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Re: ITEM NO. 6B PRELIMINARY DEVELOPMENT PLAN FOR BAUER FARM;

4700 OVERLAND DR (SLD) PDP-14-00055:

Consider a Revised Preliminary Development Plan for Bauer Farm and Bauer Farm

Dear Members of the Lawrence Douglas County Metropolitan Planning Commission,

Three issues are raised by the application for a revised preliminary development plan for Bauer Farm.

Addition of a 108 Room Hotel Competed with Taxpayer Subsidized Hotels

The City of Lawrence, Kansas, has invested approximately \$11 million in the Oread Hotel through Tax Increment Financing. The City invested an additional \$10 million in the 9th and New Hampshire development with a large portion of that investment financing another hotel. Sadly, the City invested in this second hotel without any market analysis to determine whether or not the city can absorb this additional hotel space without risking the viability of the initial investment. To further compound this problem, the City voted zoning for yet another hotel in the North Mass development. These actions all threaten to viability of this large amount of public investment.

Now the Bauer Farm development proposes another hotel. It would be poor planning to follow a path that would further threaten the existing taxpayer investment in hotels.

Recommendation: The Planning Commission should not approve any additional hotels until a detailed and unbiased market analysis demonstrates that there is latent demand for all of the hotels that are in operation, under construction, and proposed.

Addition of Retail Space to an Already Saturated Market

The retail market of Lawrence is overbuilt. The City's own 2012 retail report indicates that the supply of retail space grew dramatically since 2000 while inflation adjusted retail spending has actually fallen during the same time period. This means that the retail market is not absorbing the surplus space but is suffering from a growing excess.

The total value of all retail space in the market is a function of the total spending in that market. Adding more space does not add more value or jobs or sales taxes to the market. Only growth in retail spending can stimulate growth in the market's value, jobs and tax revenues.

Recommendation: The retail market is overbuilt. The Planning Commission should not, except in very compelling circumstances, add to an already overbuilt market.

Deviations from Promised Development

The node at 6th Street and Wakarusa Avenue has a history that is a textbook of poor planning with incremental mistakes followed by more incremental mistakes. The planned amount of retail space for the entire node was given to the southeast corner of the node. Then the developer of the southwest corner of the node asked for retail space beyond what the node needed, and it was granted. Then the developer of the northwest corner of the node asked for retail space far beyond what the node needed, and it was granted. Finally, Bauer Farm in the northeast corner asked for retail space very far beyond what the node needed, and it was granted.

Part of the reason that Bauer Farm received any retail space was in response to the promise that Bauer Farm would develop a mixed-use new urbanism design. Bauer Farm has not only failed to deliver on this promise, it has rendered the promises meaningless. The developer has pursued every form of commercial development from drive-through fast food vendors to home improvement centers without regard to the promises made to the city and the neighborhood. This leaves the City powerless in any future negotiations because developers learn to promise what will gain approval with the knowledge that the developer need not deliver. The developer can simply alter the design later to anything they want.

Recommendation: The Planning Commission should withhold accepting any additional changes to the development plan and press for a return to the original development proposal.

Sincerely,

Kirk McClure