward to discussing this request with you in the very near future.

Respectfully submitted,

Gary Bennett

Laird Noller Automotive

Loris Brubeck, Jr.

Jim Clark Motors

Dale Willey

Dale Willey Automotive

Dale Backs

Crown Chevy-Toyota

John Ellena

Jack Ellena Honda

Dale Martens

Dale Martens Nissan-Subaru

Attached are the combined numbers from the Lawrence New Vehicle Dealers as to their Economic Impact for the Lawrence and Douglas County, Kansas economy.

NEW VEHICLE INDSTRY ECONOMIC IMPACT LAWRENCE/DOUGLAS COUNTY, KANSAS

The New Vehicle Dealers of Lawrence and Douglas County, Kansas contribute a significant amount to our local communities as evidenced by the following data for the full calendar year of 2004:

•	Total Full-time Employees	285
•	Total Part-time Employees	99
•	Total Payroll	\$13,684,043.00
•	Total Dollar Sales	\$155,633,883.00
•	Total State Sales Tax (5.3%)	\$6,693,150.00
•	Total City/County Sales Tax (2.0%)	\$2,417,937.00
•	Total Personal Property Taxes Paid	\$35,667.00
•	Total Real Estate Taxes Paid	\$430,720.00
•	Total Contributed to Charities, Organizations & Sponsorships:	\$221,783.00

There are six (6) dealer owners representing 18 new car and truck franchises. They sell not only new vehicles but also used vehicles, service, parts, body & paint repairs and tires. These dealers not only provide a substantial level of employment, the tax dollars collected and paid are significant. In addition, these dealers are good corporate citizens as evidenced by the dollars provided to charities, organizations and sponsorships of local community programs, teams and events.

Crown Chevrolet-Toyota
Dale Willey Automotive
Jack Ellena Honda

Dale Martens Nissan-Subaru Jim Clark Motors Laird Noller Automotive



Driving Kansas's Economy

Annual Contributions of Kansas's New-Vehicle Dealers*

Kansas's dealers maintain a multi-BILLION dollar retail industry.

Average sales per dealership	.\$20.6 million
Total sales of all new-vehicle dealerships in Kansas	. \$5.8 billion
Dealership sales as % of total retail sales in the state	.20.4%
Estimated number of new-vehicle dealerships	.283

Dealers provide thousands of well-paying jobs in Kansas.

Total number of new-vehicle dealership employees in Kansas	. 10,379
Average number of employees per dealership	.37
Average annual earnings of new-vehicle dealership employees	.\$39,952
Dealership payroll as % of total state retail payroll	13.2%
Annual payroll of new-vehicle dealerships	\$412 million
Average annual payroll per new-vehicle dealershipmillion	\$1.46

Dealers generate hundreds of millions of dollars of tax revenue for state and local government through:

- > Sales Tax Revenue
- > Corporate Tax Revenue
- > Payroll Tax Revenue

^{*}Numbers reflect annual economic activity during 2004