

# DOWNTOWN LAWRENCE, KS



# NORTH NEW HAMPSHIRE STREET CORRIDOR





**SOUTH WEST PERSPECTIVE**  
**700 NEW HAMPSHIRE**





**NORTH WEST PERSPECTIVE**  
**700 NEW HAMPSHIRE**





7th & New Hampshire

PROJECT  
LOCATION

E 8th St

Riverside St

# 700 NEW HAMPSHIRE

## DOWNTOWN LAWRENCE GROCERY STORE

### PROJECT DESCRIPTION:

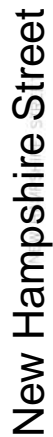
**43,000 SF Grocery Store** – Located within USDA designated food desert

**72 Apartments** above grocery store

**11 low-income** units



# FIRST FLOOR **GROCERY STORE**

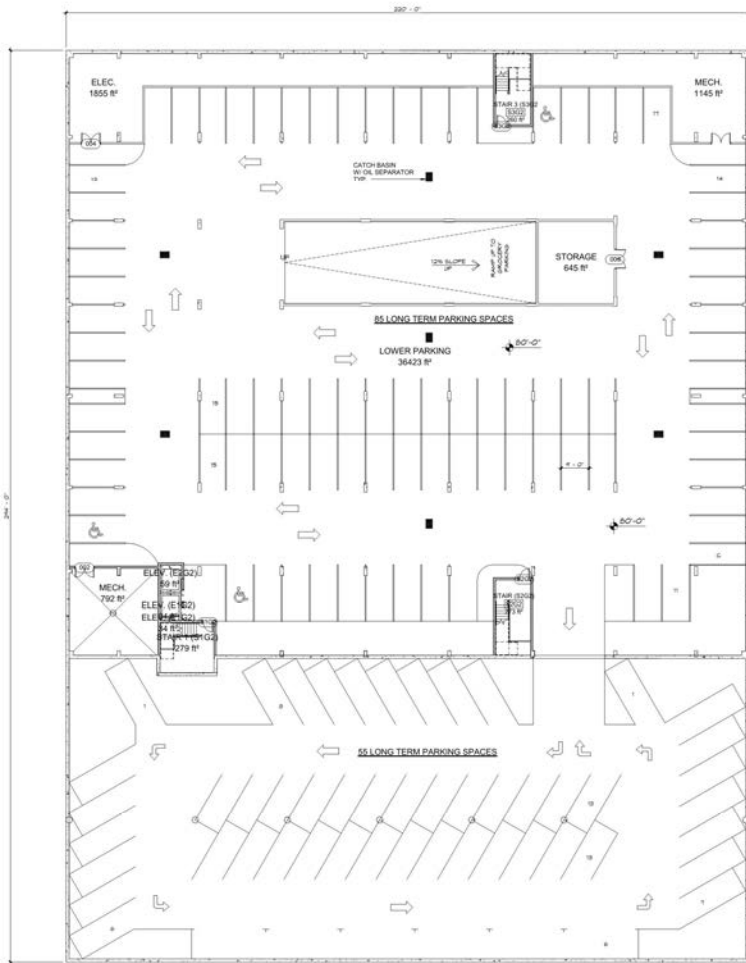


# Rhode Island Street

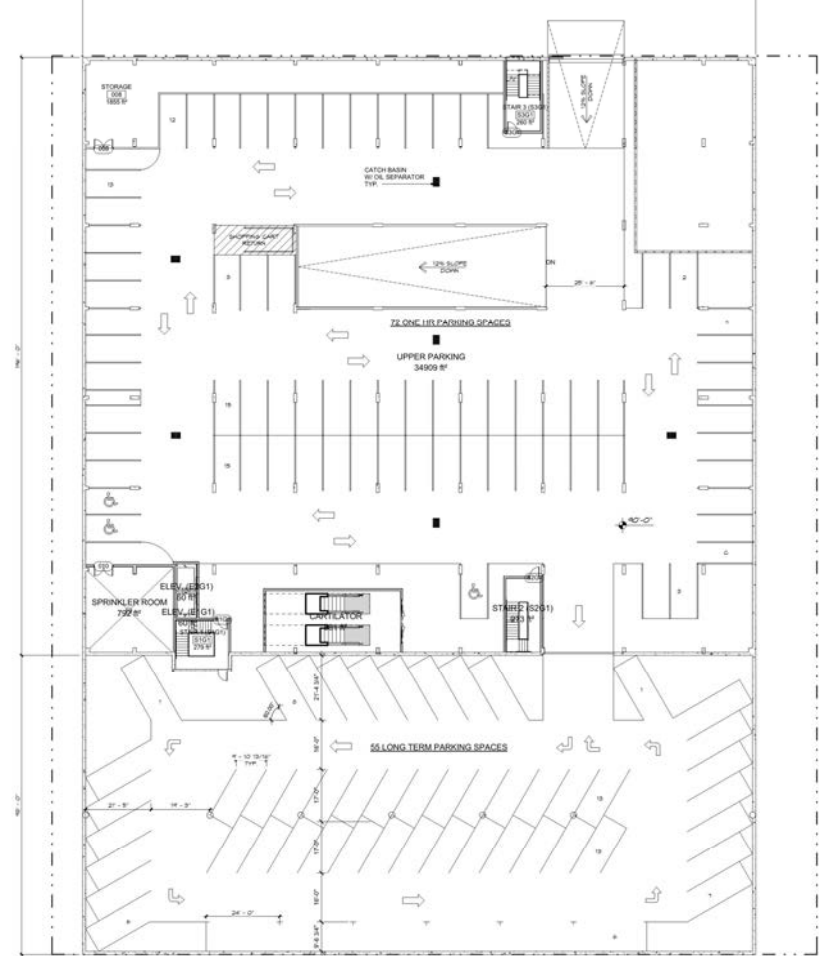


# NORTH

# UNDERGROUND PARKING



LOWER LEVEL



UPPER LEVEL



↑  
NORTH

## SECOND FLOOR



## THIRD & FOURTH FLOOR



# NORTH

# SOUTH ELEVATION



# WEST ELEVATION



# NORTH ELEVATION



# EAST ELEVATION



# PERSPECTIVES



SOUTH PERSPECTIVE A3



NORTH WEST PERSPECTIVE A2

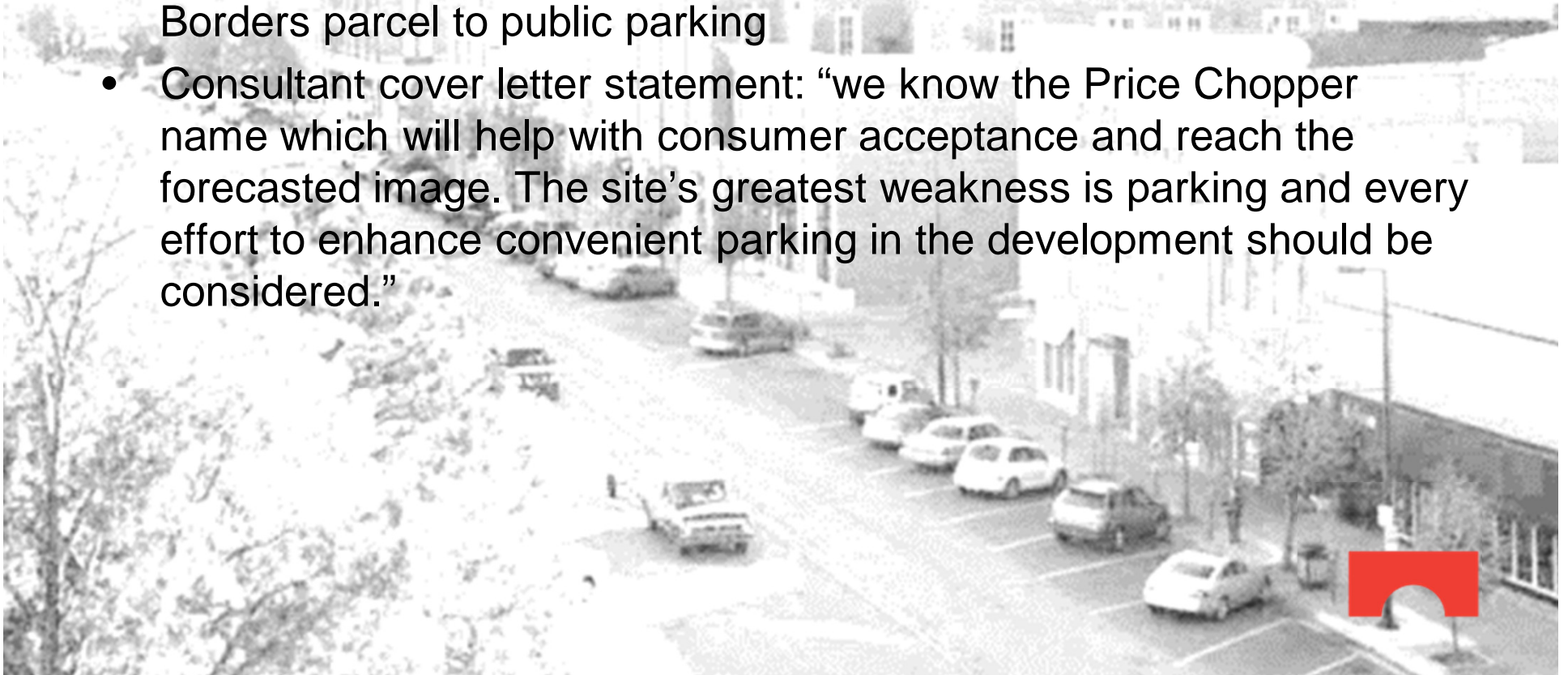


NORTH EAST PERSPECTIVE A1



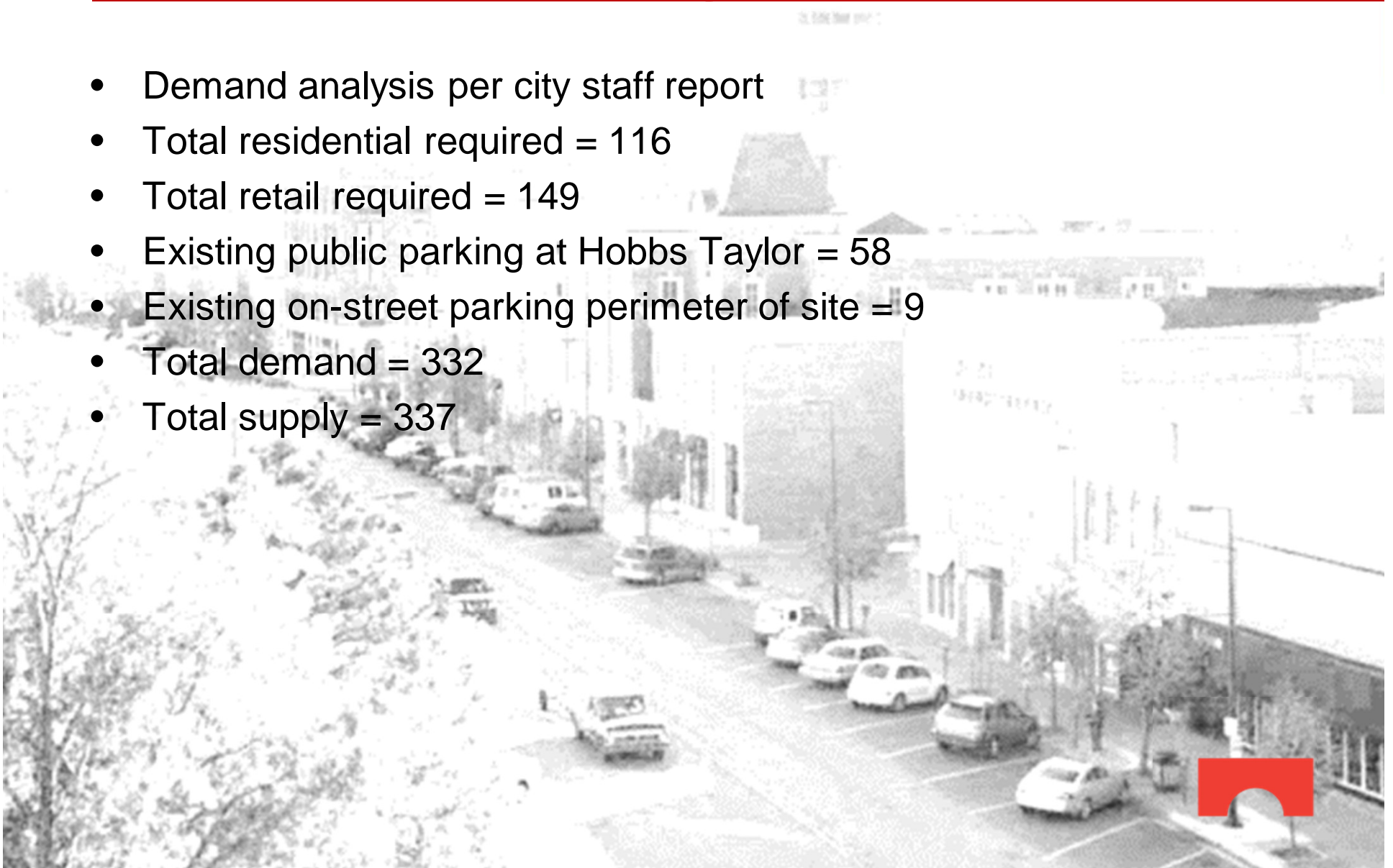
# Parking

- Significant issue is parking
- Request includes removing 48 city parking stalls next to Hobbs Taylor (see diagram on next slide)
- **Spaces would be replaced:** By converting private parking on the Borders parcel to public parking
- Consultant cover letter statement: “we know the Price Chopper name which will help with consumer acceptance and reach the forecasted image. The site’s greatest weakness is parking and every effort to enhance convenient parking in the development should be considered.”

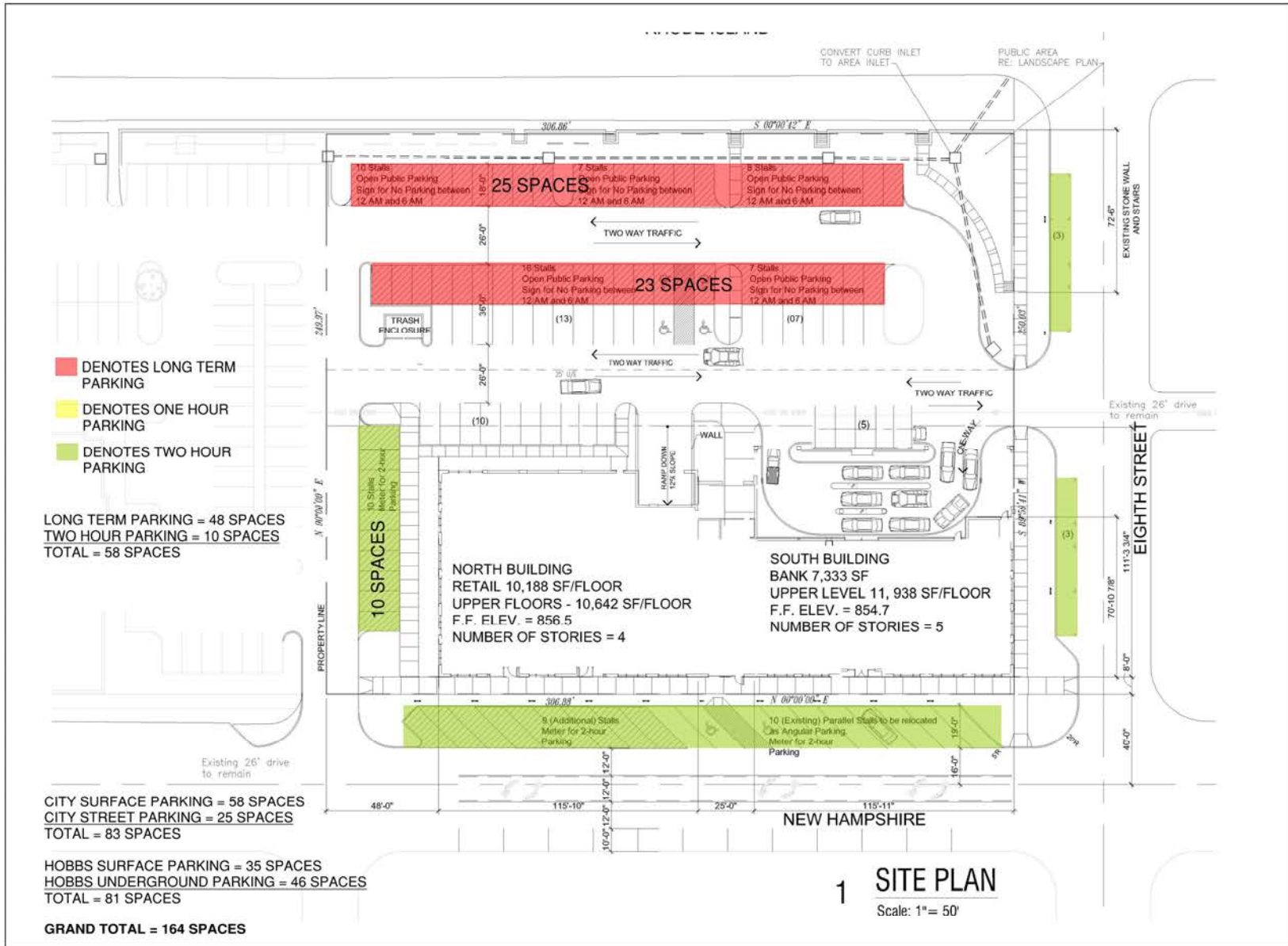


# City Staff Parking Demand Analysis

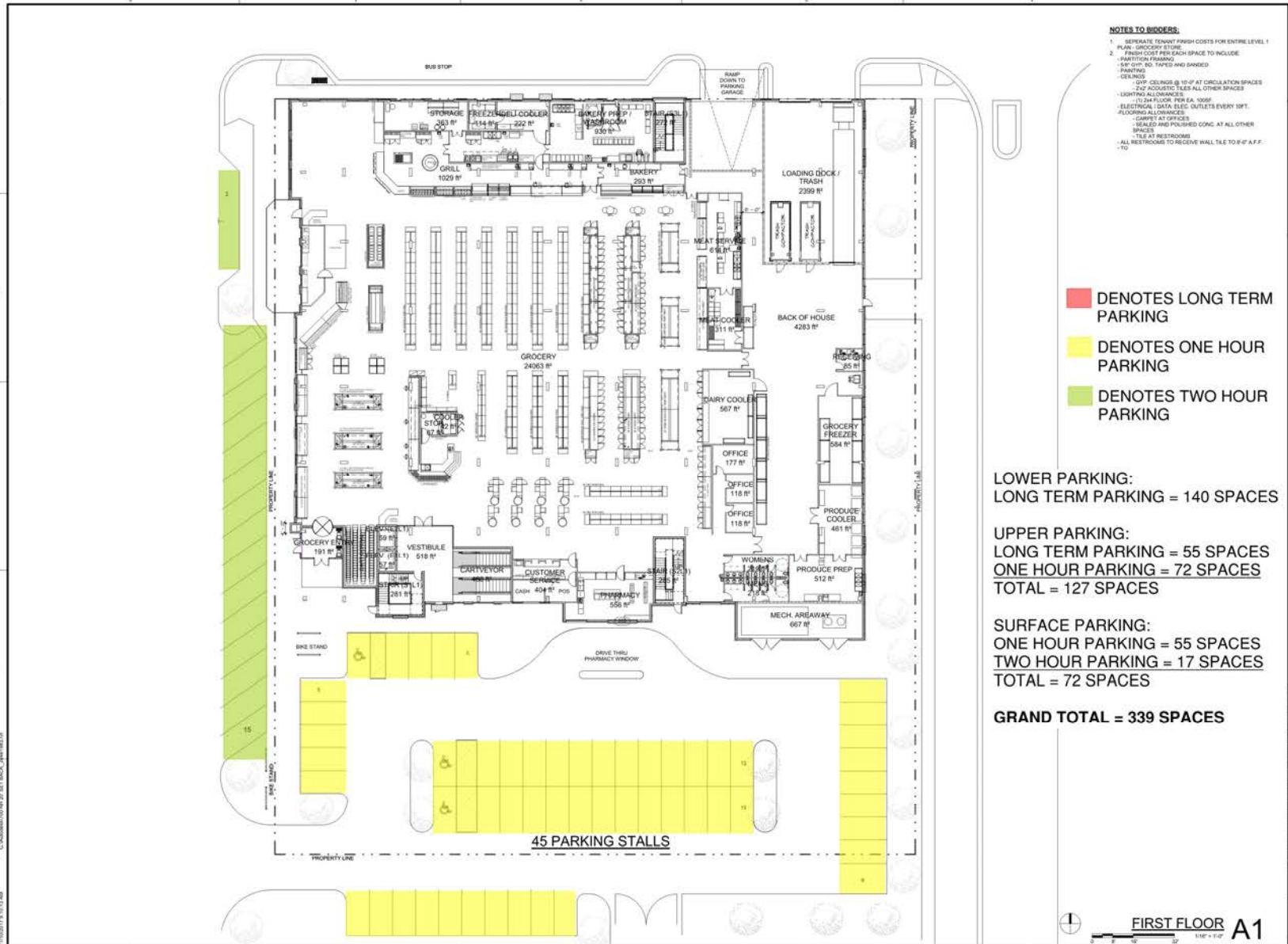
- Demand analysis per city staff report
- Total residential required = 116
- Total retail required = 149
- Existing public parking at Hobbs Taylor = 58
- Existing on-street parking perimeter of site = 9
- Total demand = 332
- Total supply = 337



# Parking



# Parking



**Note:**

**TREANORHL**

700 New Hampshire  
700 NEW HAMPSHIRE  
700 New Hampshire  
Lawrence, KS 66044

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Issued For: **700 NEW HAMPSHIRE**  
Project Package: **700 NEW HAMPSHIRE**  
Date: **11/22/2016**

REVISIONS

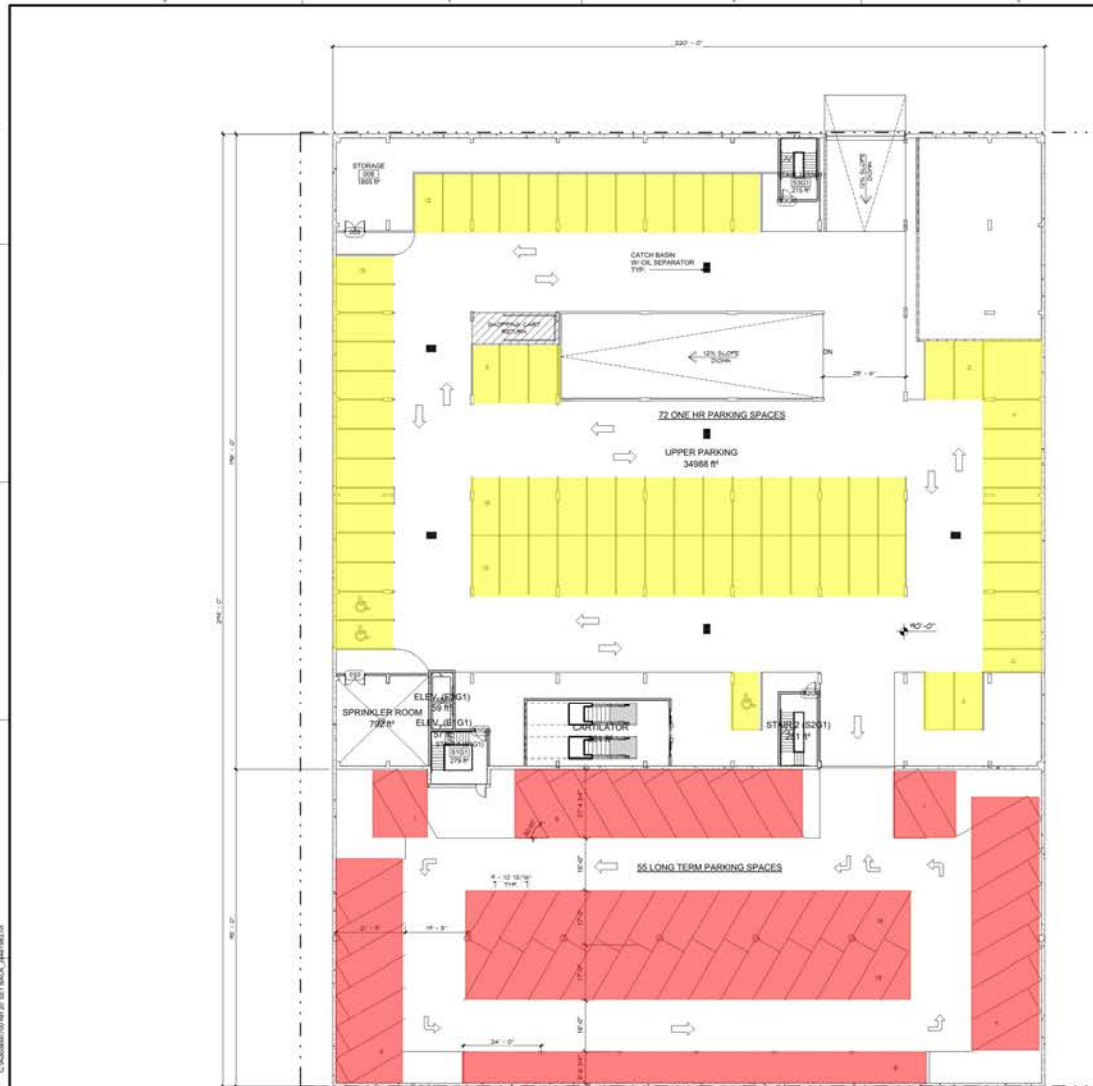
NO.	DESCRIPTION	DATE

**A102**

**FIRST FLOOR A1**

TreanorHL, INC. 0715-339-338

# Parking



- DENOTES LONG TERM PARKING
- DENOTES ONE HOUR PARKING
- DENOTES TWO HOUR PARKING

LOWER PARKING:  
LONG TERM PARKING = 140 SPACES

UPPER PARKING:  
LONG TERM PARKING = 55 SPACES  
ONE HOUR PARKING = 72 SPACES  
TOTAL = 127 SPACES

SURFACE PARKING:  
ONE HOUR PARKING = 55 SPACES  
TWO HOUR PARKING = 17 SPACES  
TOTAL = 72 SPACES

**GRAND TOTAL = 339 SPACES**



UPPER PARKING A1  
1/8" = 1'-0"

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Issued For: FREDERICKS  
Project Package: FREDERICKS  
Date: 05/20/16

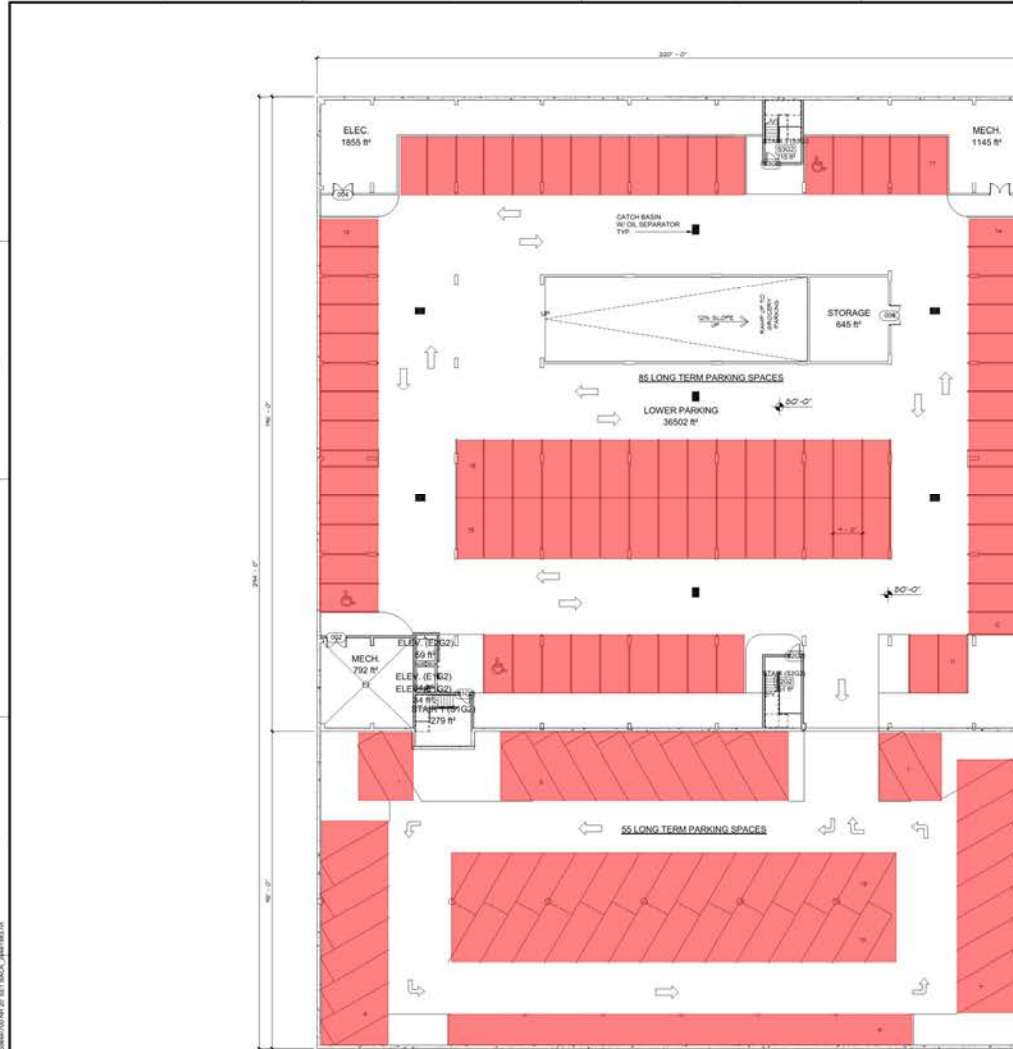
REVISIONS		
NO.	DESCRIPTION	DATE

**A101**

UNDERGROUND PARKING  
PLAN

TreanorHL NO. 0015-009-008

# Parking



- DENOTES LONG TERM PARKING
- DENOTES ONE HOUR PARKING
- DENOTES TWO HOUR PARKING

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Issued For: **FINAL SUBMITTAL**  
Drawing Package:  
Date: 05/10/17

REVISIONS		
NO.	DESCRIPTION	DATE

**A100**

UNDERGROUND PARKING  
PLAN  
TreanorHL NO. 0019-009-008

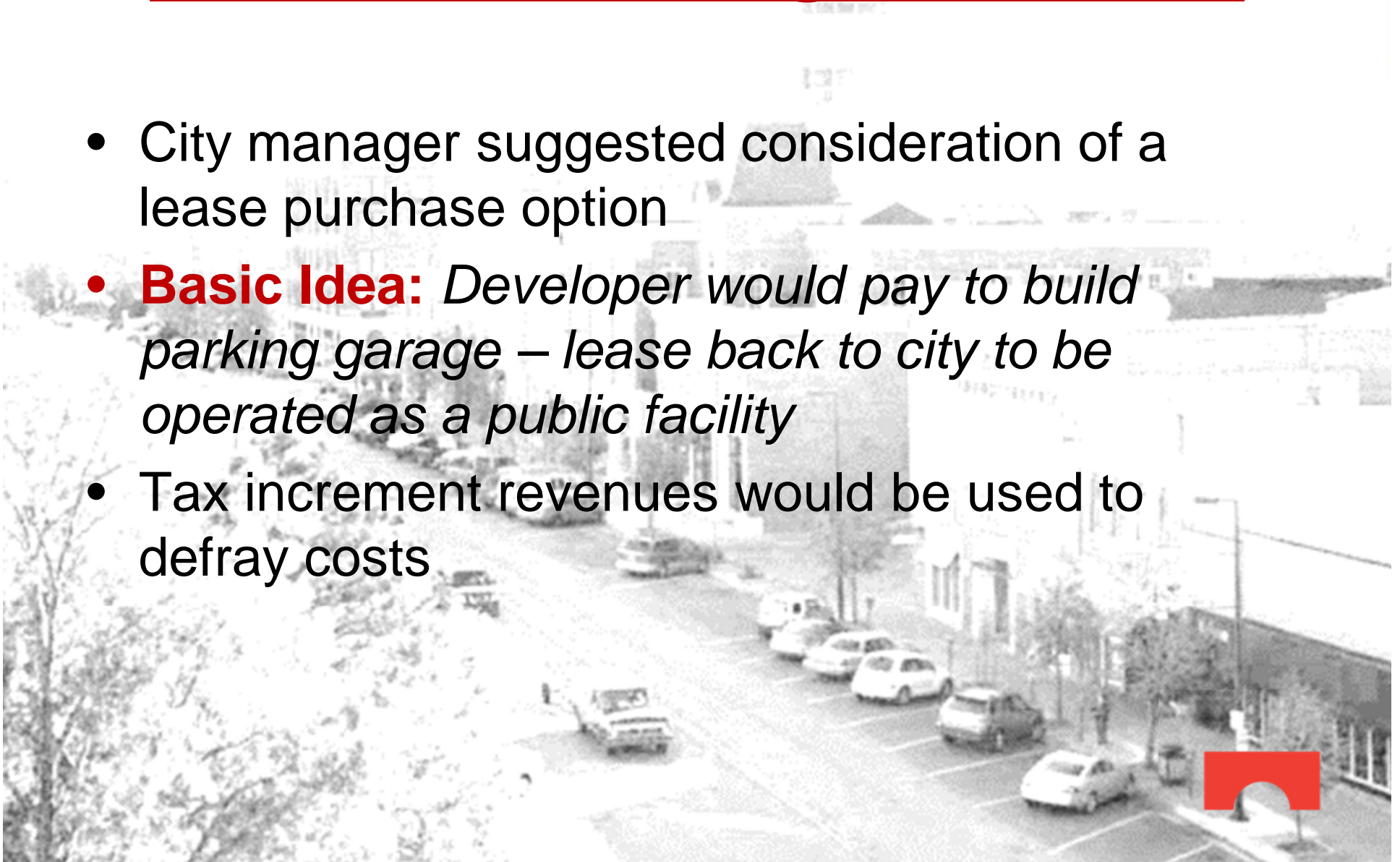


**LOWER PARKING**  
1" = 10'

**A1**

# Possible Parking Solutions

- City manager suggested consideration of a lease purchase option
- **Basic Idea:** *Developer would pay to build parking garage – lease back to city to be operated as a public facility*
- Tax increment revenues would be used to defray costs



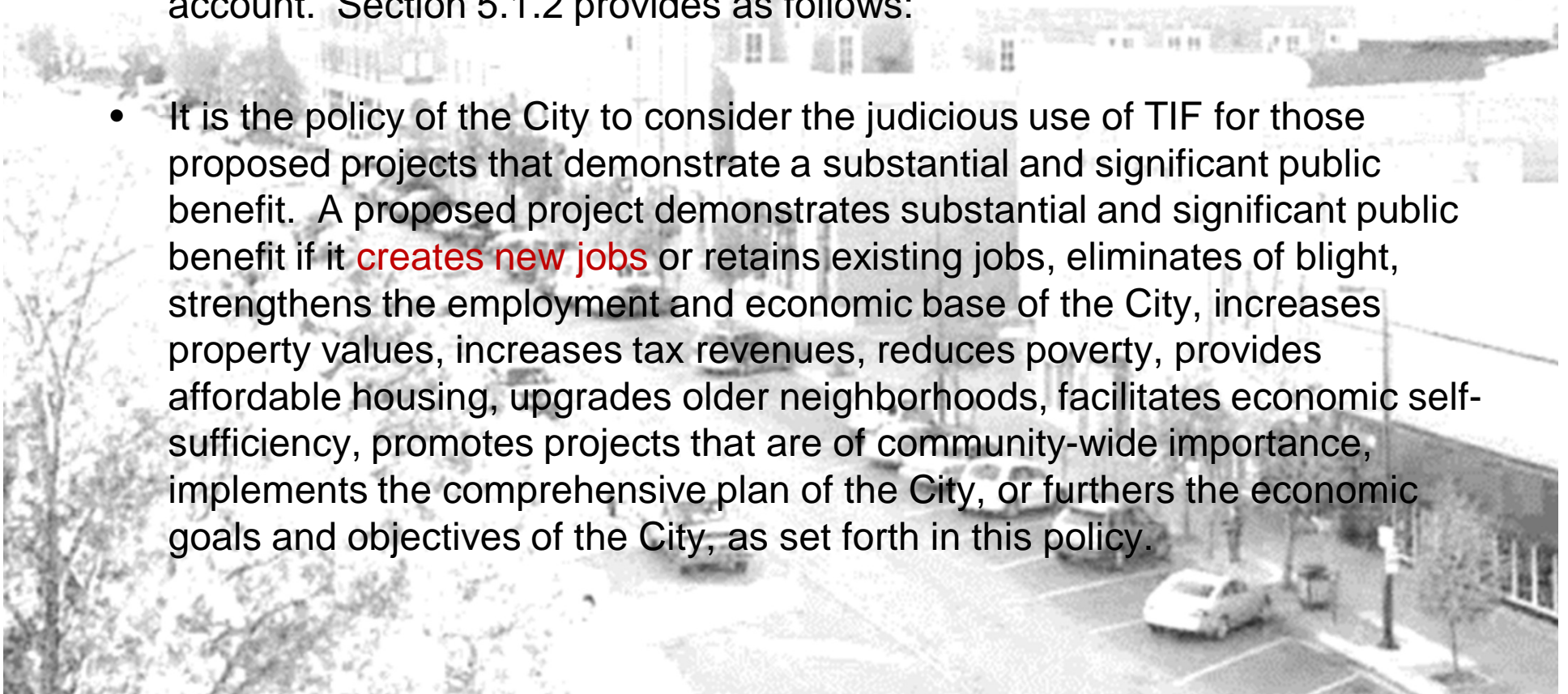
# Incentive Request

- Tax Increment Financing District (to pay for underground parking structure)
- **Low interest** or no interest loan to Queen's Price Chopper to pay for equipment and fixtures (request - \$2,250,000; total estimated cost of grocery store equipment is **\$3.5 million**)
- Trade parking spaces for Hobbs Taylor spaces (48 city spaces)



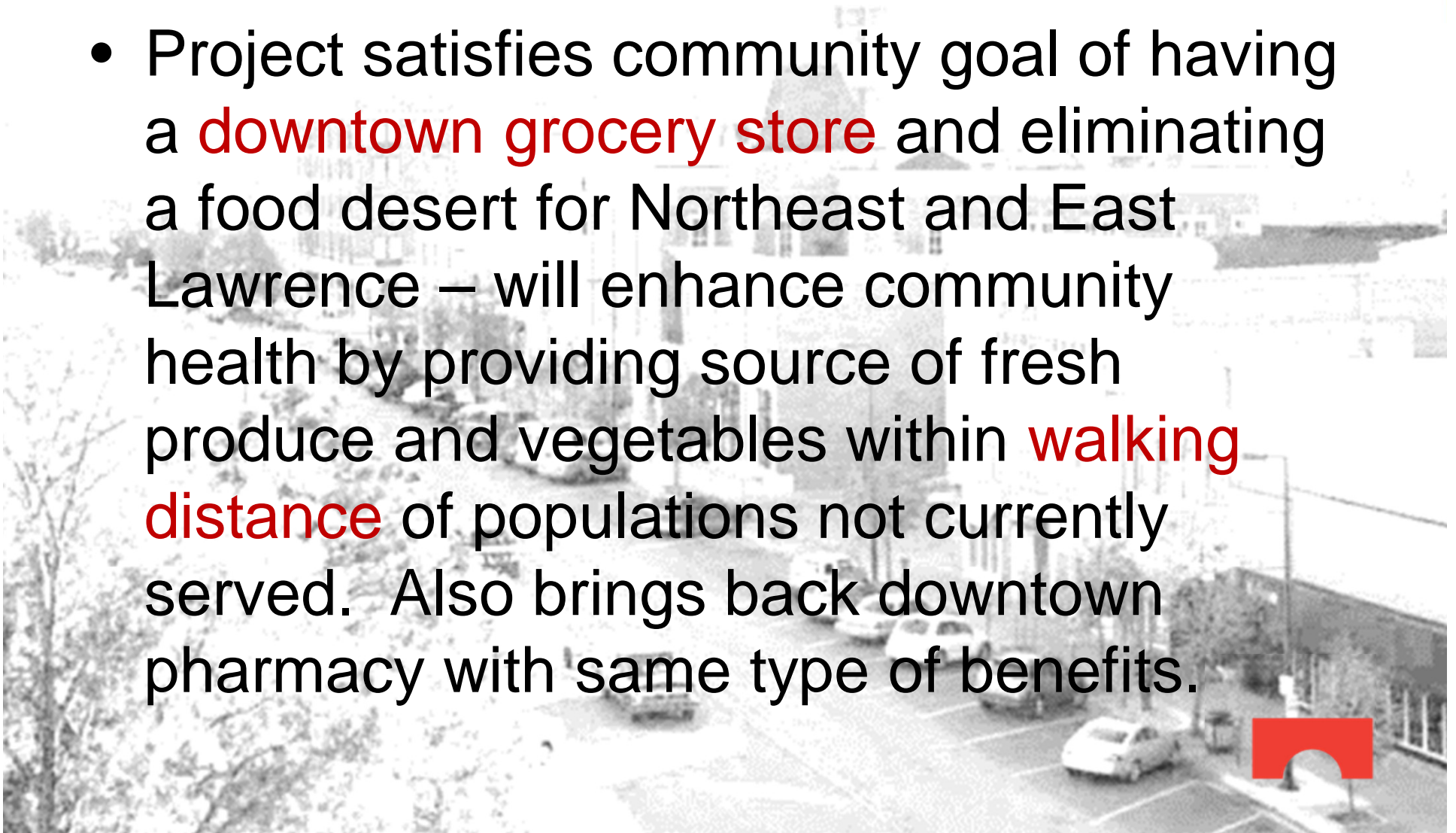
# TIF District

- In connection with past requests for the formation of a TIF district, there has generally been a cost-benefit analysis performed. There is no specific requirement for a cost-benefit analysis to be performed in the current policy (as defined in Section 1.8.1). There are, however, general cost benefit considerations contained in several sections of the policy to be taken into account. Section 5.1.2 provides as follows:
- It is the policy of the City to consider the judicious use of TIF for those proposed projects that demonstrate a substantial and significant public benefit. A proposed project demonstrates substantial and significant public benefit if it **creates new jobs** or retains existing jobs, eliminates blight, strengthens the employment and economic base of the City, increases property values, increases tax revenues, reduces poverty, provides affordable housing, upgrades older neighborhoods, facilitates economic self-sufficiency, promotes projects that are of community-wide importance, implements the comprehensive plan of the City, or furthers the economic goals and objectives of the City, as set forth in this policy.



# Substantial and Public Benefit

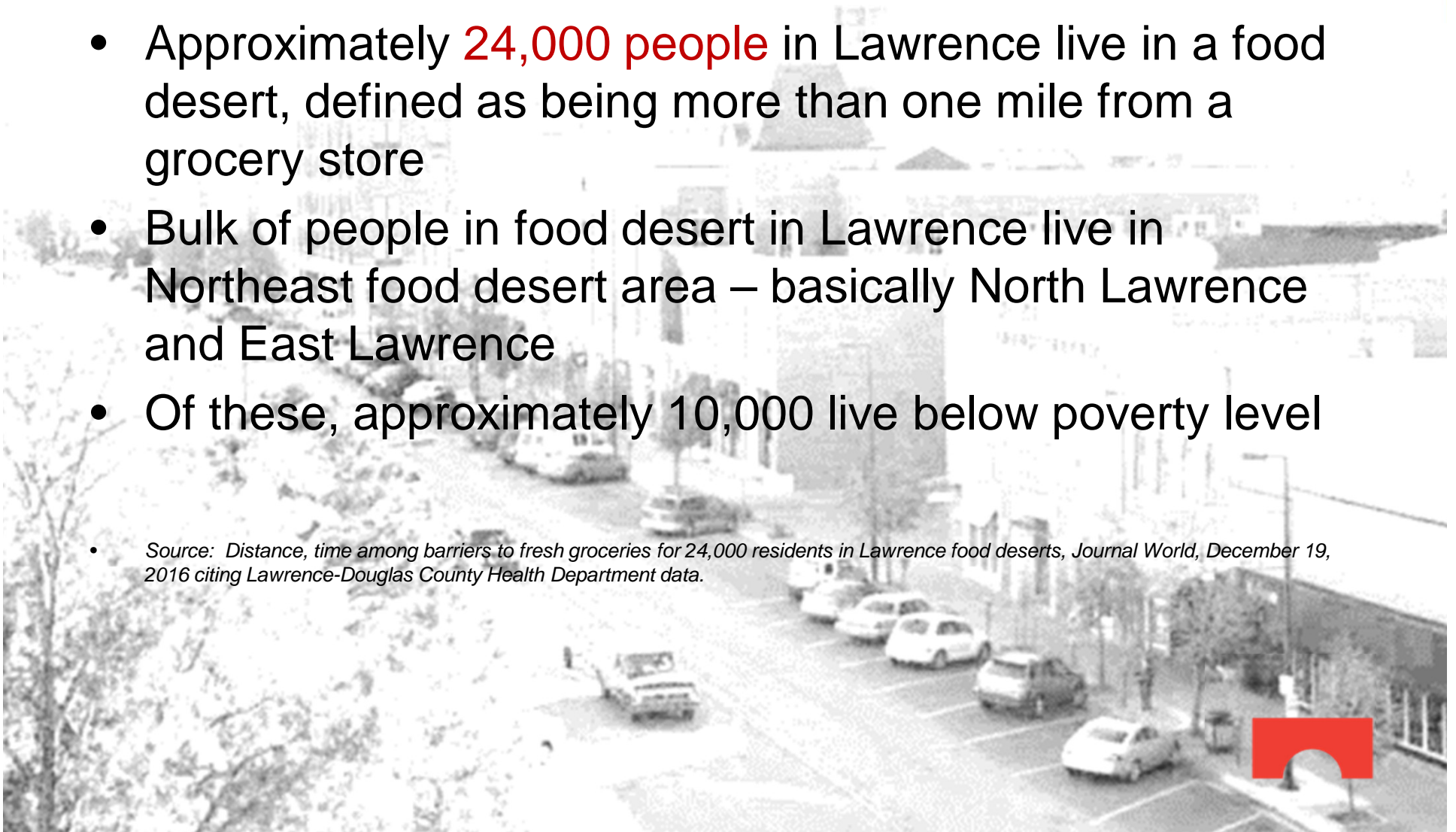
- Project satisfies community goal of having a **downtown grocery store** and eliminating a food desert for Northeast and East Lawrence – will enhance community health by providing source of fresh produce and vegetables within **walking distance** of populations not currently served. Also brings back downtown pharmacy with same type of benefits.



# Food Desert

- Approximately **24,000 people** in Lawrence live in a food desert, defined as being more than one mile from a grocery store
- Bulk of people in food desert in Lawrence live in Northeast food desert area – basically North Lawrence and East Lawrence
- Of these, approximately 10,000 live below poverty level

• Source: *Distance, time among barriers to fresh groceries for 24,000 residents in Lawrence food deserts*, Journal World, December 19, 2016 citing Lawrence-Douglas County Health Department data.



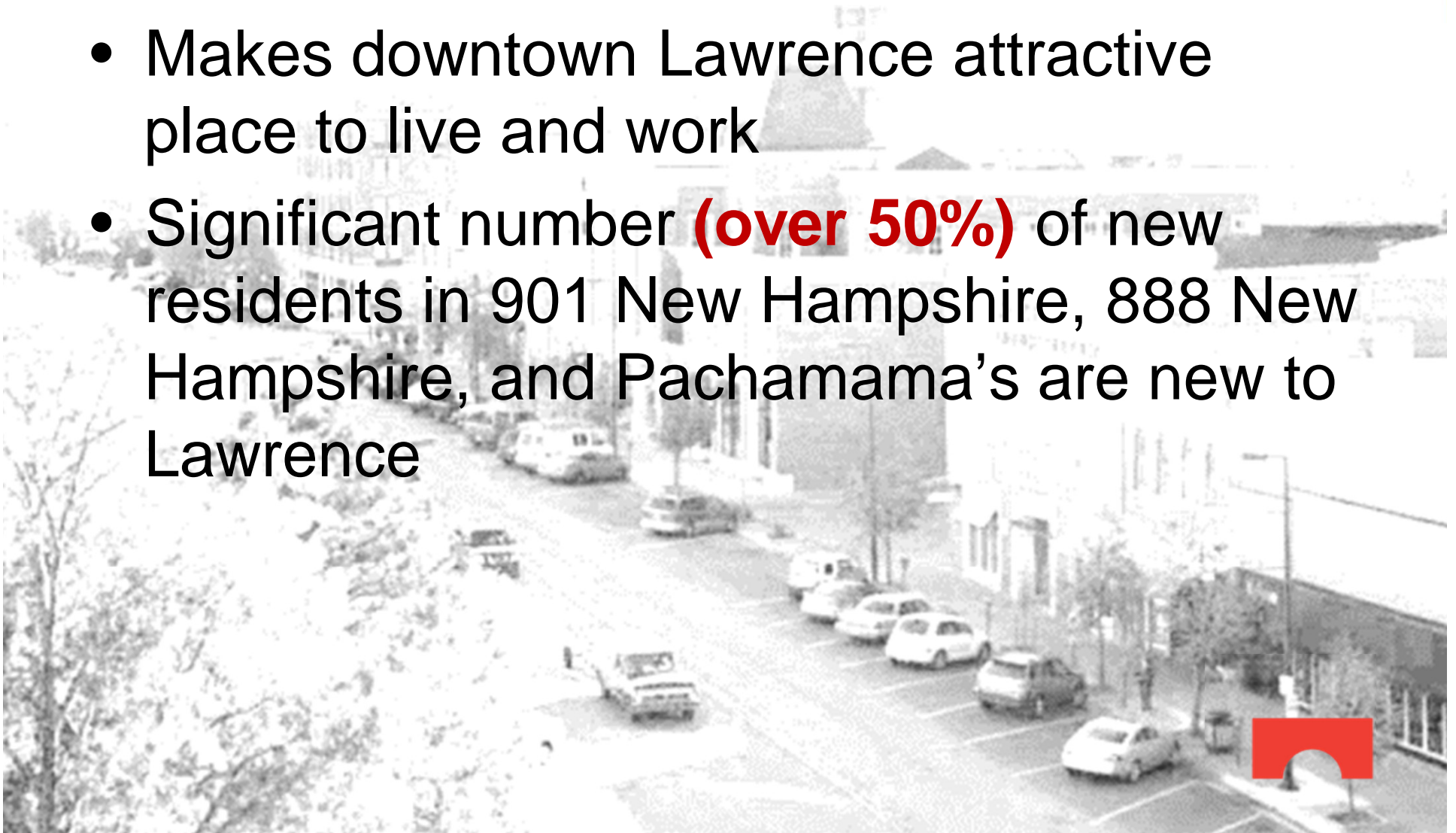
# New Jobs

- 125 new grocery store **jobs** (full time and part time)
- Anticipated payroll of **\$2.75 million**
- Jobs being created are available to **disadvantaged** populations
- These jobs do not include other **jobs created** by the construction project and building maintenance and operation



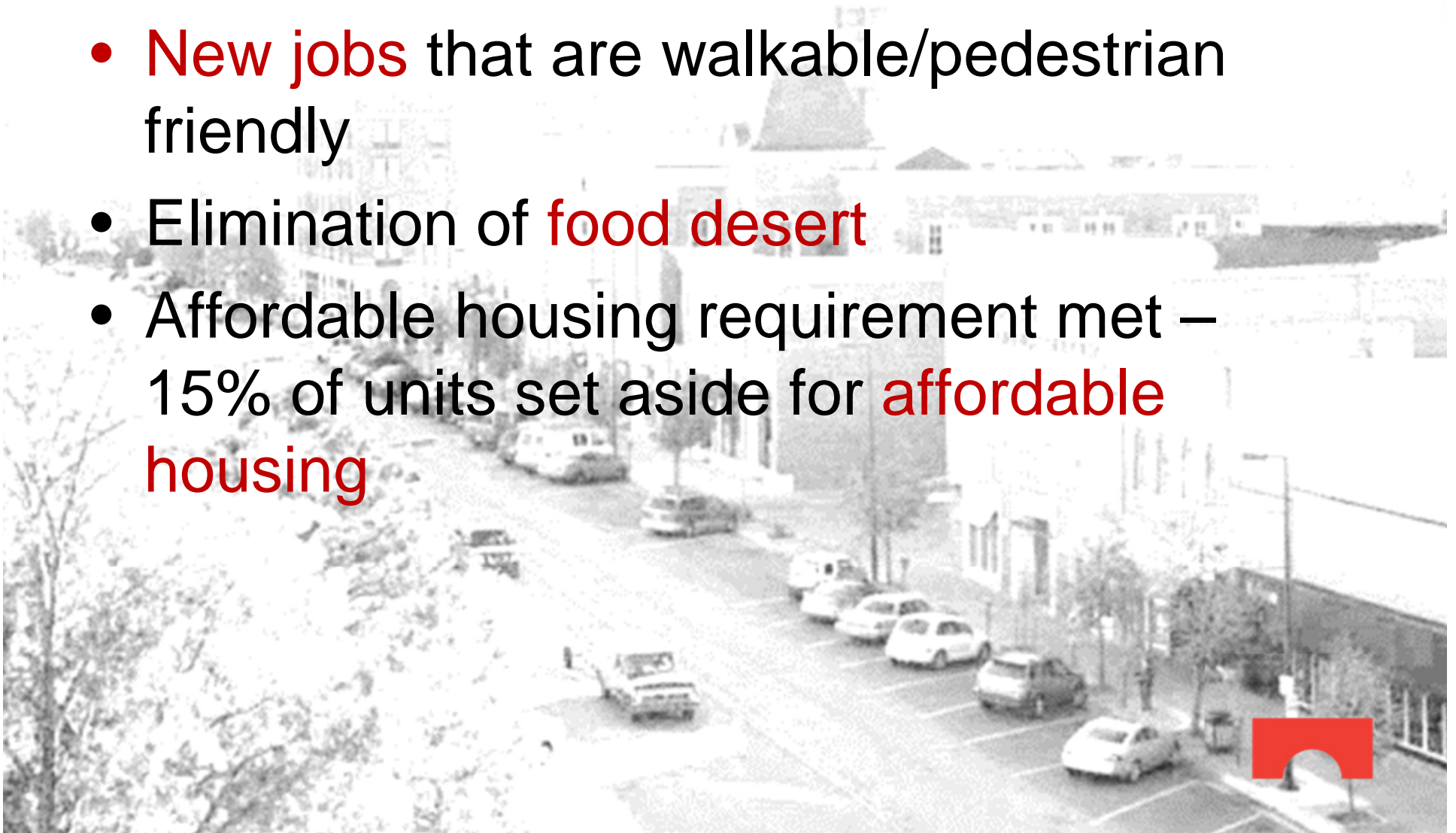
# Strengthens Economic Base of City of Lawrence

- Makes downtown Lawrence attractive place to live and work
- Significant number (**over 50%**) of new residents in 901 New Hampshire, 888 New Hampshire, and Pachamama's are new to Lawrence



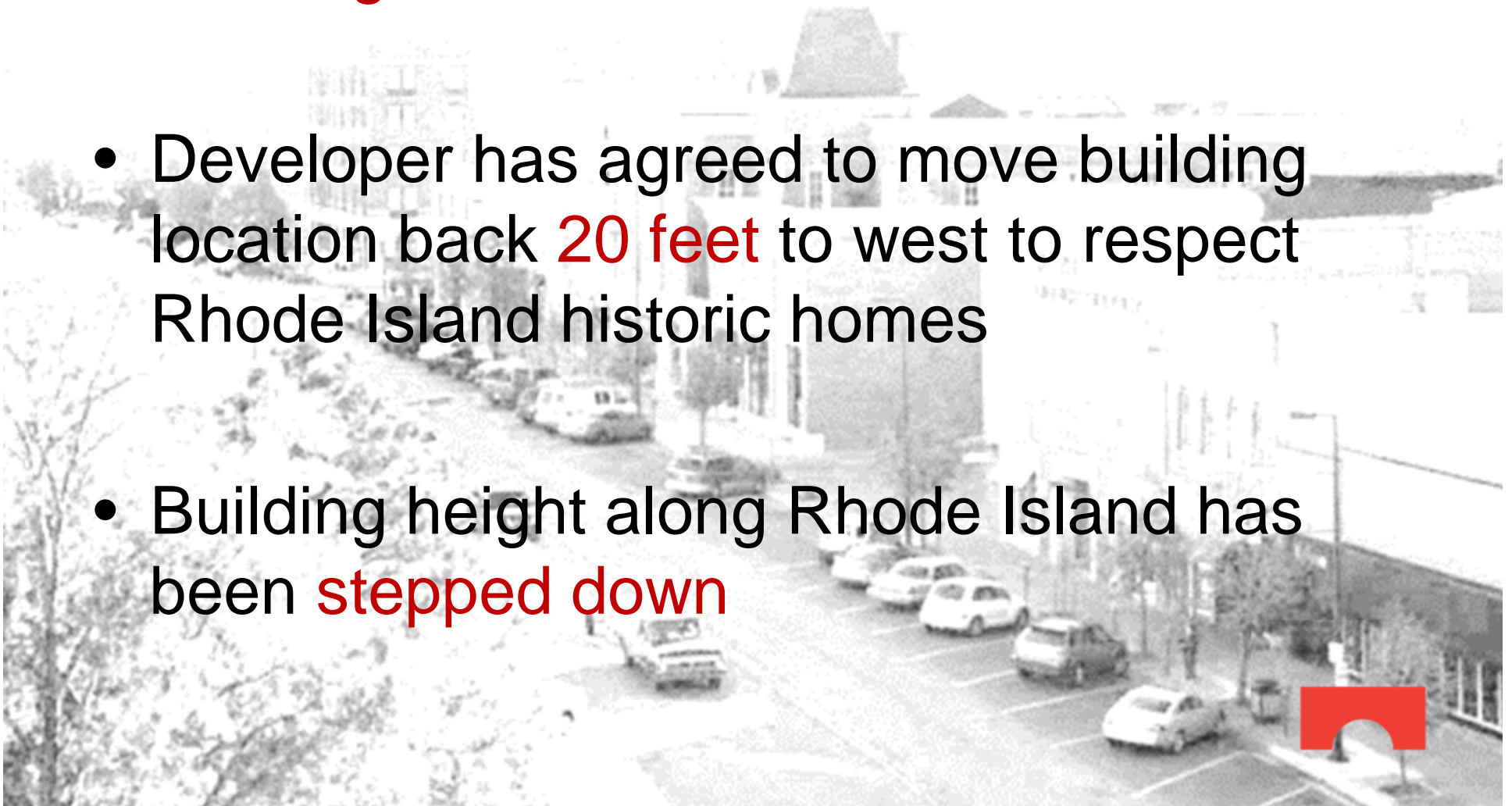
# Reduces Poverty

- New jobs that are walkable/pedestrian friendly
- Elimination of food desert
- Affordable housing requirement met – 15% of units set aside for affordable housing



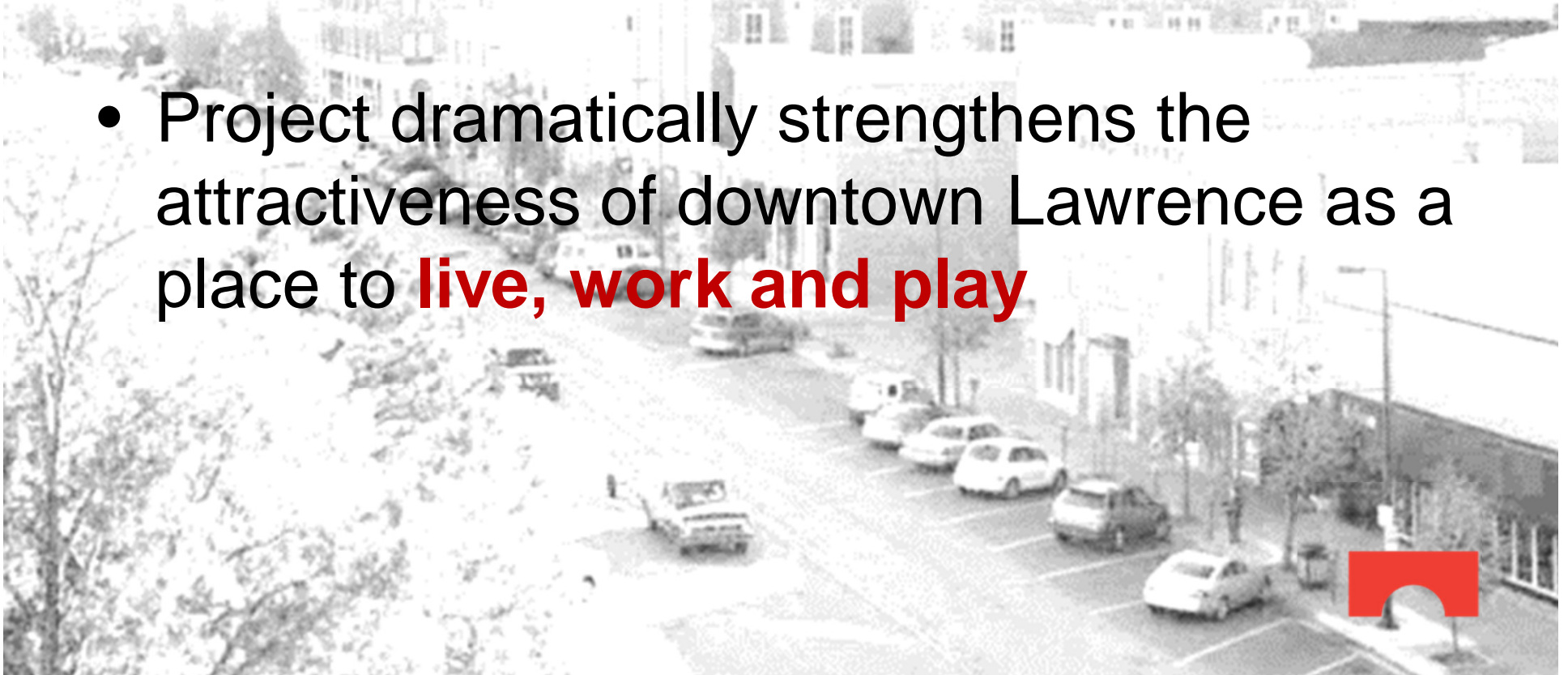
# Upgrade Older Neighborhoods

- Walking distance to East Lawrence
- Developer has agreed to move building location back 20 feet to west to respect Rhode Island historic homes
- Building height along Rhode Island has been stepped down



# Project of Community wide Importance

- Ad hoc Grocery Store committee has been advocating for **downtown grocery store**
- Project dramatically strengthens the attractiveness of downtown Lawrence as a place to **live, work and play**



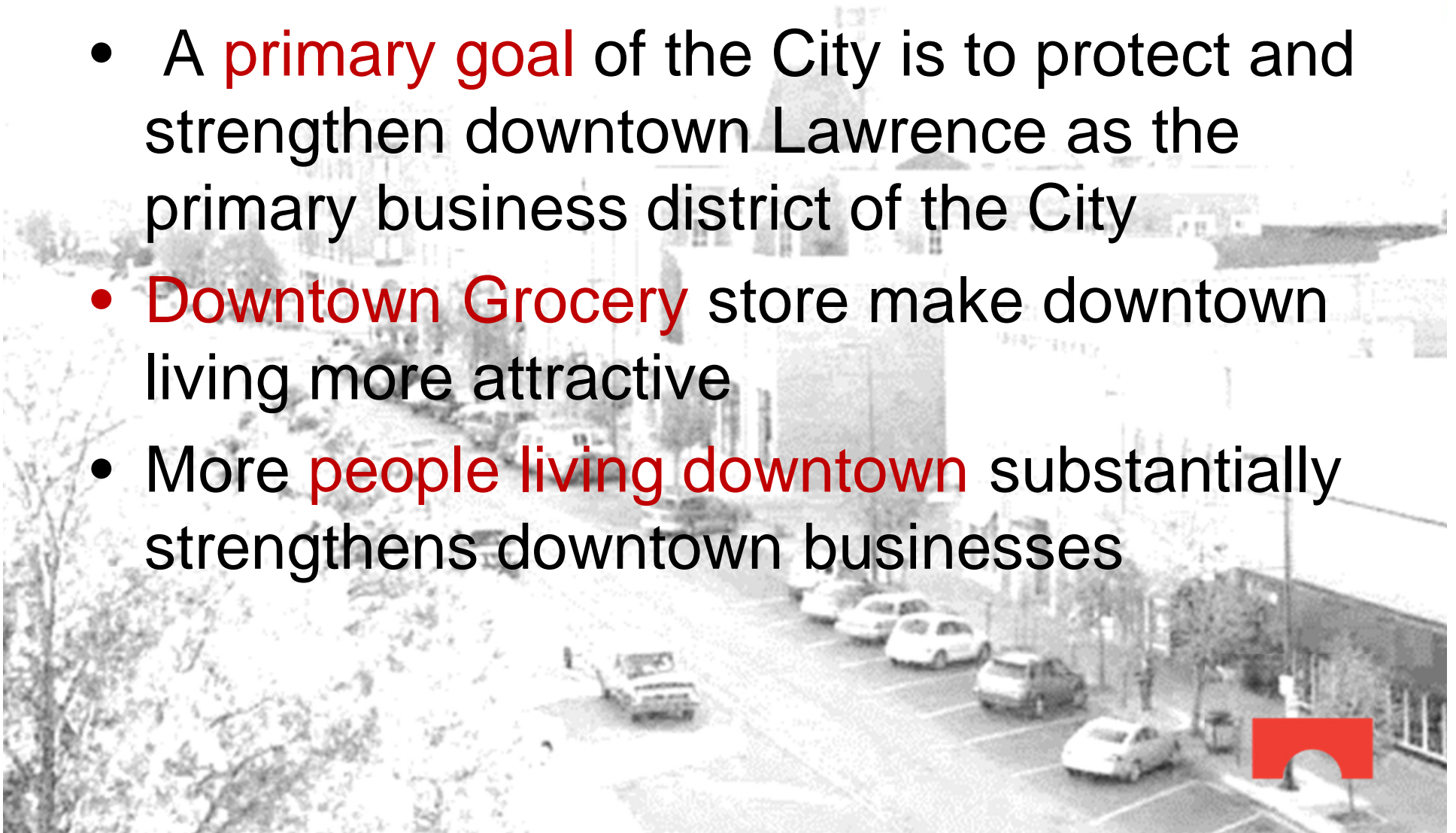
# Comprehensive Plan

- City currently considering changes to development policy to promote more infill development and encourage greater density in downtown



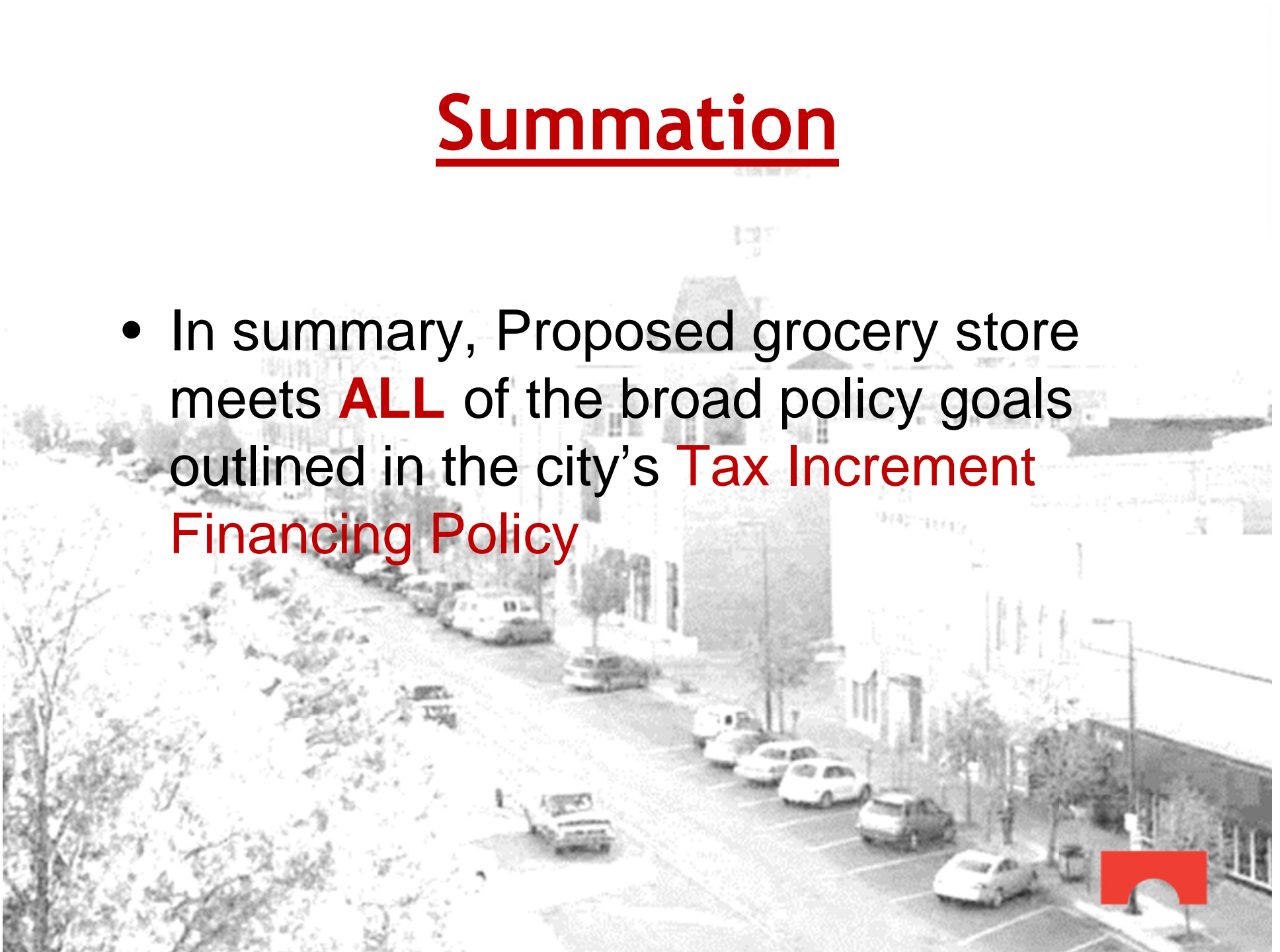
# Furtherers Economic Goals

- A **primary goal** of the City is to protect and strengthen downtown Lawrence as the primary business district of the City
- **Downtown Grocery** store make downtown living more attractive
- More **people living downtown** substantially strengthens downtown businesses



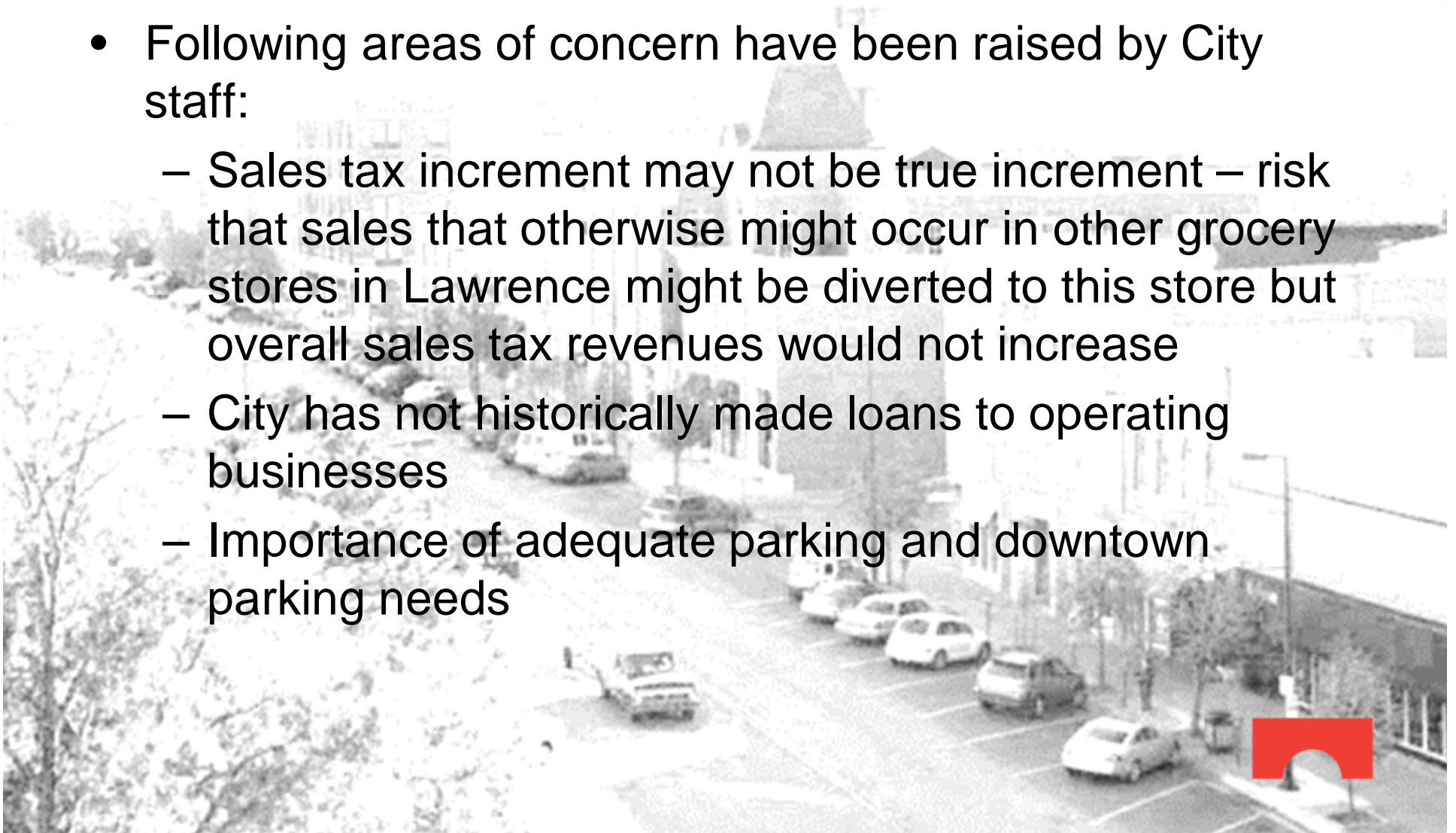
# Summation

- In summary, Proposed grocery store meets **ALL** of the broad policy goals outlined in the city's **Tax Increment Financing Policy**



# Issues and Opportunities

- Following areas of concern have been raised by City staff:
  - Sales tax increment may not be true increment – risk that sales that otherwise might occur in other grocery stores in Lawrence might be diverted to this store but overall sales tax revenues would not increase
  - City has not historically made loans to operating businesses
  - Importance of adequate parking and downtown parking needs



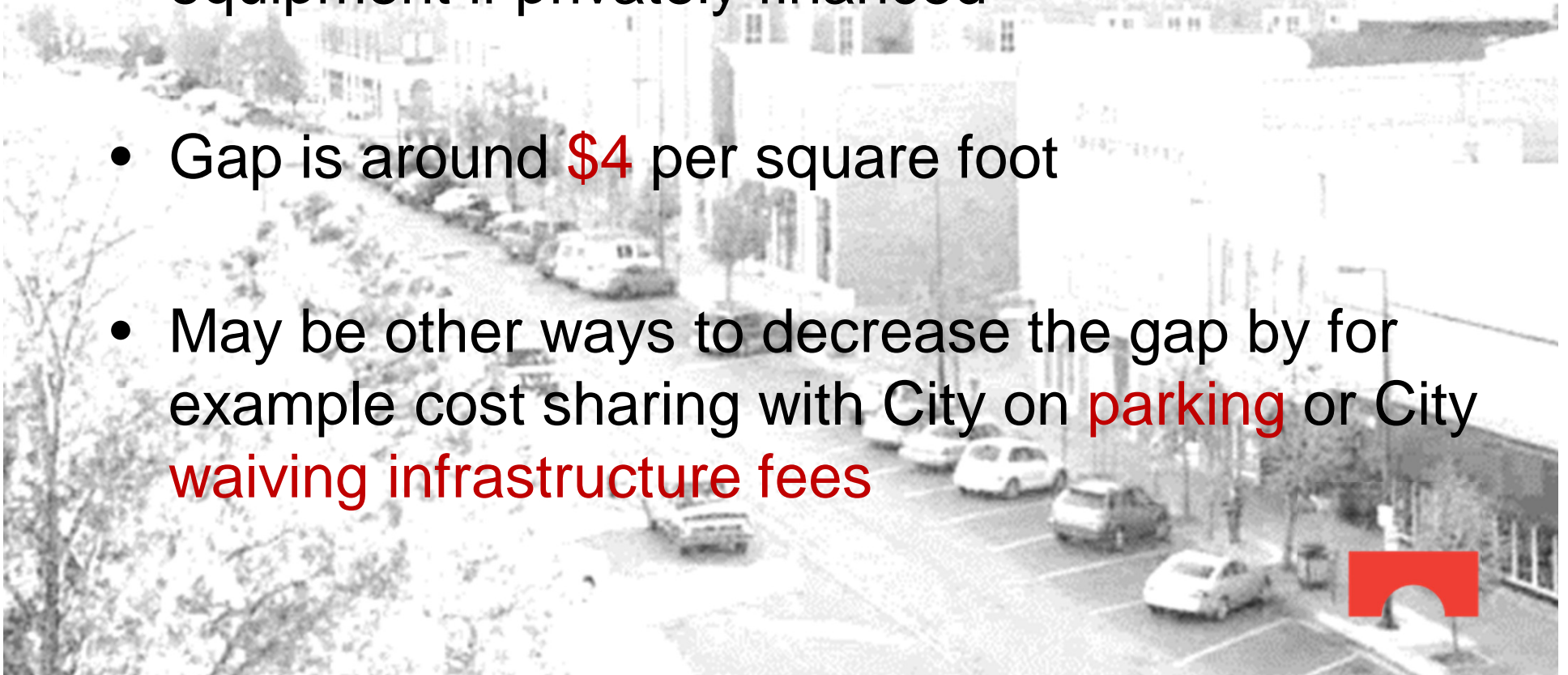
# Lack of Sales Increment

- Our response to this concern:
  - **Overall cost benefit** must be used to compare the expected benefits to be gained from the project including all of the factors listed above to the cost to the City; we believe on balance that the elimination of blight, **enhancement of downtown**, new jobs created, additional payroll that will deliver additional revenue to the City offset this cost
  - **Growth of the City** will offset this issue somewhat – difficult to quantify how much exact benefit
  - **Significant number of residents** for our projects in downtown are new to area will offset this
  - **Sales dollars** will be used to pay for parking that will help ameliorate downtown parking shortage



# Loan Request

- There is significant gap between what grocery store operator **can afford to pay** in rent and the capitalize return needed to pay for the equipment if privately financed
- Gap is around **\$4** per square foot
- May be other ways to decrease the gap by for example cost sharing with City on **parking** or City **waiving infrastructure fees**



# CID

- In lieu of a loan, we could create a Commercial Improvement District which has special assessment for equipment costs – to be paid back over 15-20 years
- CID statute permits special assessment used to “equip” buildings
- Less risk to the city because priority of payment is on par with real estate taxes



# 600 BLOCK REDEVELOPMENT

## Project Analysis GSF:

Parking Garage P1 =	117,120 gsf	(380 Stalls)
Surface Parking P2 =	21,965 gsf	(71 Stalls)
Underground Parking P3 =	29,280 gsf	(95 Stalls)
Building A =	36,024 gsf	
Building B & Lobby =	95,473 gsf	(140 Hotel Units)
Building C =	73,430 gsf	(80 Apt. Units)
Building D =	123,000 gsf	(80 Apt./Condo Units)

TOTAL = 496,292 gsf

Land Area = 152,682 sf

## Building A: Conference Center

Meeting Rooms =	6,090 sf
Kitchen & Support =	5,252 sf
Ballroom =	15,170 sf
Lobby & Mezzanine =	9,512 sf
TOTAL sf	36,024 sf

## Building B: Mixed Use Hotel/Retail

Lobby (1st) =	10,282 sf
Hotel Rooms (Mass. St. 2nd) =	12,086 sf
Hotel Rooms (Mass. St. 3rd-5th) =	23,400 sf
Hotel Rooms (N.H. St. 3rd-7th) =	49,705 sf
TOTAL sf	95,473 sf

## Building C: Mixed Use Apartments/Retail

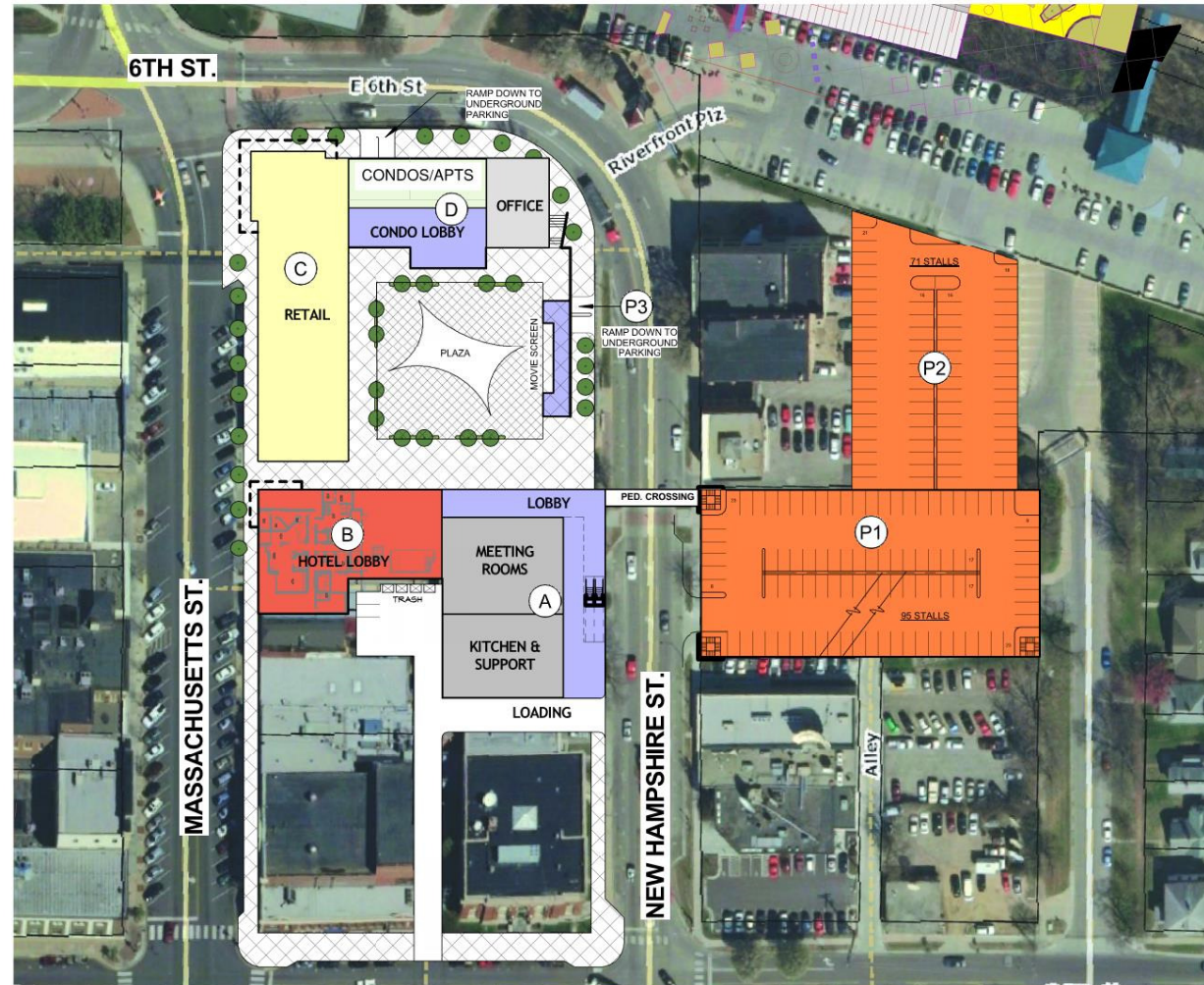
Retail (Mass. Street) =	14,686 sf
Apartments (2nd thru 5th floors) =	58,744 sf
TOTAL sf	73,430 sf

## Building D: Apartments/Condos

Condo Lobby (1st floor) =	3,775 sf
Office (1st floor) =	2,925 sf
Condos (1st-12th) =	116,300 sf
TOTAL sf =	123,000 sf

## P1: Parking Garage New Hampshire St.

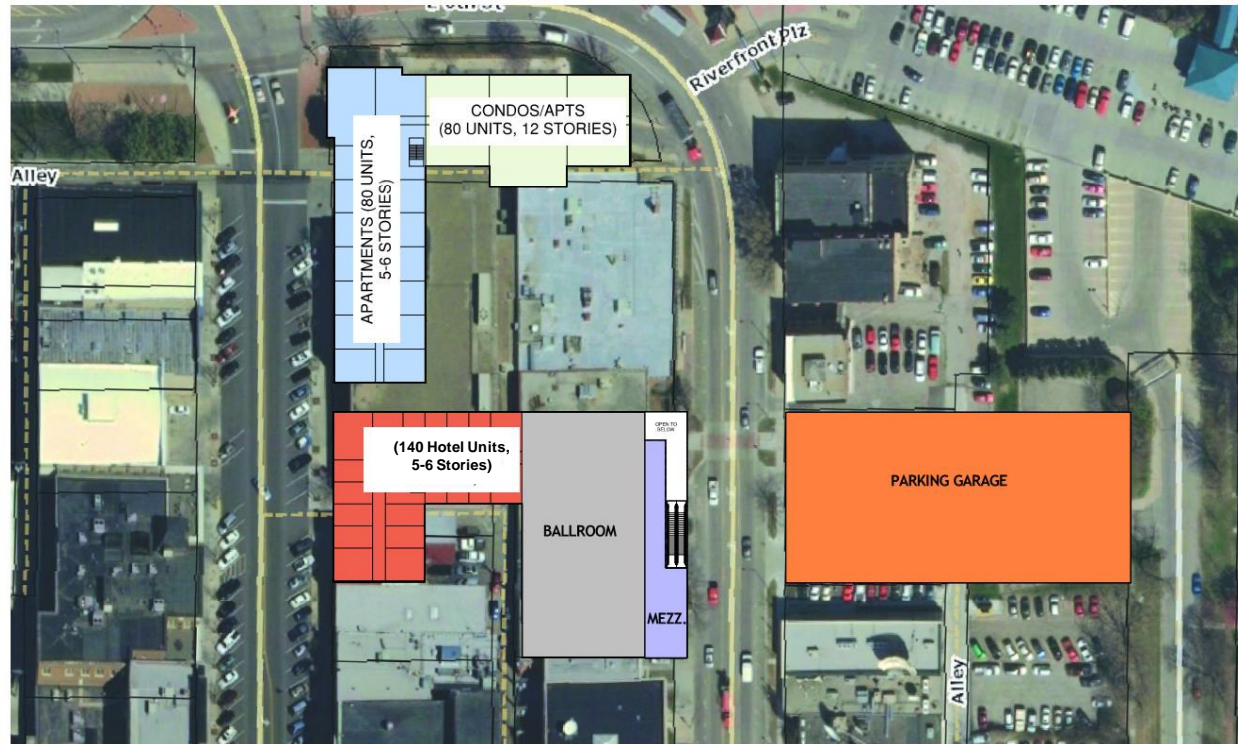
Parks per deck	95
Number of levels	x 4
TOTAL SF	380 parks/117,120 sf



## A.1 FIRST FLOOR

1" = 80'-0"

# 600 BLOCK REDEVELOPMENT



# DOWNTOWN LAWRENCE, KS



# What we are asking for..

- Land swap: Exchange city owned parking lot to the north for the plaza area
- City owned conference center but with special assessment district where developer guarantees payment of bonds
- Dedication of increment of hotel guest tax to pay for conference center (new guest tax dollars)
- Tax increment financing district to pay for private parking for hotel, condos, and apartments
- City owned public parking garage located on east side of New Hampshire to serve conference center

