

# Memorandum

## City of Lawrence

### Planning & Development Services

TO: Tom Markus, City Manager  
FROM: Scott McCullough, Director - Planning and Development Services  
Toni Wheeler, City Attorney  
CC: Diane Stoddard, Assistant City Manager  
Casey Toomay, Assistant City Manager  
DATE: For April 11, 2017 City Commission Work Session  
RE: Riverfront Mall Opportunity

The west side of Riverfront Mall is available for lease or purchase and represents an opportunity for the city to serve its citizens by creating a One Stop Shop for development related functions, providing a better layout for Municipal Court, and consolidating certain city services.

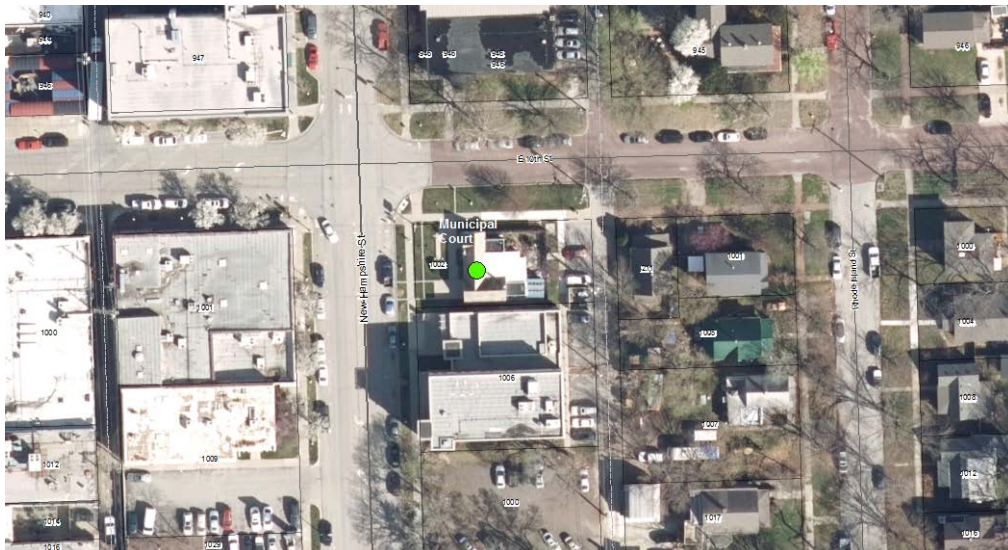
The Development Services side of Planning and Development Services (PDS) and Municipal Court both lease space to conduct their operations. Both leases run on a year-by-year basis and both departments have an identified need for larger space. The table below reflects information about each department's current lease and space needs. Municipal court requires additional space to accommodate its high volume of citizen interactions. PDS requires additional space to combine Planning and Development Services in one location to develop a One Stop Shop service model in order to better serve customers. The One Stop Shop service model has been a long-standing objective of the city and of PDS as identified in the *Management Study of the Development Review Process* (Matrix Report), which was formally received by the City Commission on November 14, 2006.

Department	Lease Expires	Current Lease Rate	Current Space in Sq. Ft.	Space Needed in Sq. Ft.
Development Services	8/31/2017	\$67,778/yr	6,500	25,000 for combined PDS in a One Stop Shop
Municipal Court	4/12/2018	\$117,000/yr (\$94,000 lease rate + \$23,000 in insurance, common area maintenance, and taxes)	7,000	13,000

Planning and Development Services is currently divided by over 900 feet and customers often arrive at one office only to be told they need to walk to the other office to conduct their business. Further, staff uses a good deal of time traveling between the two divisions to attend meetings at one or the other location.



Municipal Court is located at 1006 New Hampshire Street. It is a small space relative to its needs and is challenged with customer parking.



The west side of Riverfront Mall is available for lease or purchase and represents an opportunity for the city to own an asset instead of leasing. Three floors are available totaling 66,410 square feet of space. The combined total need for PDS and Municipal Court is approximately 38,000 square feet. Two of the three Riverfront Mall floors would be immediately needed to accommodate the operational needs of these departments with the remaining space on one or both floors accommodating much

needed storage areas and future growth potential for city services as the population grows.

The west side of Riverfront Mall presents an opportunity to serve city residents in a much greater capacity in the following ways:

1. Customer parking – The west wing of the Riverfront Mall has accessible spaces adjacent to the main doors and ample parking to accommodate the high customer traffic that each department produces.
2. Security - The layout of one main entrance is appealing from a security standpoint in that it focuses the installation of security equipment at one point, which would be of benefit to both departments.
3. Consolidate operations – Both PDS and Municipal Court would gain operational efficiencies by designing a space to better meet the needs of the department in order to serve customers better. Additionally, the city is reviewing other functions, such as finance, to determine if a central payment window could serve utility customers from this more convenient location.
4. Provide more conference and hearing room spaces – there is a need for more conference space and back-up hearing room space. Conference rooms especially need to be more varied in size to accommodate the many different kinds of meetings held in both PDS and Municipal Court. Currently, the prosecutors have no conference room space, and must hold certain discussions in the corridor outside the courtroom – providing little privacy for the defendants.
5. The space provides an opportunity for the Municipal Court to remain in the downtown district close to the Douglas County District Court and the Law Enforcement Center.

City staff has toured the west side and believes that the top and middle floors would serve the departments' needs the best, though improvements would be necessary. The current thinking is that Municipal Court would occupy the top floor and that Planning and Development Services, and perhaps other development-related staff from other departments, would occupy the middle floor. The middle floor is configured in the original retail mall configuration and would need substantial work and funding to complete improvements to meet the needs of the department.

The building is owned by Riverfront LLC and Spring Hill Suites by Marriott and sits on ground owned by the city. The property was removed from the FEMA floodway by city ordinance in 1989, but placed back in the floodway by FEMA in 2001. There is a risk of flooding to the first floor of the building, though flood waters did not penetrate the building during the 1993 flood event and flood waters would top the levee before reaching the second and third floors. The city is working with the owner to seek a variance to allow the building to exist in the floodway under its current conditions. Staff concludes that the portion of the building that the city would occupy is safe from flooding and could accommodate the type of office use planned.

Under the City Manager's direction, staff has explored space programming with a local architect on the top and middle floors of the building and commissioned building inspections and an appraisal report covering the west wing of the building. The

building's age may present significant maintenance issues to work through and we are awaiting the results of all of those reports to continue discussions with the owner about the possibilities for leasing or purchasing the building.

Action Requested

Receive presentation and provide staff direction on pursuing this opportunity.