

PLANNING COMMISSION REPORT
Regular Agenda – Action Item

PC Staff Report
8/24/15

ITEM NO. 1: COMPREHENSIVE PLAN AMENDMENT TO *HORIZON 2020* CHAPTER 6, CHAPTER 14, AND TO THE *REVISED SOUTHERN DEVELOPMENT PLAN* (JSC)

CPA-15-00335: Consider a Comprehensive Plan Amendment to Horizon 2020 Chapter 6 to change the designation from Auto-Related Commercial to Regional Commercial, and Chapter 14 (Revised Southern Development Plan) to revise the future land use designations from open space and auto-related commercial uses to open space and commercial use at the southeast corner of the intersection of South Lawrence Trafficway and US-59. Submitted by Landplan Engineering, P.A. for Armstrong Management L.C. and Grisham Management L.C., owners of record.

STAFF RECOMMENDATION: Staff recommends forwarding a recommendation of approval of this comprehensive plan amendment to *Horizon 2020*, to the Lawrence City Commission and the Douglas County Board of Commissioners to amend Chapter 6, and the *Revised Southern Development Plan* to expand the South Iowa Regional Commercial center to incorporate the proposed development.

STAFF RECOMMENDATION: If appropriate, approve and authorize the Chair to sign Planning Commission Resolution PCR-15-00366.

KEY POINTS

1. The amendment is requested by the applicant to allow for approximately 246,050 gross square feet of commercial use, of which 236,250 gross square feet would be retail uses.
2. Proposal would expand one of the two Regional Commercial nodes within the City of Lawrence and remove 1 of 3 identified Auto-Related Commercial locations.
3. Proposal is a departure from the adopted form, level, and type of commercial development envisioned for this site, though both the Auto-Related Commercial and Regional Commercial designation encourages higher-intensity commercial development.
4. Proposal would expand the commercially designated land in the South Iowa Regional Commercial center from 399.6 acres to 463.5 acres (15.9% overall increase) and increase square footages from 2.07 Million square feet to 2.3 Million square feet (11.9% overall increase).
5. Proposal could potentially have a positive effect on the City's pull factor and tax revenue.

6. Proposal could impact the timing of development for other entitled, but entirely or partially undeveloped, commercial areas including Mercato, Fairfield Farms, North Mass, Bauer Farms, and Menards properties; thereby potentially under serving these areas of the community.

SUMMARY

The applicant has requested an amendment to:

- 1) *Horizon 2020: Chapter 6, Commercial Land Use*, to change the designation from Auto-Related Commercial to Regional Commercial.
- 2) *Chapter 14, Specific Plans* amending the *Revised Southern Development Plan* to revise the future land uses designations from auto-related commercial uses to commercial use.

The reason for this Comprehensive Plan Amendment is to bring *Horizon 2020* and the *Revised Southern Development Plan* into alignment with the proposed commercial center.

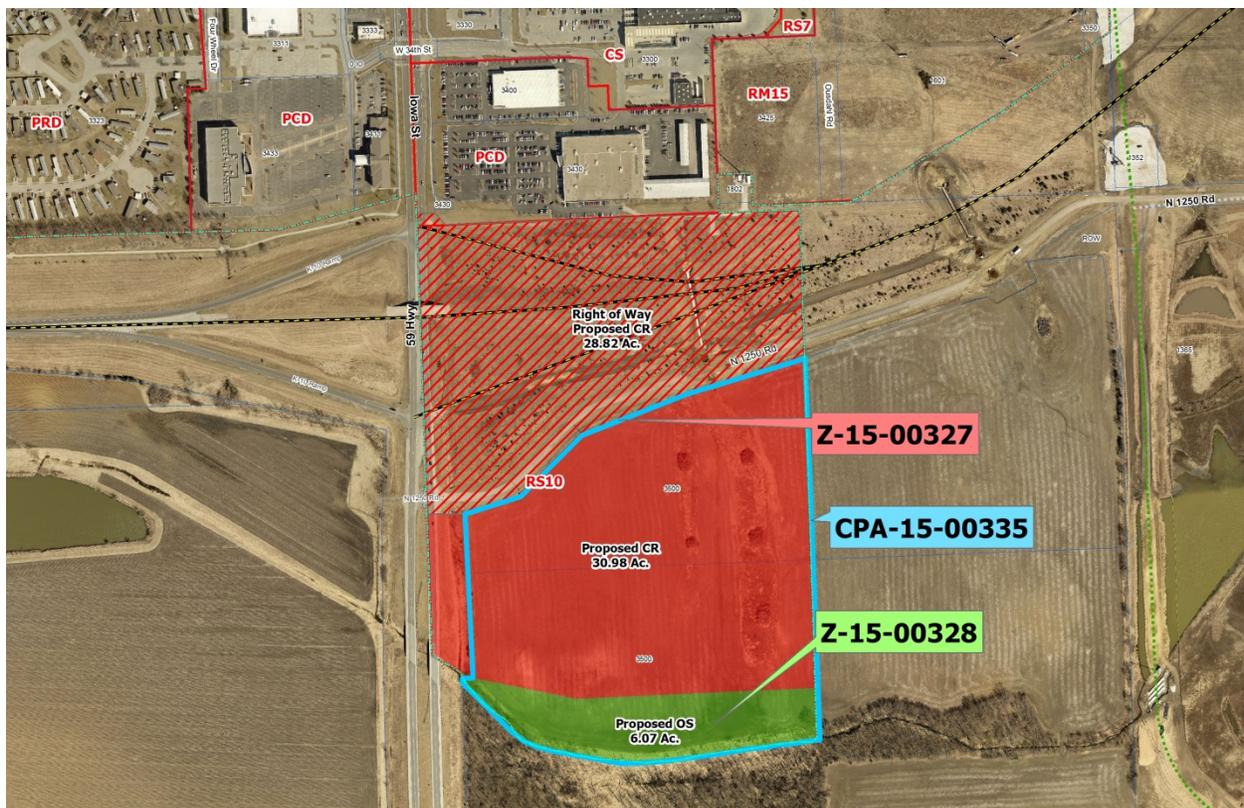


Figure 1: Portion requesting the Modification of Future Land Use Designations & Associated Applications with this Request

Items related to this Comprehensive Plan Amendment include:

Z-15-00327: Consider a request to rezone approximately 59.80 acres from RS10 (Single-Dwelling Residential) District to CR (Regional Commercial) District, located at the southeast corner of the South Lawrence Trafficway and US-59. Submitted by Landplan Engineering P.A., on behalf of Armstrong Management L.C. and Grisham Management L.C., property owners of record.

Z-15-00328: Consider a request to rezone approximately 6.07 acres from RS10 (Single-Dwelling Residential) District to OS (Open Space) District, located at the southeast corner of the South Lawrence Trafficway and US-59. Submitted by Landplan Engineering P.A. on behalf of Armstrong Management L.C. and Grisham Management L.C., property owners of record.

STAFF REVIEW

The applicant is requesting revisions to the adopted future land use map and commercial node designation on the southeast corner of the intersection of S. Iowa Street (US-59) and N. 1250 Road, at the interchange of S. Iowa Street and the South Lawrence Trafficway (K-10). The request would modify Chapter 6: Commercial, and Chapter 14, specifically the *Revised Southern Development Plan*, to allow a proposed commercial center to be located at this intersection. The development concept would entail extending the South Iowa Regional Commercial center by adding approximately 246,050 gross square feet of commercial use, of which approximately 9,800 gross square feet would be specifically restaurant uses and 236,200 gross square feet would be for general retail.

The maps in Figures 2 and 3 are the adopted Future Land Use maps options within the *Revised Southern Development Plan*. Policy 1 of the adopted Sector Plan specifies, "Traditional Neighborhood Design (TND) is encouraged where identified." Also, Policy 3 of the *Revised Southern Development Plan* also states, "Future commercial development and/or redevelopments of existing commercial areas shall be in the form of Planned Development Overlays."

The *Revised Southern Development Plan* contains two possible types of development plans. Figure 2 shows a more conventional development pattern that anticipates a Euclidean segregation of uses. Figure 3 shows a development pattern that includes an integration of uses within a single development (the TND option).

The *Revised Southern Development Plan* contains a policy that, "Future commercial development and/or redevelopments of existing commercial areas shall be in the form of Planned Development Overlays" (p. 23). Given the details of this project, Planning Staff does not believe that requiring the PD Overlay for this project would further the purposes of the Planned Development Overlay District outlined in Section 20-701 and does not recommend the application of the overlay at this time. If the Planning Commission believes otherwise, an option to satisfy the policy would be to recommend that the site plan be reviewed by the City Commission to ensure that that scope of the project is given proper consideration as it proceeds to construction.

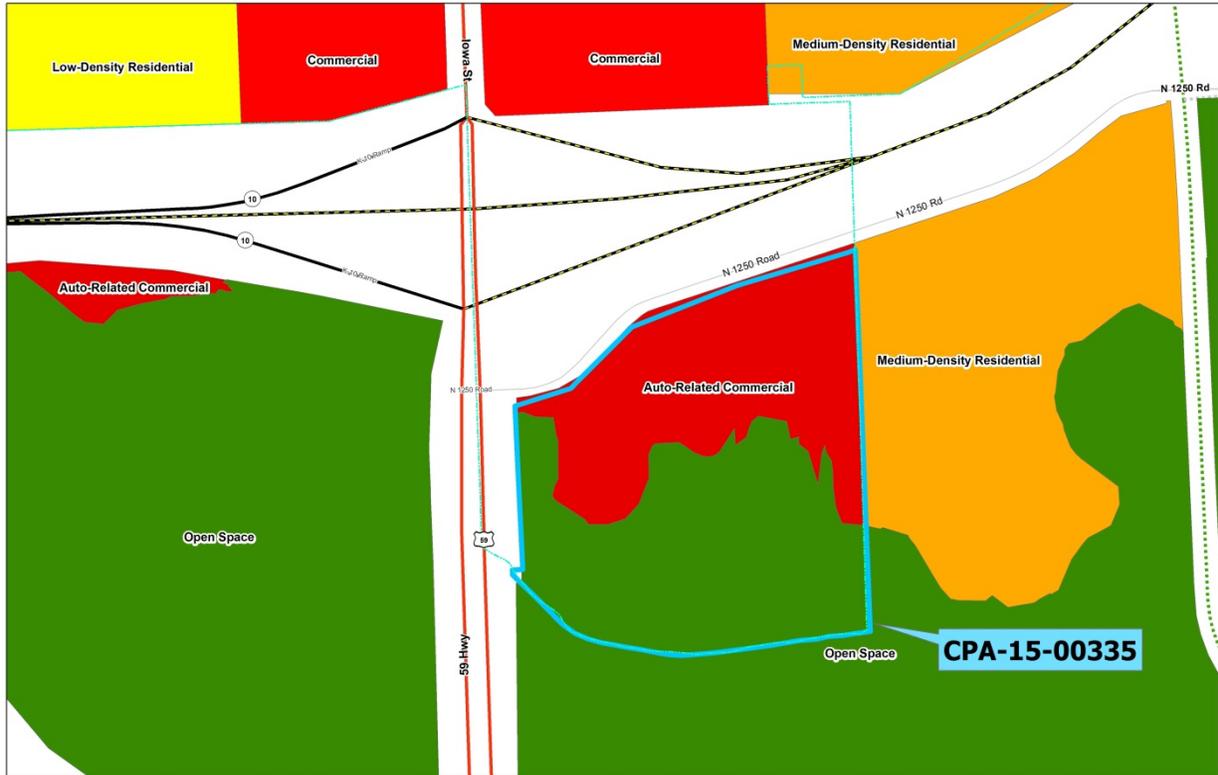


Figure 2: Currently Adopted Revised Southern Development Plan: Future Land Use Map 3-1

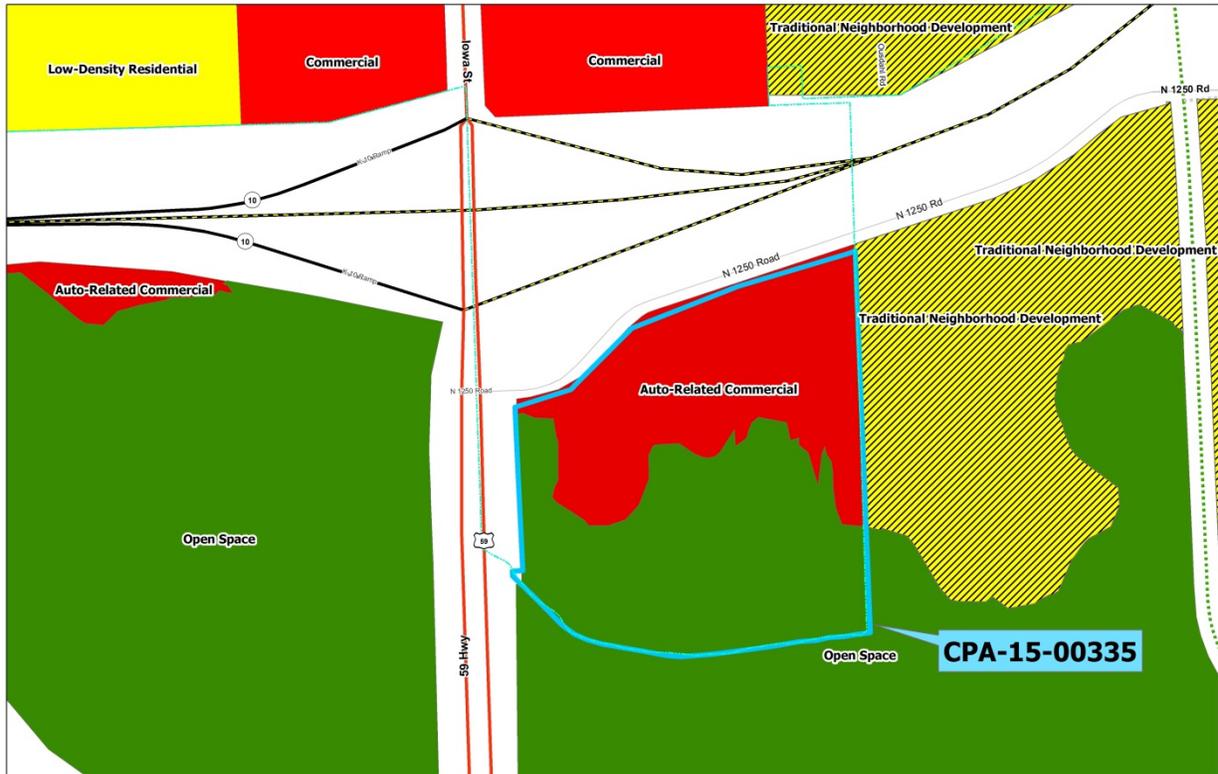


Figure 3: Currently Adopted Revised Southern Development Plan: Future Land Use TND Option Map 3-2

community, Auto-Related Commercial Centers shall have a lot length-to-depth ratio between 1:1 and 3:2 and must be a minimum of 20 acres in size.

All the potential locations of an Auto-Related Commercial Center are in areas that serve as "gateways" into the city. Since they are in "gateway" areas, any proposal for an Auto-Related Commercial Center shall be closely scrutinized for architectural appearance, landscaping, signage, etc.

This proposal would increase the commercial acreage to approximately 59.80 acres to support the regional commercial scale of the proposed conventional retail development. Of the 59.80 acres, 28.82 acres are within the South Lawrence Trafficway right-of-way. This would also reduce the open space designated lands that currently are along the southern portion of the site.

This proposed development would be appended to the existing South Iowa Street Regional Commercial Center, which is northerly adjacent across the South Lawrence Trafficway. *Horizon 2020* defines this regional commercial center as:

S. Iowa Street (23rd Street to K-10)

S. Iowa Street is considered an existing Regional Commercial Center. S. Iowa is a strip development that is intensely development between 23rd Street and K-10. The corridor connects with existing commercial development along 23rd Street. With recent development at the northeast corner of 31st Street and Iowa Street, and the location of several discount stores in close proximity to one another, this commercial corridor has evolved into a Regional Commercial Center, serving regional shopping and entertainment needs.

K-10 provides a physical barrier and edge to the commercial corridor that has developed. Additional retail commercial uses shall not occur south of the highway, except for the possible location of an Auto-Related Commercial Center. Two of the four corners of the intersection have existing auto-related uses. Located at the northwest corner is a hotel and an automobile dealership is located on the northeast corner. Because of access to two major highways (K-10 and US-59) the area south of K-10 could be a location for an Auto-Related Commercial Center. Both corners are an appropriate location for an Auto-Related Commercial Center, provided that the floodplain issues for the southwest corner can be addressed.

In general, development and redevelopment along the Iowa Street segment shall emphasize consolidated access, frontage roads, coordinated site planning and design, and high quality development. Development signage should be in scale with sites and should complement and not compete with signage of adjoining parcels. Improved landscaping would enhance the visual appeal of the corridor. Landscaped transition yards should be established between residential and non-residential uses.

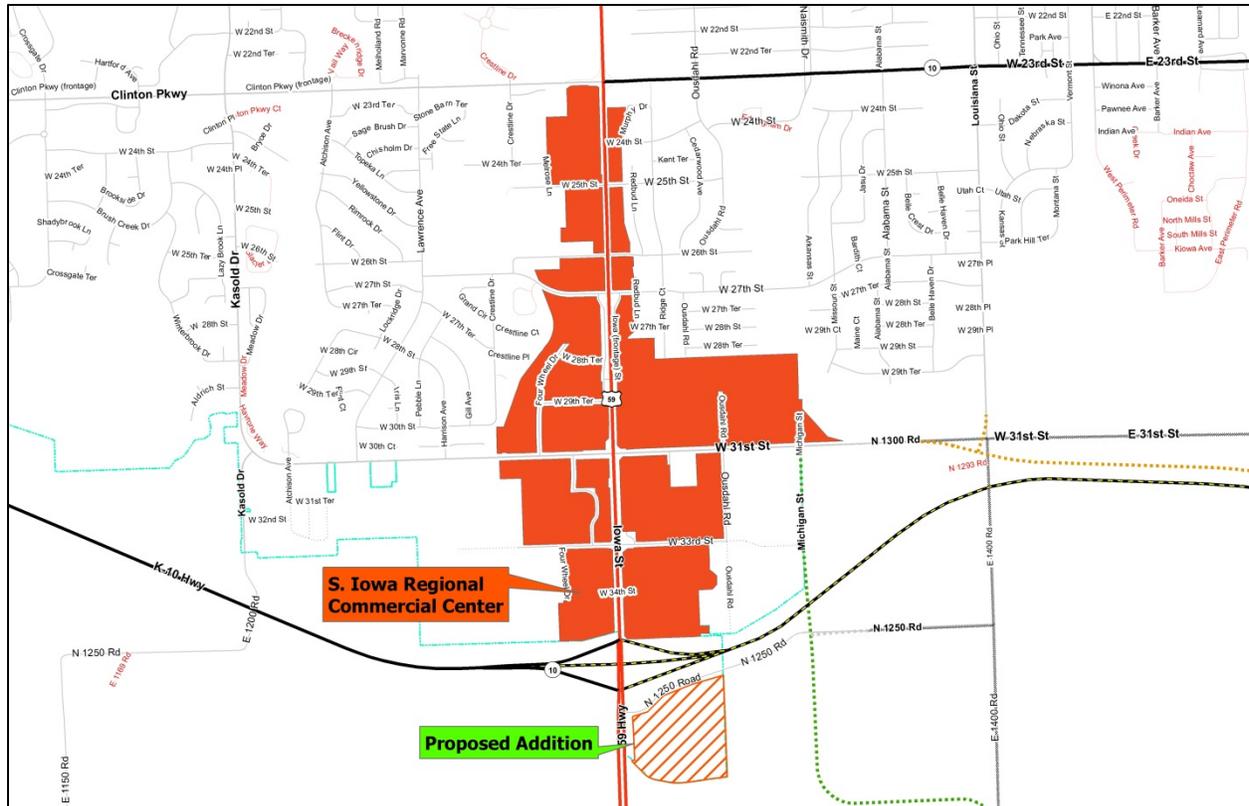


Figure 5: Existing South Iowa Regional Commercial Center with proposed extension indicated

Retail Market Study:

Staff is providing a retail market analysis of the proposed project's impact on the retail market per Policy 3.15 in *Horizon 2020* and Section 20-1303 (g) (10) of the Land Development Code. Policy 3.15 of *Horizon 2020* requires a project specific retail market study for projects that would create 150,000 square feet or more of commercial space. Section 20-1303 (g) (10) of the Land Development Code applies to zoning applications that could create 100,000 square feet of retail space and states:

"For proposals that will create more than 100,000 square feet of retail space within the city: the impact of the proposed project on the retail market. Staff will provide an analysis based on the addition of the square footage to the retail market, vacancy rate trends, square footage per capita trends, and current demand trends, including but not limited to population, income, pull factors, and retail sales using the latest available city-wide retail market report."

Staff is reviewing this project for compliance with the Land Development Code, in addition to the criteria in *Horizon 2020*, based on the comprehensive plan amendment request and the rezoning request. Staff is conducting this analysis based on the most recent city-wide retail market study completed in 2012, and updating the supply figures based on this request to add roughly 247,000 square feet of commercial (retail) uses.

<http://www.lawrenceks.org/assets/pds/planning/documents/2012Retail.pdf>

Currently, there is a discrepancy between the requirements of the Land Development Code and those of *Horizon 2020*, specifically regarding the requirements for a retail market analysis of a proposed project. The Land Development Code was amended in 2013 to remove the requirement that an independent market study be submitted by an applicant. Instead, staff now provides the analysis based on the most recently adopted city-wide retail market study per the zoning map amendment criteria located in Section 20-1303 (g). *Horizon 2020* still contains the requirement for an independent market study to be submitted; however, staff recognizes that the language in the Land Development Code is the most current and will provide the majority of the analysis provided below based on the Land Development Code. Even though there is no longer a requirement in the Land Development Code for the applicant to submit an independent market analysis for this project, the applicant has supplied one with this submittal and it is included in the packet as supplemental information. Staff has neither accepted nor rejected the independent market study submitted by the applicant.

Projected City Wide Vacancy Rate with Southpoint Retail Project				
	Total Built	Occupied	Vacant	Vacant % - City Wide
2012 City Wide Retail Market Analysis	9,105,151	8,451,929	653,222	7.2%
Southpoint Retail (247,000 sf) - 100% Vacant	9,352,151	8,451,929	900,222	9.6%
Southpoint Retail (247,000 sf) - 50% Vacant	9,352,151	8,575,429	776,722	8.3%
Southpoint Retail (247,000 sf) - 0% Vacant	9,352,151	8,698,929	653,222	7.0%

Horizon 2020, Policy 3.15 (b) states that, “The project shall not be approved if the market study indicates the commercial project or any proposed phase cannot be absorbed into the community within three years from the date of its estimated completion, or that it would result in a community-wide retail vacancy rate greater than eight percent.” *Horizon 2020* uses a vacancy rate threshold of 8% as one factor in order to determine market health, and the most recent city-wide retail market study figured the city-wide vacancy rate at 7.2%, slightly higher than the 2010 vacancy rate of 7.0% and the 2006 vacancy rate of 6.7%. The addition of this project, when completed and entirely vacant, will push the city-wide vacancy rate to 9.6%. Staff also has conducted further analysis that takes into consideration other commercial projects that have received approvals, but have not been fully constructed to date. The table below illustrates the impact that other major projects, that have been approved, will have on the overall vacancy rate.

	Total Square Feet	Total Occupied Square Feet	Total Vacant Square Feet	City-wide Vacancy Rate
Total Current Retail Inventory	9,105,151	8,451,929	653,222	7.2%
31 st & Ousdahl – Phase I (Mendards)	189,988	189,988		
Approved Northwest corner – 6th and K-10 Node	155,000			
Approved Northeast corner- 6th and K-10 Node (Mercato)	360,000			
Approved Southside - 6th and K-10 Node	85,000			
Fairfield Farms	200,000			
North Mass*	217,337			
Langston Commons**	125,000			
31 st & Ousdahl – Phase II	65,340			
Total (without Southpoint) - 100% Vacant	10,502,816	8,641,917	1,860,899	17.7%
Total (without Southpoint) - 0% Vacant	10,502,816	9,849,594	653,222	6.2%
Southpoint	247,000			
Total with Southpoint project - All projects 100% Vacant	10,749,816	8,641,917	2,107,899	19.6%
Total with Southpoint project- Only Southpoint 100% Vacant	10,749,816	9,849,594	900,222	8.4%
Total with Southpoint project- All projects 0% Vacant	10,749,816	10,096,594	653,222	6.1%

*This figure is taken from the project’s market study and includes space that may not be truly retail in nature.

**This figure is taken from the project’s zoning and is considered a maximum.

If all commercial space that has been approved were constructed and vacant, the city-wide vacancy rate would rise to 19.6%. If all approved commercial spaces that have been approved were to be constructed but occupied, except for the subject of this request (Southpoint), the city-wide vacancy rate would be 8.4%.

While the market study shows that the project, upon completion and vacant, will push the city-wide vacancy rate above 8%, this figure alone is not an adequate representation of the impact of this development. This figure is computed by assuming that the project will either be entirely vacant upon completion, or that it will cause the same amount of space to become vacant in other areas of town. While new commercial development can lead to vacancies in other parts of town, the current economic conditions have all but halted speculative commercial building in Lawrence. The current development trend is that buildings are built with known users or

committed tenants, and therefore, it is unlikely that the space will be vacant upon completion. In addition, this request for additional retail square footage is being made with the understanding that the majority of the space is already leased to retailers.

In staff’s opinion, the Lawrence retail market has remained healthy for the last 10 years because of the minimal fluctuation in the retail vacancy rate, and therefore, this project should have minimal impact on the market as a whole.

Demand Factor Analysis	Avg. Annual % Change Population	Avg. Annual % Change Sales Tax	Avg. Annual % Change Income
Avg. Annual Change 2006-2011	0.8%	-1.1%	-0.9%
Avg. Annual Change 2000-2005	2.1%	0.2%	0.7%
Avg. Annual Change 1995-2000	1.8%	1.7%	3.7%
Avg. Annual Change 1990-1995	2.4%	3.7%	1.8%

Demand factors such as income, employment, and population need to be taken into account as well when looking at the overall impact of this project on the market as a whole. The 2012 Retail Market Report identified that from 2006-2011, population increased an average of .8% annually. However, during that same time period retail sales tax collections had an average annual decrease of 1.1%, and per capita income had an average annual decrease of .9%, adjusting all dollar figures for inflation.

Average Annual Retail Square Footage Trend	
Avg. Annual 2006-2012 Change	4.3%

On the supply side of the market, retail stock has shown an average annual increase of 4.3% from 2006-2012. While demand may not have risen with supply, the relatively stable vacancy rates and positive pull factor (discussed below) signal that the market is relatively healthy.

Retail Space per capita			
	Total SF	Population	SF per capita
2012 City Wide Retail Market Study	9,105,151	93,944	97
31 st & Ousdahl – Phase I (Menards)	189,988		
Approved Northwest corner – 6th and K-10 Node	155,000		
Approved Northeast corner- 6th and K-10 Node (Mercato)	360,000		
Approved Southside - 6th and K-10 Node	85,000		
Fairfield Farms	200,000		
North Mass	217,337		
Langston Commons	125,000		
31 st & Ousdahl – Phase II	65,340		
Total of all approved projects without Southpoint	10,502,816	93,944	112
Southpoint	247,000		
Total of all approved projects with Southpoint	10,749,816	93,944	114
Total of 2012 City Wide RMS plus Menards with Southpoint (but not all approved projects)	9,477,151	93,944	101

With the 2012 Retail Market Report, in Lawrence there were approximately 97 square feet of retail space per capita in 2012. With the addition of this project's square footage to the market, as well as the addition of the Menards store's square footage since they have started construction, there would be approximately 101 square feet of retail space per capita. However, this analysis does not take into consideration any of the other approved commercial development. If all approved projects were added, there would be 112 square feet of retail space per capita, and if the Southpoint project were added on top of that, this figure would rise to 114 square feet per capita. By the time the project is fully constructed and occupied in 2017, population will have grown (using our average annual growth rate to around 97,000 people, which would result in 98 square feet of retail space per capita, not including other approved projects. Staff does not view the addition of this retail space as having a significant impact on the retail market in terms of square feet per capita.

Lawrence Trade Pull Factors and Trade Capture Area Figures						
	Collections	Per Capita	Pull Factor	Trade Area Capture (People)	% of County Sales	Population
FY 2014	\$82,384,844	\$907	1.04	94,760	93.00%	90,811
FY 2013	\$81,747,115	\$913	1.07	95,424	92.90%	89,512
FY 2012	\$79,524,295	\$896	1.07	94,639	93.00%	88,727
FY 2011	\$74,699,896	\$852	1.07	93,560	92.80%	87,643
FY 2010	\$61,696,381	\$674	1.02	93,630	92.40%	91,611
FY 2009	\$67,723,146	\$696	0.99	89,630	92.30%	90,083
FY 2008	\$63,864,019	\$714	0.99	88,638	92.50%	89,415
FY 2007	\$61,894,678	\$702	1.02	89,985	92.40%	88,168
FY 2006	\$60,892,108	\$748	1.12	90,982	91.30%	81,379
FY 2005	\$58,300,971	\$716	1.11	90,058	90.90%	81,417

*The pull factor figures and population estimates are from the Kansas Department of Revenue.

Also important is an analysis of “pull factors,” or a measure of local commerce based on a comparison of local spending to the state as a whole. A pull factor above 1.00 indicates that a community attracts retail sales, while a factor below 1.00 indicates that the community is losing retail sales to outside areas. The Kansas Department of Revenue issues pull factor reports for all of Kansas. The most recent, issued in early 2015, states that Lawrence’s pull factor was 1.04 in 2014, which is lower than the 1.07 pull factor that has held steady since 2011. While the pull factor has fallen slightly in the last year, the positive pull factor these last five years means that the City is attracting retail sales to the community.

In staff’s opinion, proposals to add retail space should be carefully scrutinized with respect to the indicators above. The proposed additional retail square footage at this node has a focus of drawing local and non-local visitors by providing retail space that could potentially offer more choices and types of retail than currently exist in the market. Even though this project could push the vacancy rate above the 8% threshold identified in the comprehensive plan, it is unlikely that this development will be speculative in nature. The current economic conditions are showing a trend that buildings are built with committed tenants. In addition, the vacancy rate has remained steady since 2006, signaling a healthy retail market. The community also has been attracting retail sales in the last three years, and this development could serve to increase that attraction, thereby increasing the pull factor.

One challenge with this proposal is that the designation of this area for this amount of retail square footage may cause other identified, undeveloped commercial nodes (6th and SLT, Fairfield Farms, etc.) to delay development. Demand has not increased at the same rate that supply has increased; however, the stable vacancy rate and positive pull factor indicate a healthy retail market.

Retail Market Analysis Finding: Considering all factors noted above, this proposal should have a negligible impact on the health of the community’s retail market.

Staff reviewed this amendment based upon the Comprehensive Plan Amendment review criteria listed below, as identified in Chapter 17 (Implementation) of *Horizon 2020*. The applicant's responses are also provided below:

COMPREHENSIVE PLAN AMENDMENT REVIEW

1. Does the proposed amendment result from changed circumstances or unforeseen conditions not understood or addressed at the time the Plan was adopted?

Applicant's response: Staff and Commissioners should bear in mind that this proposed Comprehensive Plan Amendment (CPA) is centered on discrete differences between proposed commercial land uses. The attached rezoning request proposes rezoning approximately 63 acres of land at the south end of the South Iowa commercial corridor from RS10 to CR (Regional Commercial). The location, size and intensity of this commercial rezoning request all generally comply with the policies and maps of the current Comprehensive Plan. The distinguishing factor is the land use type associated with the rezoning. The applicant proposes to extend the South Iowa Regional Commercial Center by developing a destination retail shopping center which would consist of large, medium and small retail stores and restaurants. The current Comprehensive Plan proposes an Auto Related Center at this location which might consist of car and RV dealerships, car washes and truck plazas. This CPA is not intended to provoke the typical debates over location, size or even intensity of land use. It focuses in on what types of commercial land uses Lawrence wants to see at its southern gateway.

Two factors are worth noting when discussing unforeseen conditions not understood at the time this portion of the Comprehensive Plan was adopted. In recent years, there has been significant expansion and redevelopment of auto related commercial properties across the City. Dealerships such as Briggs Subaru, Lawrence Kia, Jack Ellena Honda and Dale Willey Automotive have all invested additional capital toward their current locations. Such local redevelopment may reduce the demand to develop more vehicle sales and service uses in the future at the subject site.

The second factor to consider is that Lawrence's retail market is as strong as we have seen it in recent years. As reported in January by the local office of Colliers International and the Lawrence Journal World, at the end of 2014 the retail vacancy rate in Lawrence was 3.9%, as compared to 6.5% nationally and 8.5% regionally. These same reports indicated that the vacancy rate along the South Iowa corridor was 3.8%. As local, regional and national retailers continue to flock within this thriving commercial corridor, the demand for retail development, such as that being proposed by this CPA, rises.

Staff's response: Staff agrees that there is less identified need for auto-related uses now than at the time the *Revised Southern Development Plan* was adopted, which is a changed perspective since the plan's adoption. Other circumstances and conditions have not changed since the plan was adopted. The plan anticipates urbanization of this area with the completion of the South Lawrence Trafficway, and seeks to employ a reasonable development pattern to address the intersection of two state highways, as well as a local street to the east. While staff

believes the current plan addresses these conditions well, the applicant's proposal is also viable in this area since it primarily only changes the form of the commercial project encouraged at this site.

2. Does the proposed amendment advance a clear public purpose?

Applicant's response: The proposed CPA would facilitate the extension of the South Iowa Regional Commercial Center southward across the SLT to include the subject site. Such development would bring significant public improvements to the street and utility infrastructure at this location. It would also help to increase City sales tax revenue. More importantly, this development would provide an appropriate gateway to the southern entrance of our City. As opposed to the small service buildings and large car lots and truck plazas centers often associated with auto-related commercial centers, the proposed development would offer attractively designed retail buildings, graciously landscaped streets and parking lots and an appropriate open space buffer between it and the Wakarusa River and Baker Wetlands to the south and east.

Staff's response: As planned in *Horizon 2020* and the *Revised Southern Development Plan*, Auto-Related Commercial Centers,

"include a wide variety of uses such as auto sales and repair, restaurants, hotels, and other similar uses that attract a large amount of the traveling public. However, these uses are not limited to Auto-Related Commercial Centers. A common feature of all these uses is that they typically have a small amount of commercial square footage under roof, but require a large amount of acreage for parking or sales display." (*Horizon 2020*, p. 6-12)

This area is designated to accommodate auto-related commercial uses, including vehicle sales and service. In recent years, major redevelopment of existing vehicle sales and service uses has occurred in the area surrounding Four Wheel Drive and along South Iowa Street. That redevelopment may reduce the demand to develop more vehicle sales and service uses as originally intended. The proposal, while intensifying the type and amount of retail, could also accommodate certain auto-related uses such as restaurants, hotels, gas stations, vehicles sales and service, etc.

The amendment arguably advances the public purpose to address the gateway into Lawrence from the south. The change to more buildings in lieu of parking helps lessen the visual appearances of the site than was seen in previous applications. The application of the Commercial Design Guidelines at the time of site planning will help mitigate the appearances of large, unbroken surface parking lots.

3. Is the proposed amendment consistent with the long-range goals and policies of the plan?

Applicant's response: The proposed CPA is consistent with multiple goals and policies laid out in Chapter 6 of Horizon 2020. It provides for compatible transition from commercial development to less intensive land uses through an open space buffer (Policy 2.6). It follows the design criteria for Regional Commercial Centers (Policy 3.13). The applicant has already begun discussion with staff at KDOT to ensure that traffic impacts are analyzed and mitigated as set forth by this Chapter (Goal 4). Horizon 2020 currently prescribes auto-related commercial uses for this location. This CPA seeks to maintain commercial land uses at this location; however, it proposes land uses better suited to this gateway location than what is typically associated with an auto related center.

Staff's response: While the *Revised Southern Development Plan* anticipated commercial uses to be located at this intersection, it envisioned a different form and scale of a commercial center. The plan anticipated the commercial uses to be auto-related, mainly due to the location next to S. Iowa Street (US-59) and the South Lawrence Trafficway. The concept plan provided not only indicates a different form, but also an increase in size of 13.46 acres (77.48% increase) over the originally anticipated 17.45 acres. The expectation was that auto-related commercial uses were to provide goods and services for people traveling along K-10/South Lawrence Trafficway. The intent and scope of a Regional Commercial Center is to attract a retail market greater than the local community as a shopping destination.

The applicant is proposing to develop 30.98 acres of a 37.05 acre parcel. The remaining 6.07 acres are proposed to be zoned OS, since they are currently located in the Wakarusa River floodplain. A portion of the acreage proposed for development of commercial uses also lies in the regulatory floodplain. The Land Development Code does not prohibit development within the floodplain, and the expansion of commercial land use into this space would be subject to the floodplain regulation.

Below is Policy 3.13: Criteria for Regional Commercial Centers from *Horizon 2020*, and the criteria associated with this policy:

- A. The Comprehensive Plan does not anticipate the need for a new Regional Commercial Center within the planning period.

Staff Finding: The proposal is not to create a new Regional Commercial Center, but to expand the existing South Iowa Regional Commercial Center.

- B. Designating a new Regional Commercial Center will require an amendment to the Comprehensive Plan.

Staff Finding: This application fulfills this criterion as the applicant is seeking to amend the comprehensive plan to expand the South Iowa Regional Commercial Center.

- C. Design Criteria

- 1. The commercial development plan for a corner shall have a minimum of 40 acres;

Staff Finding: The proposal is partially consistent with this criterion. The proposed total site is approximately 37 acres and is proposing Open Space zoning to buffer along the portion that is closest to the stream on-site.

2. The development shall have a minimum of 1,400 linear feet of frontage on a public street;

Staff Finding: This proposal has approximately 650 linear feet of frontage along S. Iowa Street/US-59, and also 1,446 linear feet of frontage along the South Lawrence Trafficway. The proposal is consistent with this criterion.

3. A Regional Commercial Center shall not have more than 1.5 million gross square feet of commercial space; and

Staff Finding: The South Iowa Regional Commercial Center currently has 2.07 million gross square feet of commercial space. This proposal will add 246,050 square feet, giving the center a total of 2.31 million square feet of commercial space. The center was already above this limit before this request.

4. A Regional Commercial Center shall be located at the intersection of two state or federally designated highways or the intersection of an arterial street and a state or federally designated highway.

Staff Finding: The proposal is consistent with this criterion.

- D. A nodal plan shall be completed before a development proposal for a Regional Commercial Center is forwarded to the Planning Commission.

Staff Finding: The *Revised Southern Development Plan* does cover this particular site.

- E. Parking lots shall be designed to minimize conflicts between pedestrians and vehicles.

Staff Finding: The concept plan for this proposal is early in development, and this criterion will be addressed at the time of site planning.

- F. Centers shall be designed to facilitate the movement of pedestrians from store to store and building to building.

Staff Finding: The concept plan for this proposal is early in development, and this criterion will be addressed at the time of site planning.

- G. Buildings shall be placed near adjacent street right-of-way.

Staff Finding: The concept plan for this proposal is early in development, and this criterion will be addressed at the time of site planning.

- H. The majority of parking for the center shall be behind the front building line.

Staff Finding: The concept plan for this proposal is early in development, and this criterion will be addressed at the time of site planning.

- I. A proposal requiring a revised or new site plan for property in an existing Regional Commercial Center shall include a plan for reducing curb cuts, providing cross access easements to adjacent properties, and buffering for adjacent non-commercial uses.

Staff Finding: The concept plan for this proposal is early in development, and this criterion will be addressed at the time of site planning.

- J. New or existing Regional Commercial Centers shall not intrude or expand into the surrounding residential or lower-intensity uses.

Staff Finding: The proposal is consistent with this criterion.

- K. CC400 Centers shall develop in a manner that is consistent with the city's adopted design guidelines.

Staff Finding: The concept plan for this proposal is early in development, and this criterion will be addressed at the time of site planning. Items requesting Regional Commercial designation would require compliance with the Community Design Manual guidelines for new construction.

While the South Iowa Regional Commercial Center corridor exceeds the policy of not having more than 1.5 million square feet, when analyzing the totality of the criteria, the proposal meets the criteria outlined in *Horizon 2020* for incorporating this area into the South Iowa Regional Commercial Center.

4. Does the proposed amendment result from a clear change in public policy?

Applicant's response: Please see the response to question #1. In general, this proposed CPA focuses on what types of commercial land uses are most appropriate for the subject site. Public discussion surrounding this development last summer has very much shaped this proposed CPA and the attached rezoning requests. During last summer, Planning Commissioners and members of the public voiced concern over the size of the proposed development and its appropriateness at this precise location. In response to such concerns, the applicant has curtailed the size of the development and is ready to further engage in a debate over what makes most sense at Lawrence's southern gateway: an auto related center or destination retail shopping center.

Staff's response: At present, there has not been a change in public policy. High-intensity commercial development is still viewed as appropriate for this location. *Horizon 2020* did provide a differentiation between the Regional Commercial and Auto-Related Commercial land uses when it was adopted. A key distinction between the two use categories is in the envisioned end users. The plan anticipated that the end users of the Auto-Related Commercial use would be oriented to travelers passing through the community, while the Regional Commercial was intended to be an attraction destination, drawing in people outside of Lawrence and Douglas County. Another key distinction *Horizon 2020* defines is in the site's typology. Following the site information included within Chapter 6, Auto-Related Commercial would call for the construction of a higher than needed amount of parking to serve the high

frequency turnover of customers that is usual with these types of development. While Regional Commercial would emphasize the opposite, seeking to have buildings being the dominant feature of the site instead of the parking.

While there are subtle differences in the use and site design for the two land use categories within *Horizon 2020*, the Land Development Code does not provide a zoning designation for Auto-Related Commercial because envisioned uses are contained within the CC and CR Zoning classifications.

In addition, the following shall be considered for any map amendments:

5. Will the proposed amendment affect the adequacy of existing or planned facilities and services?

Applicant's response: The proposed CPA would facilitate significant public improvements and extensions to infrastructure just south of the SLT. The applicant has held multiple meetings with KDOT and City staff to discuss these matters on a preliminary level. Further analysis will be provided at the time of preliminary plat and site plan review.

Staff's response: Infrastructure development will be required to ensure adequate support of this commercial development. Further analysis regarding the details towards traffic impacts and infrastructure capacity will be addressed in the forthcoming development proposal, site plan, and final plat approvals.

6. Will the proposed change result in reasonably compatible land use relationships?

Applicant's response: The proposed CPA conforms to land use transitions already prescribed by the current Comprehensive Plan. The proposed commercial development will abut state and federal highways to the north and west. An attached rezoning request ensures an open space buffer between the proposed commercial development and the Wakarusa River floodplain to the south.

Staff's response: The site is adjacent to the South Lawrence Trafficway to the north and US-59 to the west. Otherwise, it is surrounded by farmland to the east and south. The primary compatibility issue for this proposal is with the medium-density residential uses planned to the east. A Type 2 buffer yard of 15 to 25 feet will be required, depending on the proposed landscape design. (Section 20-1005) However, the Revised Southern Development Plan anticipated this with the current designations of commercial for this subject property with residential uses anticipated due east of this site.

7. Will the proposed change advance the interests of the citizens of Lawrence and Douglas County as a whole, not solely those having immediate interest in the affected area?

Applicant's response: The proposed CPA would facilitate a commercial development which would provide not only greater retail shopping opportunities for City and County residents but greater sales and property tax revenue for the City and County governments, as well. The proposed CPA will extend the South Iowa commercial corridor to its logical southern terminus, thereby establishing a generous open space buffer adjacent to the Wakarusa River and an attractive gateway to the southern entrance of the City.

Staff's response: This proposed amendment would provide expanded shopping opportunities for Douglas County and the City of Lawrence, and it could potentially have a positive effect on the city's tax base by increasing its pull factor.

While economic conditions have changed since the adoption of the *Revised Southern Development Plan*, the original vision for this portion involved a different intensity and form of commercial development, specifically oriented to automobile/travel support, not as a principal commercial destination. An intensification of the South Iowa Regional Commercial Center as proposed will potentially impact the city-wide retail market in terms of potentially detracting from other planned commercial areas. That impact will be somewhat mitigated by the phasing-in of this project, the potential increase in retail sales draw, and by this development most likely forming the new terminus to the South Iowa Regional Commercial Center. Staff does not anticipate continuing the strip-style commercial development pattern further south with the anticipated South of the Wakarusa Sector Plan.

Also factoring into this proposal is the consideration of the potential impact it could have on already entitled commercial areas within the City. The concern is not the addition of this retail square footage to the Lawrence market, but instead of the ability of other approved, undeveloped commercial nodes to attract retail tenants. If this project is approved, other approved, yet undeveloped commercial nodes may have to extend their development time frames in order to attract retail tenants, thus potentially underserving these areas of the community.

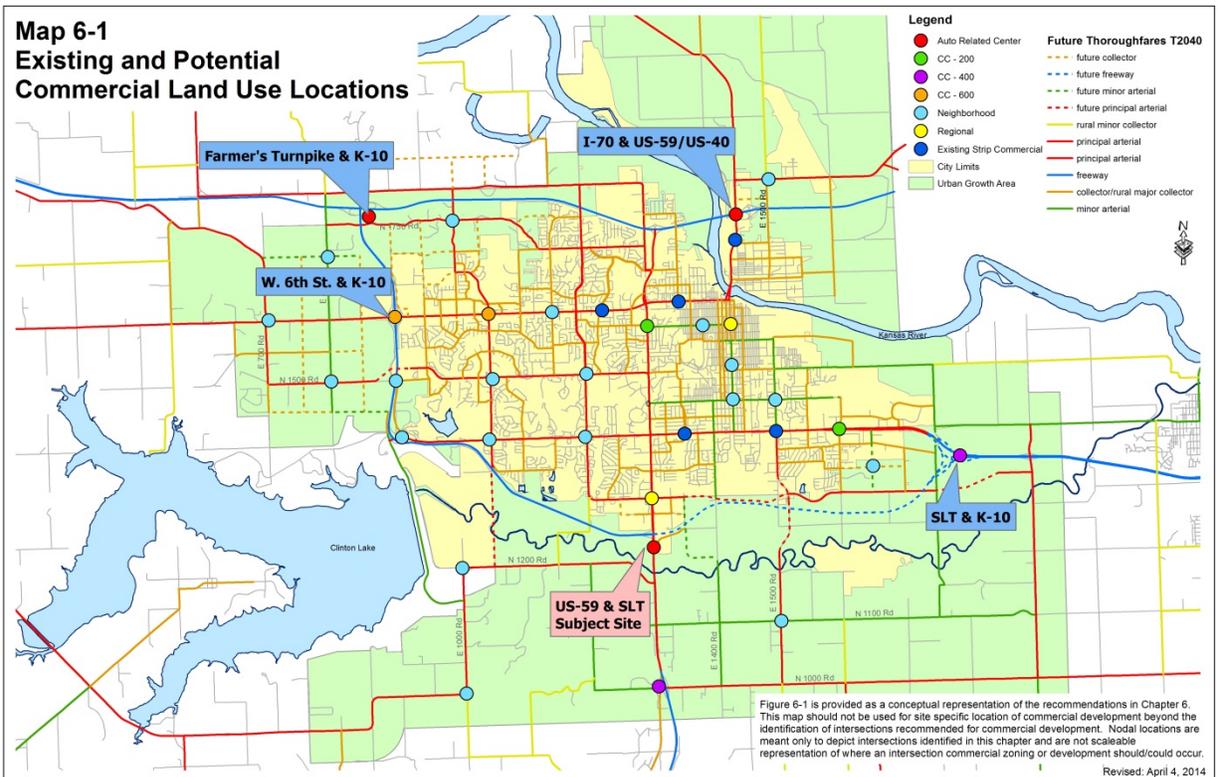


Figure 6: Other Entitled Commercial Centers

Due to the location of the proposed development, this project would serve as a primary gateway entry to traffic entering Lawrence along US-59, and also travelling along K-10/South Lawrence Trafficway. Space for the relocation of the community gateway signage, the detail and quality of four-sided building and landscape architecture will be given substantial consideration during site planning.

PROFESSIONAL STAFF RECOMMENDATION

Staff recommends forwarding a recommendation of approval of this comprehensive plan amendment to *Horizon 2020*, to the Lawrence City Commission and the Douglas County Board of Commissioners to amend Chapter 6, and the *Revised Southern Development Plan* with staff's suggested language in order to expand the South Iowa Regional Commercial center to incorporate the proposed development.