

PLANNING COMMISSION REPORT
Regular Agenda – Public Hearing Item

PC Staff Report
8/24/15

**ITEM NO. 2A RS10 TO CR; 59.80 ACRES; SOUTHEAST CORNER SLT & US-59
HIGHWAY (JSC)**

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.

STAFF RECOMMENDATION: Staff recommends approval of rezoning 59.80 acres from RS10 (Single-Dwelling Residential) District to CR (Regional Commercial) District, and forwarding it to the City Commission with a recommendation for approval based on the findings of fact found in this staff report.

PROPERTY OWNER'S REASON FOR REQUEST

Applicant's Response: *This rezoning request, as well as an associated comprehensive plan amendment, proposes the development of a retail/commercial center at this location. As indicated on the attached Concept Plan, this rezoning request for Regional Commercial (CR) entails 247,000 gross square feet (GSF) of commercial land uses, of which 30,000 GSF is restaurant and 217,000 GSF is general retail.*

KEY POINTS

- This request is intended to facilitate new commercial development.
- Location is at intersection of two state-designated highways (K-10 and US-59).
- Property includes lands encumbered by regulatory floodplain.
- Request is for the extension of the existing South Iowa Regional Commercial Center

ASSOCIATED CASES/OTHER ACTION REQUIRED

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.

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.

OTHER ACTION REQUIRED:

- City Commission approval of rezoning and adoption of ordinance.
- Publication of rezoning ordinance.

PLANS AND STUDIES REQUIRED

- *Traffic Study* – Not required for rezoning, though Kansas Department of Transportation, Planning Staff, and the Applicant are discussing access issues.
- *Downstream Sanitary Sewer Analysis* – Not required for rezoning
- *Drainage Study* – Not required for rezoning
- *Retail Market Study* – Provided below

Note regarding development study requirements: A traffic study, drainage study, and sanitary sewer studies have been discussed with the applicant. These studies will be provided with the submission of a preliminary plat and will be considered throughout the development process as the detail of the project is defined. Floodplain Development Permits will also be required for structures constructed in the regulatory floodplain.

PUBLIC COMMENT

General inquiries from public regarding scope of development requests. Staff has clarified for callers that the current requests are for the Comprehensive Plan Amendment and zoning. A concept plan has been submitted with the development package. Specific development proposals are not available at this time.

GENERAL INFORMATION:

Rezoning Requests		
Zoning		Acres
OS Zoning (Z-15-00328)		6.07
CR Zoning (Z-15-00327)		
-	Right of Way	28.82
-	Private Parcel	30.98
Total		65.87



Project Summary

This property is located at the southeast of K-10 Highway and US-59. The proposed zoning includes the adjoining highway right-of-way for a contiguous boundary description. This application is independent of the proposed Open Space zoning district to the south (Z-15-00328).

Included with this request is a concept plan illustrating the potential development of the proposed CR zoned area. This concept plan includes individual buildings and tenant spaces as well as generalized pad sites to the north side of the proposed new 35th Street, which would replace existing N. 1250 Road.

REVIEW & DECISION-MAKING CRITERIA

1. CONFORMANCE WITH THE COMPREHENSIVE PLAN

Applicant's Response: *This request conforms to multiple policies in Chapter 6 of H2020 such as Policy 2.1 regarding appropriate transitions to less intensive uses and Policy 3.13 regarding design criteria for Regional Commercial Centers. While both Chapters 6 & 14 of H2020 recommend an Auto-Related Commercial Center for this location, this request generally conforms to the scope and intensity of such prescribed development. An accompanying rezoning request proposes to place the balance of the property within an OS district. Please see the attached Comprehensive Plan Amendment for additional information.*

The City Commission approved an amendment to *Horizon 2020* and the *Revised Southern Development Plan* as part of the approval for CR zoning for the Menards project, expanding commercial development east along W. 31st Street (CPA-13-00067/SP-14-00423). This current rezoning application has been submitted concurrently with a request to modify *Horizon 2020* and the related *Revised Southern Development Plan* (CPA-15-00335). If approved, this would expand the S. Iowa Regional Commercial Center south of K-10 Highway.

Current Plan

Horizon 2020 and the *Revised Southern Development Plan* both designate this intersection for an "Auto Related Center." This particular type of commercial use is described as a, "unique type of commercial development." *Horizon 2020* also notes that:

"These 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 large amount of acreage for parking or sales display." (p. 6-12)

Uses listed in this section of the plan can occur in other commercial zoning districts, including CS, CR and CC.

Another characteristic of this specific commercial use outlined in *Horizon 2020* is the intensive nature of these commercial centers, and the need to be directed to locations that have an ability to handle the intensive nature associated with Auto-Related Commercial Center. The

plan specifically recommends Auto-Related Commercial Centers to be located at the intersection of two state or federally designated highways.

The comprehensive plan also notes that all designated Auto-Related Centers serve as “gateways” to Lawrence. Applicable development standards, such as increased landscaping and higher quality architecture, should be anticipated by the developer as part of the future site planning process.

K-10 Highway is identified in *Horizon 2020* as the physical boundary and edge to the commercial corridor that has developed for South Iowa Street (23rd Street to K-10) for the existing South Iowa Regional Commercial Center (p. 6-15). Commercial uses south of K-10 are not recommended except for the possible location of an Auto-Related Commercial Center. The plan also notes that as the community grows, “it may be necessary to change the recommended location of a Commercial Center(s) or not use a designated intersection for a commercial uses.” (p. 6-20). The plan also states that it does not support, “increasing the size or number of new Commercial Centers”; however, it “may consider small, new inner-neighborhood centers as part of new planned neighborhoods.” (p. 6-20).

The proposed location at US-59 and K-10 is one of the three locations designated in *Horizon 2020* for a potential Auto-Related Commercial Center. The request complies with the general criteria for Auto-Related Commercial Centers as follows:

Policy 3.16: Criteria for Auto-Related Commercial Centers (P. 6-41)

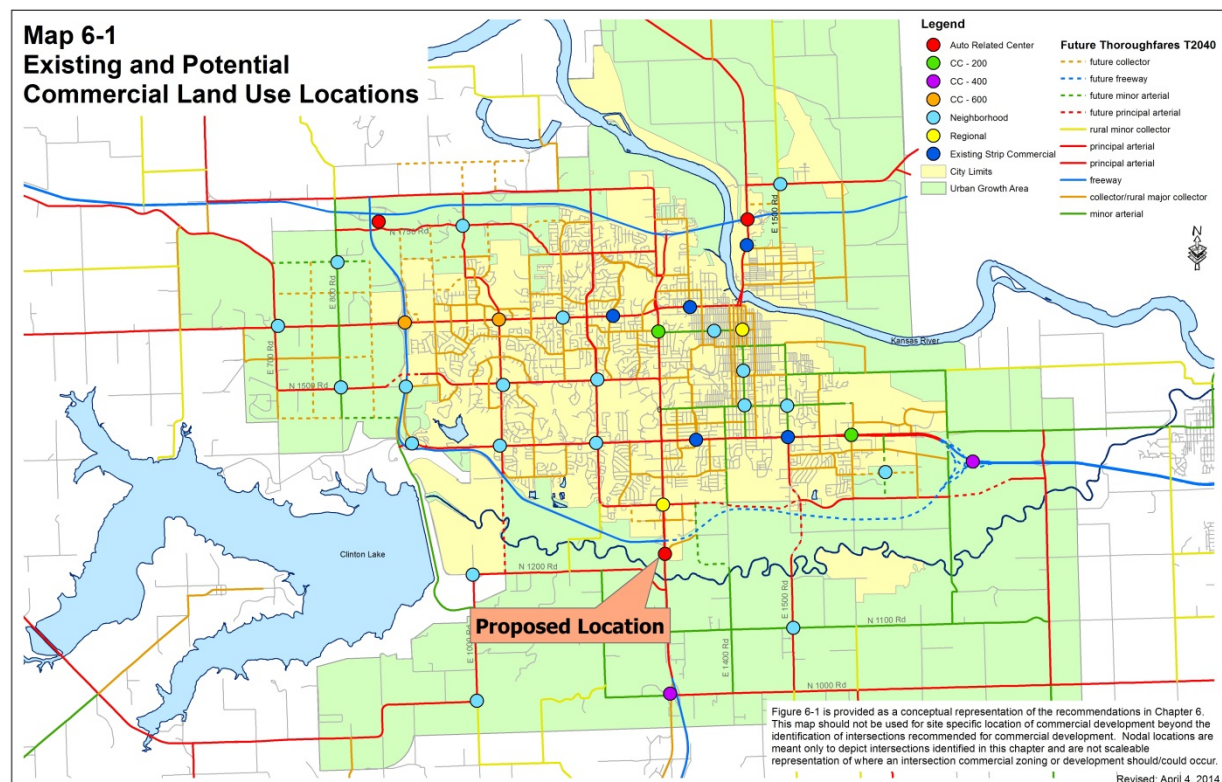
- A. Auto-Related Centers shall be located at the intersection of two state or federally designated highways.*
- B. Auto-Related Centers shall have a lot length-to-depth ratio between 1:1 and 3:2 and shall be a minimum of 20 acres in size.*
- C. As Auto-Related Centers are located in areas that serve as “gateways” to the city, any proposal shall be closely scrutinized for architectural appearance, landscaping, signage, etc.*

Horizon 2020 provides several policies applicable to the proposed request. The Comprehensive Plan recommends compatible transition between commercial development and other less intensive land uses (Goal 2). Buffering can be achieved through the use of landscaping, setbacks, and open space. The concurrent rezoning request includes 6.07 acres of open space to the south (Z-15-00328).

Goal 3 addresses specific criteria for commercial development. This includes support for nodal development versus strip commercial development, appropriate vehicular access, site development that avoids substantial disruption of natural drainage and vegetation, and appropriate public improvements. The proposed request is bounded on the north and west by existing highway rights-of-way and existing open space/agricultural lands to the south and east.

The design standards ensure that a new regional commercial center is capable of development with a critical mass of uses including multiple big box buildings, parking, and other physical development considerations. South Iowa Regional Commercial Center is an existing designated

commercial center. Map 6-1 of *Horizon 2020* depicts both the existing and future commercial land use locations.



This rezoning request is for CR (Regional Commercial) zoning. Section 20-201 of the Land Development Code provides a matrix that shows how each base district is intended to be applied to the Comprehensive Plan. The Land Development Code does not include a specific zoning district that correlates to the Comprehensive Plan designation of “Auto-Related Commercial Center”. The CC and CR zoning districts are reasonable districts to consider which reflects both the intensity of the Auto-Related Commercial Center, as well as the applicant’s request to extend the existing Community Regional corridor south to this location.

If CPA-15-00335 is not approved, then the rezoning request would not align with the Comprehensive Plan as it would not conform to the commercial intensity as designated in Chapter 6 “Commercial.” The designation as regional commercial would align with development that is more in style and use that is presently seen along S. Iowa Street. Maintaining the designation of Auto-Related Commercial would require that the development propose uses that are more in keeping with this *Horizon 2020* policy, which would require restricting uses to hotels, auto and truck service plazas, and a variety of automobile/recreational vehicle dealerships.

Revised Plan

CPA-15-00335 addresses the changes to *Horizon 2020* revising the description and type of commercial node that would be applied to the US-59 and K-10 intersection. Changes to *Horizon 2020* include changes to Chapter 14 Specific Plan – *Revised Southern Development Plan*. The *Revised Southern Development Plan* is discussed later in this report.

This staff report assumes approval of the corresponding Comprehensive Plan Amendment.

Staff Finding – The request for CR zoning at this location is consistent with recommended changes to *Horizon 2020* goals and policies and specific land use recommendations included in the *Revised Southern Development Plan* per CPA-15-00335. It would be appropriate to still consider the CR Zoning for commercial development, and consider use restrictions for this district that are consistent with Auto-Related Commercial Center uses.

2. ZONING AND LAND USES OF NEARBY PROPERTY, INCLUDING OVERLAY ZONING

Current Zoning and Land Use: RS10 (Detached Residential Development) District; existing agricultural use.

Surrounding Zoning and Land Use: To the north: Along the north side of K-10 Highway PCD-[Crown Toyota (Playless Cashways) PCD], A (County Agricultural) District and RM15 (Multi-Dwelling Residential) District. Existing uses include an automotive dealership, communication tower, and vacant lots for multi-dwelling residential development.

To the east: Along the east side of Michigan Street extended, A (County-Agricultural), VC (Valley Channel), Districts; Wetlands Mitigation Areas/ Baker Wetlands, and Baker Wetlands Visitor Center Complex (SUP-12-00248).

To the west: Along the west side of Highway 59, VC (Valley Channel), and FW –FF (County Floodway and Floodway Fringe Overlay) Districts; existing agricultural uses.

To the south: Proposed OS (Open Space) District per Z-15-00328. Existing use is agricultural. Proposed use is open space.

Staff Finding: The existing zoning and land uses in this immediate area includes both city and county zoning, while a significant amount is vacant or in use for agricultural purposes. This area includes two state highways and is dominated by regulatory floodplain.

3. CHARACTER OF THE AREA

Applicant's Response: *The subject property lies at the southeast corner of the interchange between Kansas Highway 10, a.k.a. the South Lawrence Trafficway, or SLT, and U.S. Highway 59, a.k.a. S. Iowa Street. The property is bounded to the north by N 1250 Road and SLT right-of-way. Further north rests the southern end of the South Iowa commercial corridor. The property is bounded to the west by Hwy 59 right-of-way. Nearby properties to the west and south are generally located within the Wakarusa River floodplain and are actively farmed. The*

property to the east is agricultural land under the same ownership as the subject property. Further east rests the Baker Wetlands.

The subject property is located within Service Area 4 of the *Horizon 2020* Urban Growth Area. This is a rural area with agriculture and open space being the primary land uses. Natural features in the area include the Wakarusa River south of the subject property; riparian woodlands along the Wakarusa River, floodplain, and wetlands. The South Lawrence Trafficway is currently being constructed north of the subject property.

A feature in the area is the Baker Wetlands and the Baker Wetlands Visitor Center. The open space use to the south is further discussed in the staff report for Z-15-00328. This portion of Douglas County is not located within a designated neighborhood, and development in the area could create a new neighborhood for the City of Lawrence.

There is minimal area for development within the area between K-10 Highway to the north and the Wakarusa River to the South. As this area develops the character of the area will be impacted by the amount of developable area and the presence of significant area dedicated for open space activity and the regulatory floodplain.

While the area is dominated by the intersection of two major highways, the signage for the requested commercial area would have to comply with the City of Lawrence sign code, and would not be allowed freestanding signage scaled for visibility from the two highways. All signage on the site would have to comply with [Chapter 5, Article 18](#) of the Lawrence City Code.

Staff Finding: This area is dominated by two state highways, regulatory floodplain, and the Baker Wetlands. The current character of the area south along K-10 Highway is open space and agricultural. Applying gateways features, such as landscaping and buffer yards, the zoning will be compatible with the area.

4. PLANS FOR THE AREA OR NEIGHBORHOOD, AS REFLECTED IN ADOPTED AREA AND/OR SECTOR PLANS INCLUDING THE PROPERTY OR ADJOINING PROPERTY

This property is included within the planning boundary of the *Revised Southern Development Plan*, which was adopted in June 2013 anticipating Auto-Related Commercial at this location.

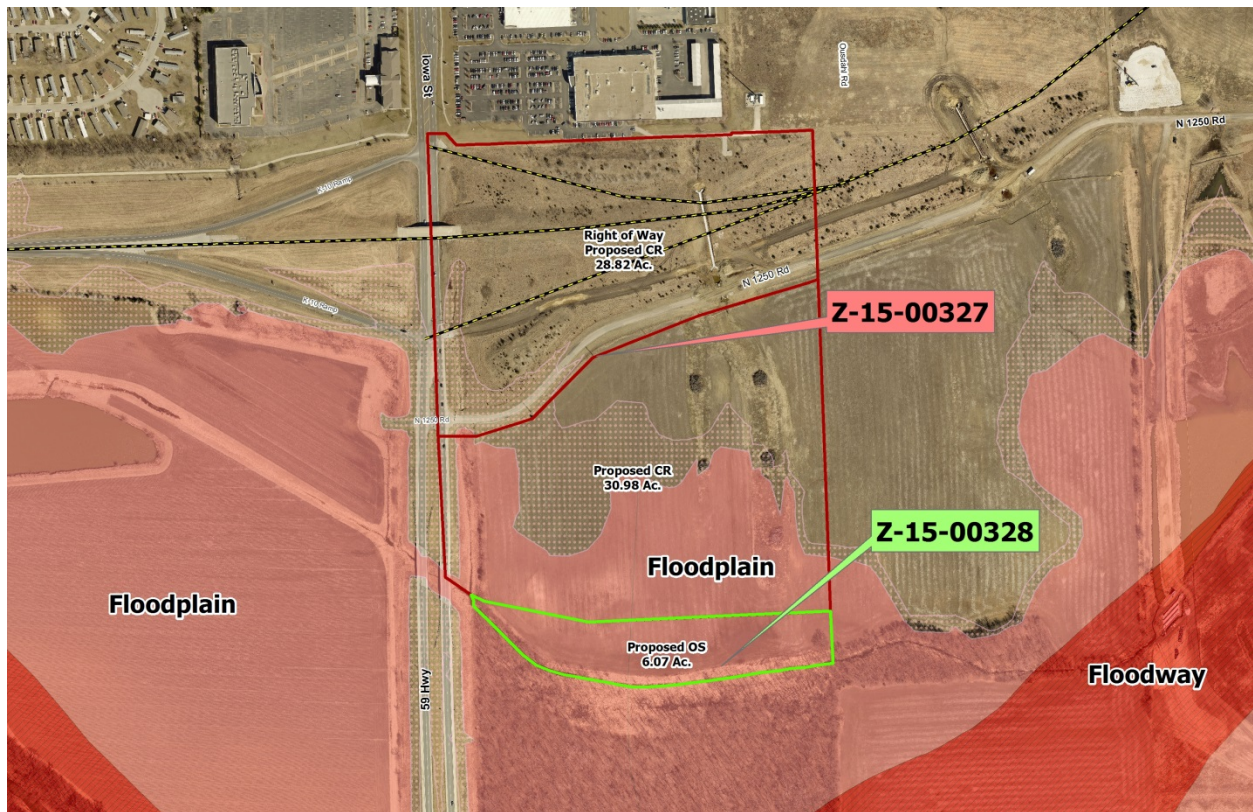


Figure 1: Proposed Rezoning & FEMA Flood Map

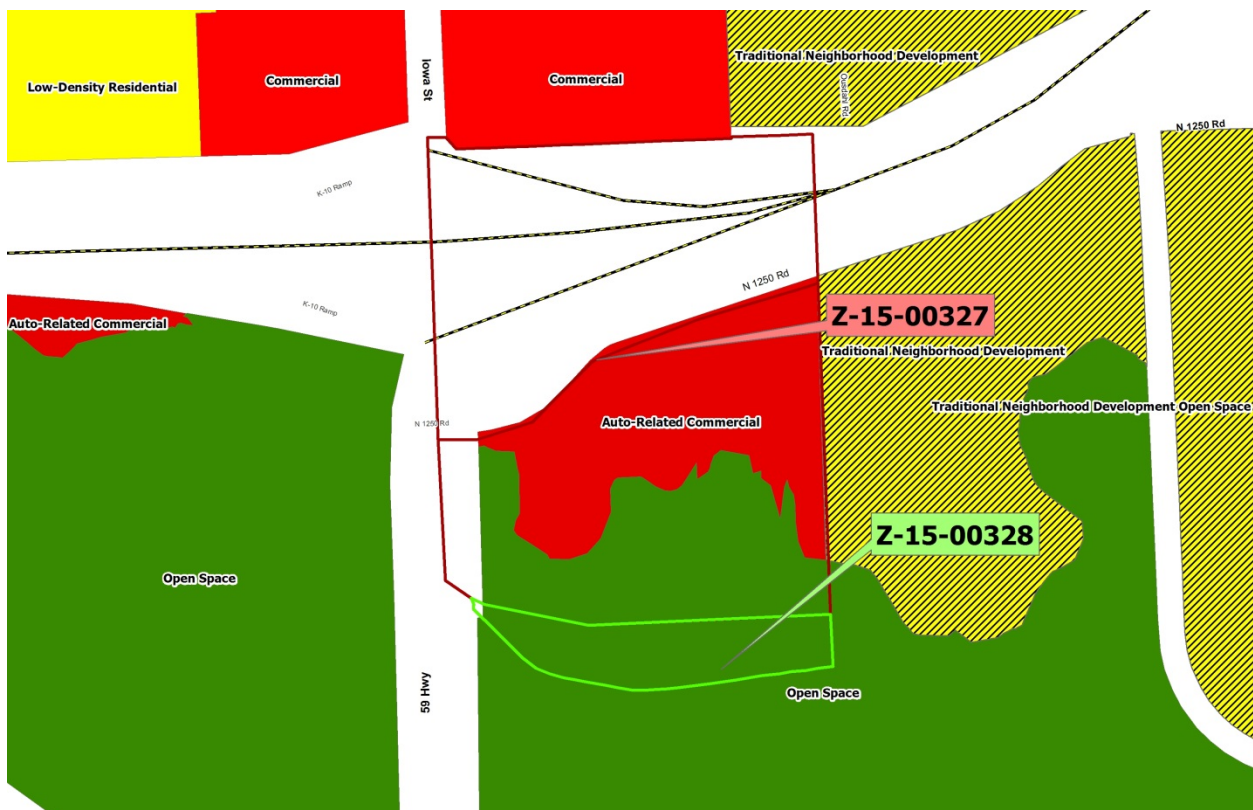


Figure 2: Existing Revised Southern Development Plan (Map 3-2)
with Rezoning Applications Illustrated

An Auto-Related Commercial Center is identified south of K-10 Highway along US-59 in both *Horizon 2020* and the *Revised Southern Development Plan*. This use is shown to be buffered by a medium-density residential use between Michigan Street on the east and Ousdahl Road (extended) on the west. This residential development included a conventional development option, and also a Traditional Neighborhood Design (TND) as shown in map 3-2 of the Plan. A copy of the plan is included in the Comprehensive Plan Amendment staff report for reference. These areas encourage development that is consistent with the City's Smart Code utilizing zoning districts T3, T4, T5, and T5.5. As the time of printing, no developer has approached the City of Lawrence intending to utilize the Smart Code 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 to be reviewed by the City Commission to ensure that that scope of the project is given proper consideration as it proceeds to construction.

A majority of the subject site is shown as open space in the *Revised Southern Development Plan*. This open space corresponds with the regulatory floodplain in this immediate area. Portions of the commercial request are encumbered by the floodplain, and are proposed to be rezoned CR.

If CPA-15-00335 is approved, the revised future land use plan will designate a portion of the existing open space with commercial designation.

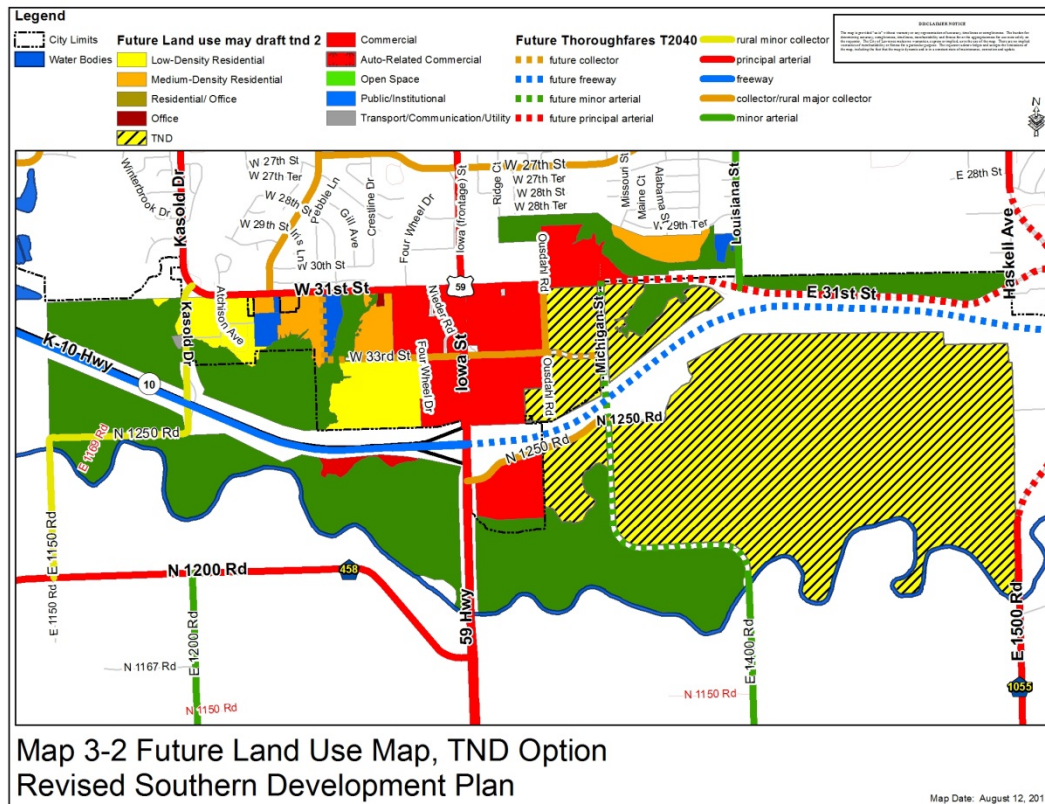


Figure 3: Proposed Modification to Revised Southern Development Plan Future Land Use Map

Staff Finding: The proposed commercial rezoning conforms to proposed land use recommendations in the *Revised Southern Development Plan* to extend the commercial use south. If CPA-15-00335 is not approved, then the rezoning request would not be supported by the *Revised Southern Development Plan*.

5. SUITABILITY OF SUBJECT PROPERTY FOR THE USES TO WHICH IT HAS BEEN RESTRICTED UNDER THE EXISTING ZONING REGULATIONS

Applicant's Response: *The subject property is currently zoned RS10, due to the past practice of automatically applying low-density residential zoning to land upon annexation as a temporary zoning measure. The subject property is located at what will soon be a full interchange between a state, and federal highway. Furthermore H2020 already prescribes high intensity commercial land uses for this location. Given those facts, the suitability of the subject property for low-density residential land uses under the existing RS10 zoning district is quite low.*

The present RS10 District is a remnant of a past practice to apply low-density residential zoning automatically to a site upon annexation into the City of Lawrence as a temporary holding zone. Several significant development actions are occurring in this area, including the extension and improvement of utility infrastructure and the South Lawrence Trafficway. The proximity and imminent completion of the South Lawrence Trafficway and street network within the next year, as well as the construction of the Waste Water Treatment Plant and pump station, make utility access feasible.

The subject property is located within the Lawrence Urban Growth Area and has previously been planned for commercial development. The property's proximity to the two highways provides access for this site's development.

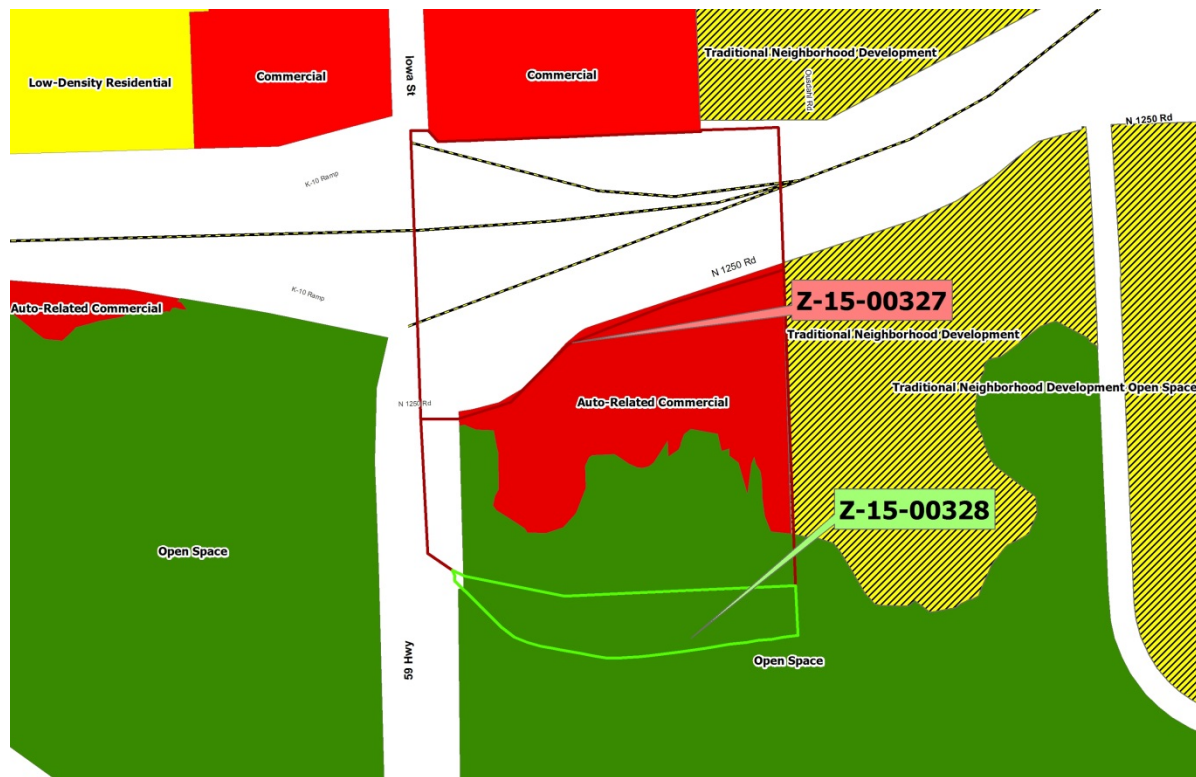


Figure 4: Existing Future Land Use Map for Subject Property

The CR district permits for a variety of uses, which are listed in Section 20-402 of the Land Development Code. Residential and Mining uses are the only two use groups that are fully prohibited in the CR district. A range of Community Facility, Medical Facility, Recreational Facility, Commercial, and Industrial uses are permitted in the CR district. The applicant has not proposed any specific use restrictions for this request.

Staff Finding: The property is suitable for the commercial zoning, and consistent with land use recommendations relating to changes to *Horizon 2020* and the *Revised Southern Development Plan*.

6. LENGTH OF TIME SUBJECT PROPERTY HAS REMAINED VACANT AS ZONED

Property Owner's Response: *"The subject property has remained vacant since annexed into the City limits in 1979."*

The RS portion of the property was annexed in 1979 (Ordinance No. 5026.) At that time, when properties were annexed into the City of Lawrence, a zoning designation of RS-1 was automatically applied. The RS-1 zoning was then converted to RS10 upon the adoption of the Land Development code in 2006.

Staff Finding: Since 1966, the property has remained undeveloped. It continued to remain undeveloped after annexation into the City of Lawrence in 1979, at which time it was zoned RS-1. It was subsequently zoned RS10 with the adoption of the Land Development Code in 2006.

7. EXTENT TO WHICH REMOVAL OF RESTRICTIONS WILL DETRIMENTALLY AFFECT NEARBY PROPERTIES

Applicant's response: *Approval of this rezoning will have negligible impact to nearby properties. This request is appropriate considering the significant transportation improvements currently under construction in this part of the City. The request will facilitate commercial development at a scale similar to that recommended in the Revised Southern Development Plan (incorporated into H2020 as part of Chapter 14). The accompanying OS rezoning request will ensure an appropriate transition to the Wakarusa River floodplain to the south.*

This property is bounded on the north and west by highway right-of-way with limited access. The property is also bounded on the south by existing and proposed open space. These land uses provide a definite edge to the development. The area shown on the *Revised Southern Development Plan* on the east side of Michigan Street (on the south side of the South Lawrence Trafficway) has been incorporated into the Baker Wetland Visitor Center, and is unlikely to be redeveloped in the future as a more intensive use. Development of the commercial area is unlikely to have an impact on land uses to the west and south in terms of nuisance activity. Appropriate designs must be implemented at the time of platting and site planning to mitigate and buffer the uses as applicable to its adjacent lands.

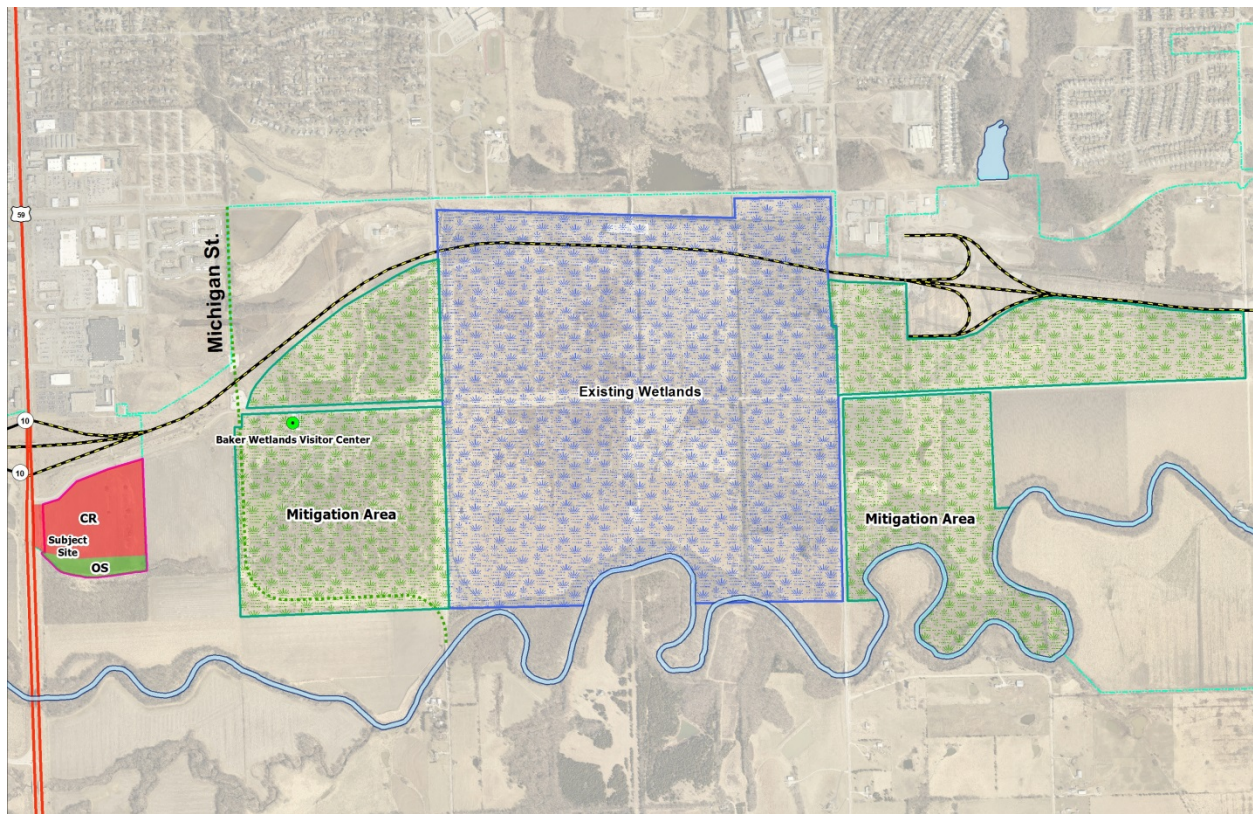


Figure 5: Existing and Proposed Wetlands

This site is isolated by the highways and floodplain in the vicinity. Traffic and floodplain management are two key development subjects that will require additional study and review to ensure unintended impacts are not incurred by general public, surrounding property owners, and other users.

Approval of this request would entitle additional commercial area for future development. There are several existing commercial areas including Mercato, Fairfield Farms, and North Massachusetts Street with commercial development approvals where development timing could be hindered by the addition of more retail area, thereby potentially underserving the area around these other locations until they are developed. This topic is also discussed in CPA-15-00335.

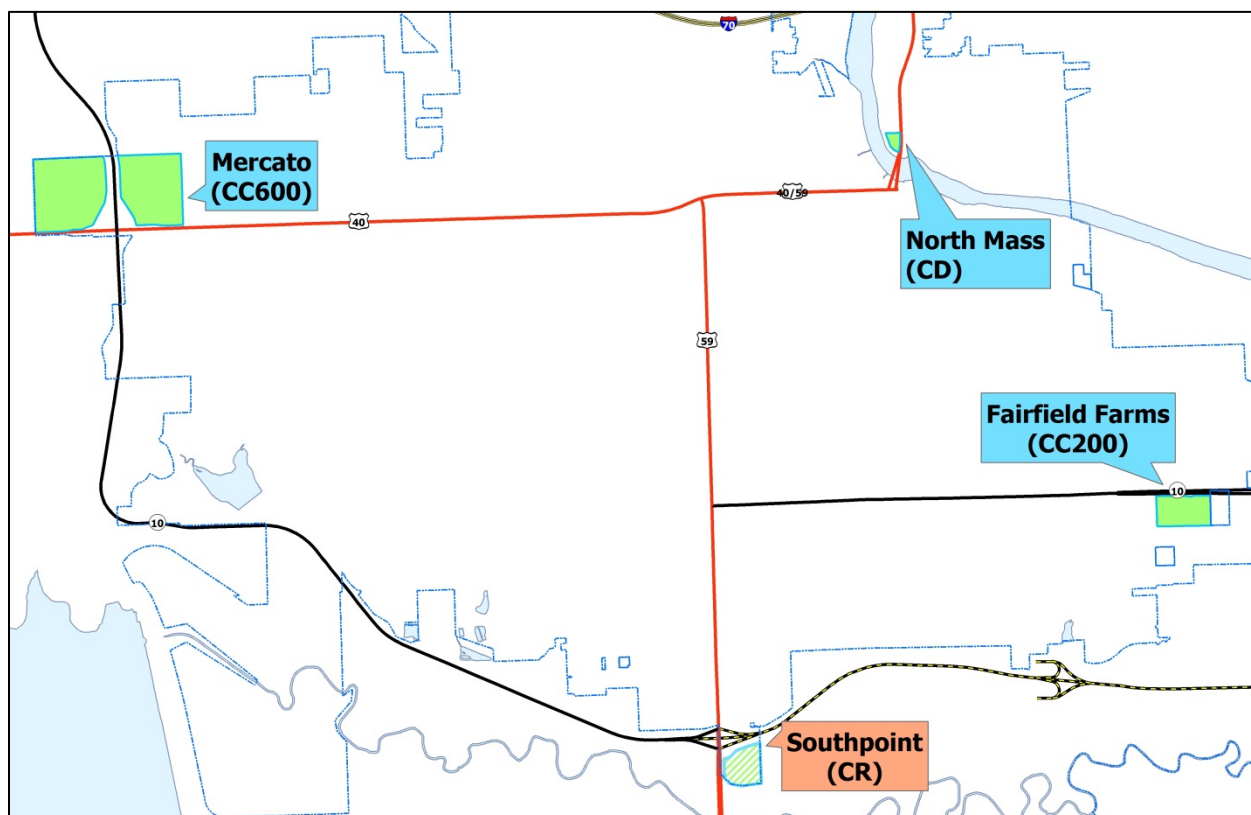


Figure 6: Approved & Developing Commercial Centers

Staff Finding: Approval of this request entitles additional land area for commercial development. Impacts on nearby properties are minimal and subject to mitigation and buffering requirements between uses. Approval of the request could hinder development of the presently approved commercial areas throughout the City of Lawrence.

8. THE GAIN, IF ANY, TO THE PUBLIC HEALTH, SAFETY AND WELFARE DUE TO THE DENIAL OF THE APPLICATION, AS COMPARED TO THE HARDSHIP IMPOSED UPON THE LANDOWNER, IF ANY, AS A RESULT OF DENIAL OF THE APPLICATION

Applicant's Response: Approval of this request will facilitate commercial development at this highway interchange location at a scale and intensity similar to that recommended by H2020. Denial of the request would strongly suggest that future applicants must pursue a more auto-

related mix of commercial land uses for this location, such as auto dealerships and truck service centers.

Evaluation of these criteria includes weighing the benefits to the public versus the benefits for the owner of the subject property. Benefits are measured based on the anticipated impacts of the rezoning request on the public health, safety, and welfare.

If the rezoning request were denied, the property could remain used as agricultural property. If the rezoning were approved, the allowed uses change from residential/agricultural to commercial with a wide variety of potential commercial uses. Limiting uses could serve to create a development with specific objectives.

Approval of the request would facilitate development and investment along the South Lawrence Trafficway at an intersection currently designated for commercial uses.

Staff Finding: Benefits to the community include the investment in property within existing utility, transportation, and service corridors. Denial of the request would require the applicant to develop the property as an Auto-Related Commercial Center per the currently approved *Revised Southern Development Plan*.

9. RETAIL MARKET STUDY. 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.

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.

PROFESSIONAL STAFF RECOMMENDATION

The focus of this report is the specific CR zoning request. This application was submitted with a concept plan for a specific development pattern, which includes a mix of retail uses and pad site development along the south side of K-10 Highway and east of US-59.

The timing of this development is intended to coincide with the completion of the South Lawrence Trafficway, associated street network, and utility infrastructure improvements actively being constructed in the vicinity.

As discussed, a portion of this proposed rezoning property is encumbered by the regulatory floodplain. The impact of this zoning designation is that:

1. A local floodplain development permit will be required for development on the site. Such a permit is typically submitted concurrently with a site plan or applicable development plan.
2. Any new development requires an approved hydrologic and hydraulic study at the time of platting demonstrating there will be no rise in the Base Flood Elevation, as well as no increase in the flood velocities at any point resulting from the proposed development.
3. Fill may not be placed in a setback.
4. Structural design of buildings and improvements must meet minimum flood proofing standards, including elevating 1 foot above the base flood elevation.
5. Exterior storage of goods and materials is required to be adequately flood proofed including being raised 1 foot above Base Flood Elevation.

Various site studies, such as traffic and hydrologic and hydraulic, have not yet been submitted but are anticipated with the submission of a preliminary plat application and site plan for this property, pending approval of the two rezoning applications.

The Land Development Code provides certain design standards such as buffer yards, landscaping, a limitation on impervious surface coverage, building and surface parking setbacks as they apply to the base CR zoning district, overlay districts, and commercial design standards.

Additionally, Section 20-307 of the Land Development Code requires certain design considerations for development adjacent to the SLT/K-10 Transportation Corridor. This boundary extends 500 feet on either side of the centerline of the South Lawrence Trafficway requiring additional setback and landscaping, which will be evaluated at platting and site planning phases of development.

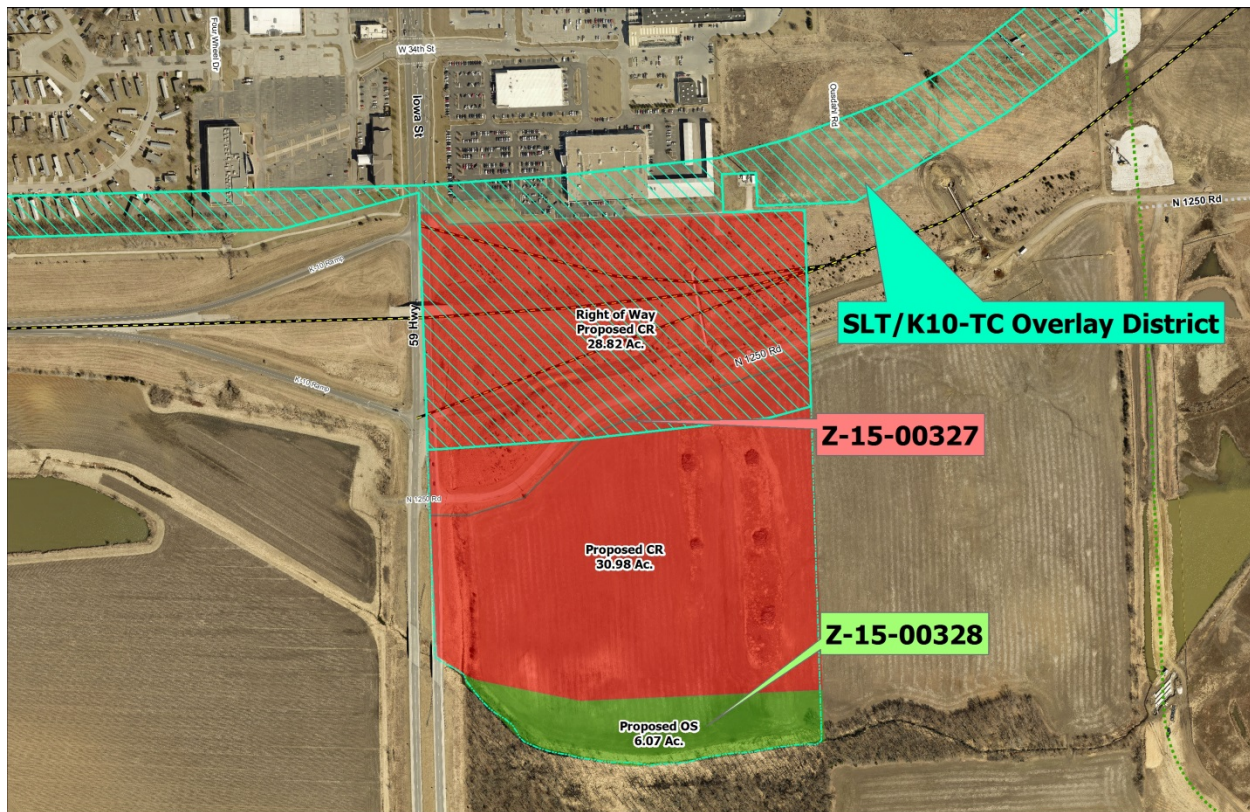


Figure 7: SLT/K-10 Transportation Corridor Overlay District

A number of existing site design and development standards will be applicable as the property proceeds to development. Staff recommends approval of the proposed CR zoning.

CONCLUSION

If CPA-15-00335 is found to be appropriate and approved, then the findings in this report support the requested rezoning. If CPA-15-00335 is found to be not appropriate, then it would be appropriate to still consider the CR Zoning for commercial development, and consider use restrictions for this district that are consistent with Auto-Related Commercial Center uses.

20-201 THE DISTRICTS**(a) Base Districts**

The **Zoning Districts** presented in this chapter are referred to as “**Base Districts**” because they establish the basic zoning regulations that apply to all properties classified in, or shown on, the Official **Zoning District Map** as in that **Zoning District**. All land in the City has a **Base District** classification. **Base District** regulations control the types of uses allowed and the way in which uses and **Buildings** may be developed on a site. The **Base District** regulations are the default regulations—they always control unless expressly overridden by or pursuant to any applicable **Overlay Zoning District** regulations.

(b) Districts Established

The following **Base Districts** are included in this Development Code. The **Base Districts** established by this Development Code are intended to be applied in accordance with the **Comprehensive Plan**.

District Name	Map Symbol	Corresponding Comprehensive Plan Designation
RS, Single-Dwelling Residential Districts [square feet per Dwelling Unit]:		
Single-Dwelling Residential–40,000 sq. feet	RS40	Very Low-Density
Single-Dwelling Residential–20,000 sq. feet	RS20	Low-Density
Single-Dwelling Residential–10,000 sq. feet	RS10	Low-Density
Single-Dwelling Residential–7,000 sq. feet	RS7	Low-Density
Single-Dwelling Residential–5,000 sq. feet	RS5	Low- or Medium-Density
Single-Dwelling Residential–3,000 sq. feet	RS3	Medium-Density
RSO, Single-Dwelling Residential-Office District [square feet per Dwelling Unit]:		
Single-Dwelling Residential-Office -- 2,500 sq. feet.	RSO	Low or Medium-Density
RM, Multi-Dwelling Residential Districts [Dwelling Units per acre]:		
Multi-Dwelling Residential– 12 d.u. per acre	RM12/ RM12D	Medium-Density
Multi-Dwelling Residential -- 15 d.u. per acre	RM15	Medium-Density
Multi-Dwelling Residential– 24 d.u. per acre	RM24	High-Density
Multi-Dwelling Residential– 32 d.u. per acre	RM32	High-Density
RMG, Multi-Dwelling Residential-Greek Housing District:		
Multi-Dwelling Residential-Greek Housing	RMG	High-Density
RMO, Multi-Dwelling Residential-Office District [Dwelling Units per acre]:		
Multi-Dwelling Residential-Office–22 d.u. / acre	RMO	High-Density
C, Commercial Districts:		
Inner Neighborhood Commercial	CN1	NA
Office Commercial	CO	Office or Office/Research
Neighborhood Shopping Center	CN2	Neighborhood Commercial Center
Downtown Commercial	CD	Regional Commercial Center
Community Commercial	CC	Community Commercial Centers
Regional Commercial	CR	Regional Commercial Center
Strip Commercial	CS	NA



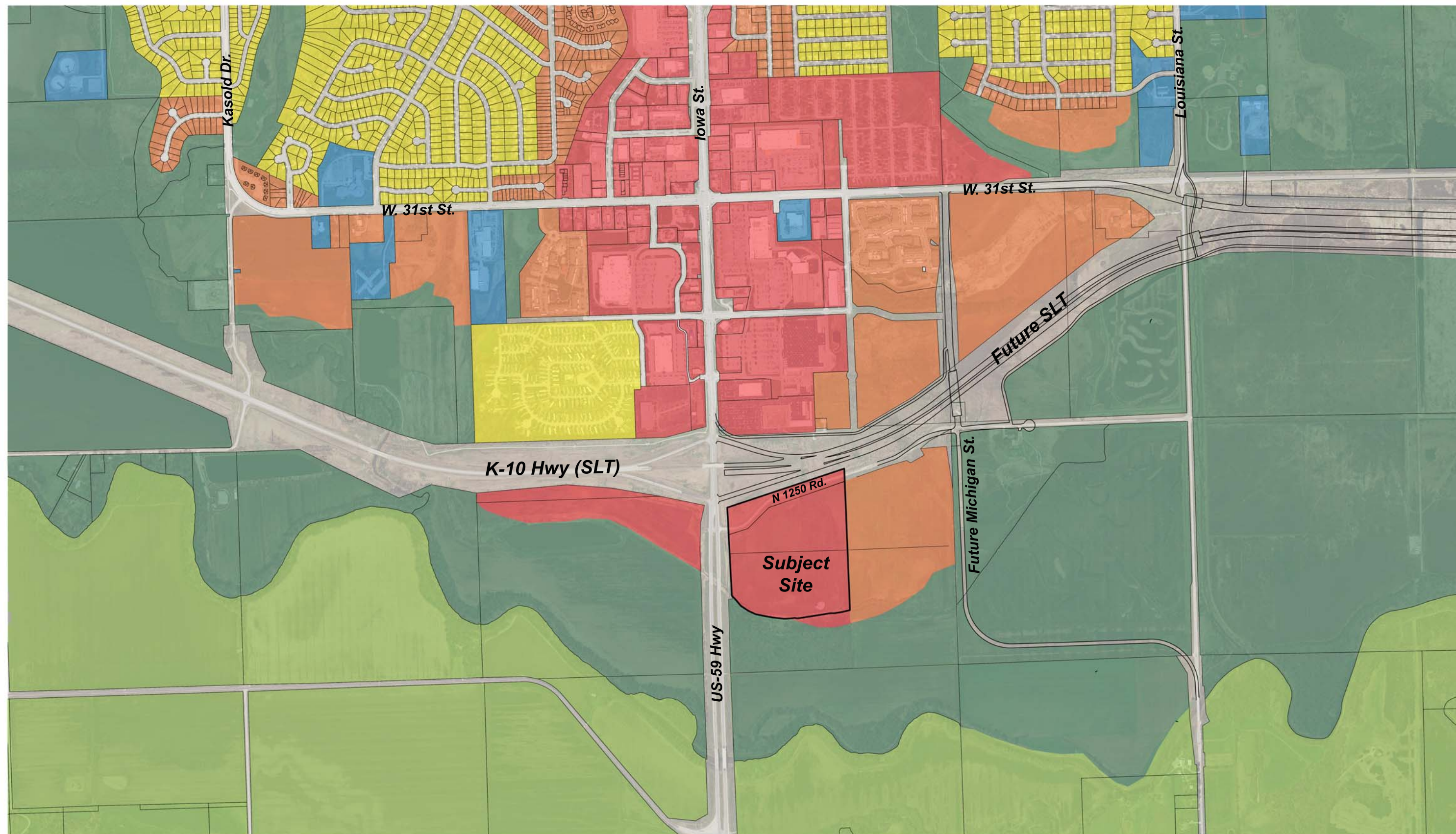
**SOUTHPOINT CENTER
CONCEPT PLAN**
PREPARED FOR SLT, LLC
AUGUST, 2015

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SCALE: 1" = 100'
100 50 0 100 200



COMPREHENSIVE PLAN EXHIBIT
EXISTING + PLANNED
 PREPARED FOR SLT, LLC
 AUGUST, 2015

LAND USE SUMMARY:

AGRICULTURE

OPEN SPACE

LOW-DENSITY

MEDIUM-DENSITY

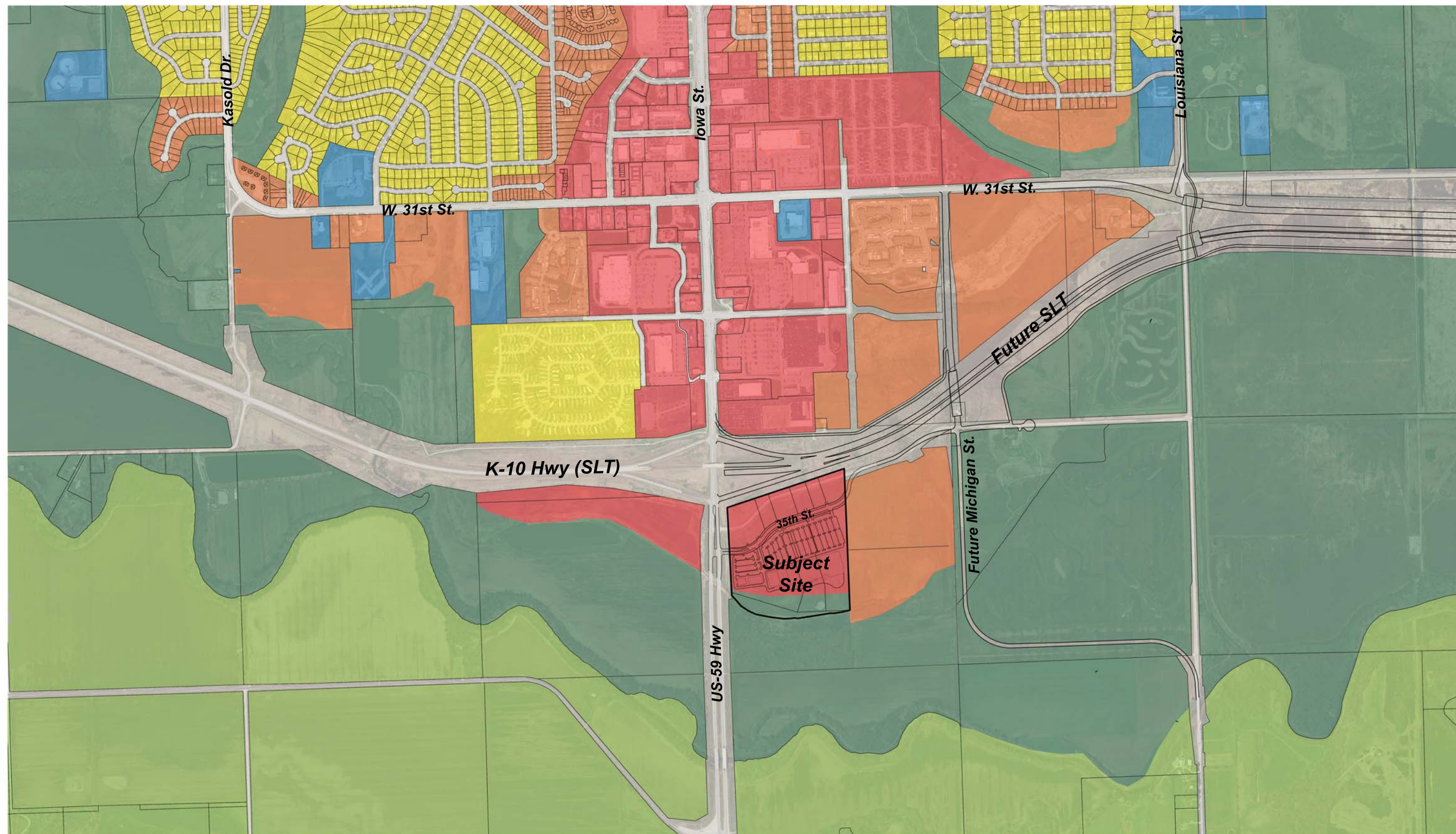
PUBLIC /

RETAIL /

**LANDPLAN
ENGINEERING**

SCALE: 1" = 500'





COMPREHENSIVE PLAN EXHIBIT
EXISTING + PROPOSED
 PREPARED FOR SLT, LLC
 AUGUST, 2015

LAND USE SUMMARY:

AGRICULTURE

LOW-DENSITY

MEDIUM-DENSITY

PUBLIC /

RETAIL /



SCALE: 1" = 500'

Southpoint Retail Market Study
Lawrence, Douglas County, Kansas

August 14, 2015

Prepared by

RICHARD CAPLAN & ASSOCIATES

609 w. 70th Street

Kansas City, MO 64113

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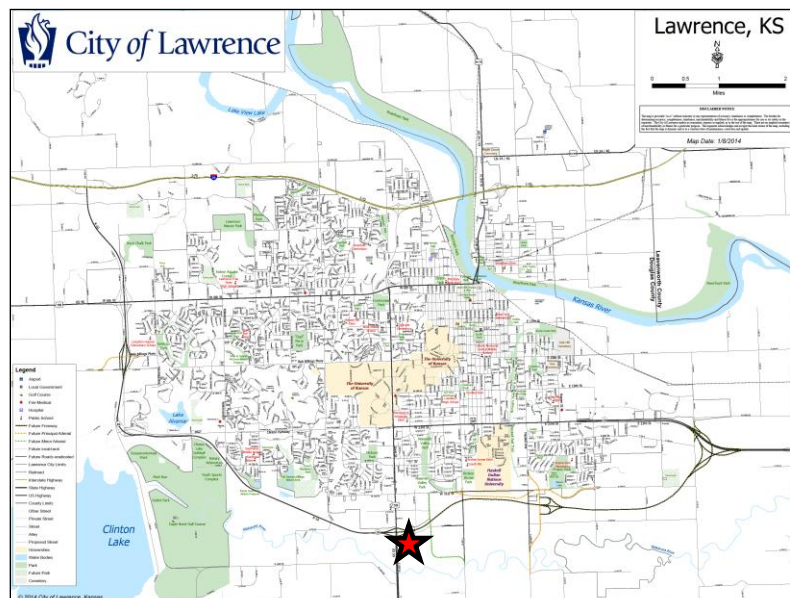
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Executive Summary

A retail market study has been prepared on behalf of Collett for the company's commercial center, Southpoint, planned on South Iowa Street at K-10/South Lawrence Trafficway in Lawrence, Kansas scheduled for opening in 2017.

Southpoint will offer the Lawrence market area national retail companies that currently do not have a retail outlet in Lawrence. These businesses will occupy at least one-half of the retail space at Southpoint. However, as a result of their addition to the Douglas County market, Douglas County and Lawrence will be able to increase its retail sales capture rate (pull factor) through new and expanded retail offerings and attract shoppers who historically spend a portion of their retail dollars outside of Douglas County.

Southpoint Center Locational Map, Lawrence, Douglas County



The Southpoint project also plans to accommodate one existing retail establishments in Lawrence. Their relocation to Southpoint offers this business building space that is more tailored to their operations as well as an easily accessible location to all Douglas County residents.

In summary, the results of this retail market study quantify the following key economic indicators:

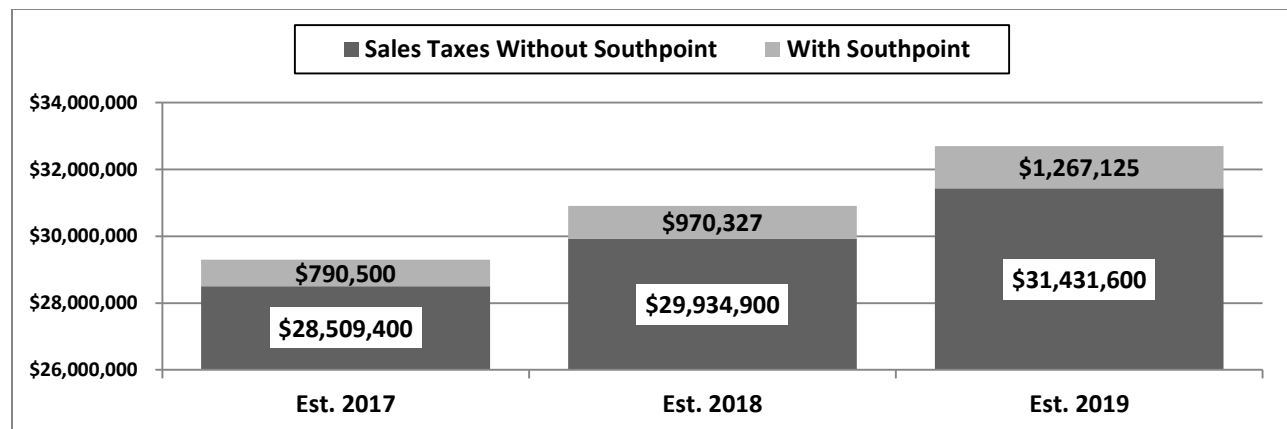
- I. The amount and type of retail sales leakage occurring in Douglas County;
- II. The projected amount of retail sales generated by Southpoint (see Table A on the following page);
- III. The net projected retail sales impact on the City of Lawrence; and
- IV. An analysis of the projected impact of Southpoint on Douglas County and the City of Lawrence's pull factors and commercial vacancy rate.

Based on the findings of this analysis, **Southpoint will generate approximately \$1,267,125 in additional sales tax revenue to the City of Lawrence** upon build out in 2019 and **increase the city's retail pull factor from 1.07 to 1.11 as summarized in the following Table A and described in detail in this market study.**

Table A
Projected Lawrence Retail Sales Taxes and Pull Factor 2010 – 2020

Year	Actual / Projected Sales Taxes (@ 1.55%)	Plus: Southpoint Net Sales Taxes	Revised Total Sales Taxes <u>with</u> Southpoint	Existing / Projected Pull Factor
2011	\$ 21,812,424	\$ -	\$ -	1.02
2012	\$ 22,906,979	\$ -	\$ -	1.07
2013	\$ 23,347,479	\$ -	\$ -	1.07
2014	\$ 24,627,520	\$ -	\$ -	1.07
2015 (Budget)	\$25,858,896	\$ -	\$ -	N / A
Est. 2016	\$27,15,800	\$ -	\$ -	1.07
Est. 2017	\$28,509,400	\$790,500	\$29,299,900	1.10
Est. 2018	\$29,934,900	\$970,327	\$30,905,227	1.10
Est. 2019	\$31,431,600	\$1,267,125	\$32,698,725	1.11
% Change 2017 - 2019	15.0%	N / A	20.4%	4.0%

Source: City of Lawrence; RICHARD CAPLAN & ASSOCIATES.



I. Douglas County Retail Sales Analysis

An analysis of Lawrence and Douglas County, Kansas retail sales has been performed that quantifies the retail sales leakage by major retail categories. The results of these findings are beneficial in strategically planning for those businesses committed to Southpoint, potential retail tenants being solicited by Collett and existing businesses seeking expansion in Douglas County. These findings also will result in the City of Lawrence and Douglas County increasing their retail pull factors and local sales as discussed in greater detail in Section II of this market study.

Southpoint Market Area

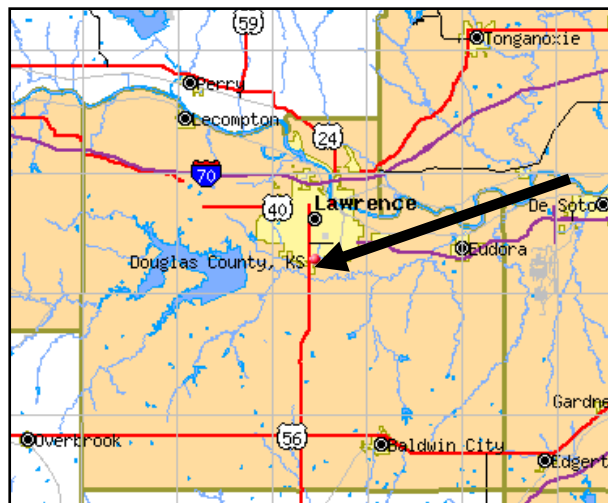
This analysis utilized Douglas County retail sales data since the county provides a more comprehensive insight into the potential retail for Southpoint. The primary market area for Southpoint is all of Douglas County, Kansas, not only the City of Lawrence.

Southpoint market area is based on a combination of the following factors:

- The presence of national retailers, many not currently serving Douglas County shoppers;
- The size and mix of new tenants of the center;
- The central location within Douglas County;
- The South Iowa Street location adjacent to the Lawrence's largest commercial district; and
- The visibility and direct access to the site from K-10/South Lawrence Trafficway and U.S. 59 Highway providing easy access and visibility to all Douglas County residents.

Southpoint will also attract some shoppers from Franklin County, located south of the site on U.S. Highway 59 and others who will utilize the new K-10/South Lawrence Trafficway between Topeka to the west and Johnson County, Kansas to the east.

Douglas County, Kansas: Southpoint Site



Retail Sales Categories

Retail sales are paid to and reported by the Kansas Department of Revenue according to the standardized NAICS (North American Industry Classification System). There are 11 major retail reporting categories. These categories and the most common type of retail establishments found in each category are presented in the following Table I-A (“NAICS Retail Classifications”).

Table I - A
NAICS Retail Classifications

Code	Sector	Businesses in the Subsector
441	Motor Vehicle and Parts Dealers	New car dealers, Used car dealers, Recreational vehicle dealers, Motorcycle, boat, and other motor vehicles, parts and tire stores
442	Furniture and Home Furnishings	Furniture and home furnishings stores, floor covering stores and Window treatment stores
443	Electronics and Appliances	Electronics and appliance stores, Computer and software stores, camera and photographic supplies stores
444	Building Materials and Garden Equipment	Building material and garden equipment and supplies dealers, Home centers, Paint and wallpaper stores, Hardware stores, Lawn and garden equipment, Nurseries, garden center, and farm supply stores
445	Food and Beverage	Grocery stores, Supermarkets, Convenience stores, Specialty food stores, Meat markets, Baked goods stores, Confectionery and nut stores; Beer, wine, and liquor stores
446	Health and Personal Care	Pharmacies and drug stores, Cosmetics, beauty supplies, and perfume stores, Optical goods stores and food (health) supplement stores
447	Gasoline	Gasoline stations and stations with convenience stores
448	Clothing	Clothing and clothing accessories stores; Men's clothing stores; Women's clothing stores; Children's and infants' clothing stores; shoe stores, jewelry, luggage, and leather goods stores
451	Sporting Goods, Hobby and Books	Sporting goods stores, Hobby, toy, and game stores, Sewing, needlework, Musical instrument and supplies stores, Book, periodical, and music stores, News dealers, Compact disc and dvd stores
452	General Merchandise	Department stores, Discount department stores, Warehouse clubs, Florists, Office supplies, stationery, gift, novelty stores, Used merchandise, Pet, pet supplies, Art dealers & Tobacco stores
722	Food and Drinking Places	Meals, snacks, and beverages to customers for immediate on-premises and off-premises consumption, drinking places

Source: U.S. Census.

Eight of the retail categories are planned to be located in Southpoint. The retail uses not planned to be tenants in Southpoint are well represented north of Southpoint along the South Iowa Street corridor, as well as elsewhere in Lawrence. Category 444 will be well served by the addition of Menards to the Lawrence market in 2015.

Douglas County Retail Sales Leakage by Category

In order to perform this leakage analysis, sales tax data reported to the State of Kansas was analyzed for 2012. The pull factor for Douglas County in 2013 and 2014 has remained the same as 2012.

Douglas County has a retail pull factor of 0.91. This pull factor, analyzed in Section III, indicates that \$0.09 cents of every Douglas County retail dollar is spent outside of the county. In summary, this analysis finds that only four retail categories exceeded the 0.91 retail pull factor for the county. (See Table & Graph I – B “Douglas County Retail Pull Factors by Category.”) More importantly, only two retail categories exceeded 1.00 retail pull factor, indicating an inflow of dollars into the county. Altogether, this leakage offers an opportunity for retail growth, especially among those sectors where the sales leakage is greatest.

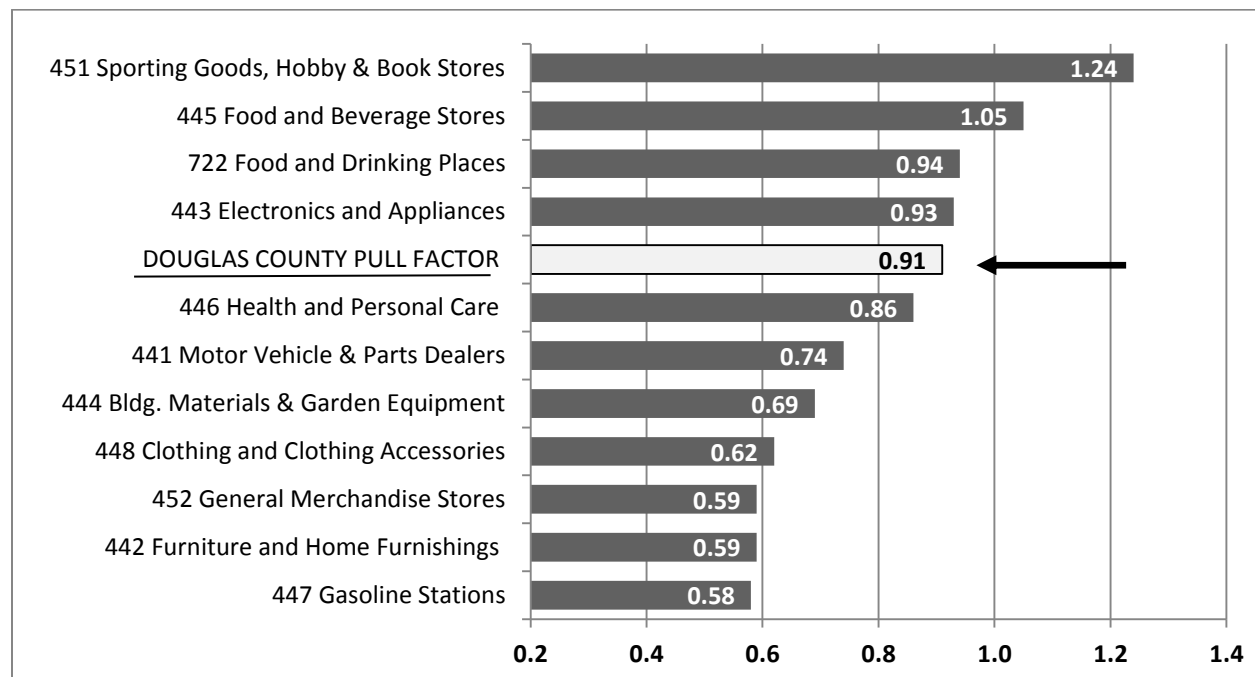
Not surprisingly, Douglas County’s two retail pull factors over 1.00 can be attributed to the demographic fact that Lawrence is home to more than 24,400 University of Kansas students, as well as full-time university students at Haskell Indian Nations University (student enrollment 1,000) and Baker University (student enrollment 3,280) also in Douglas County in nearby Baldwin City. More specifically,

- Food and Beverage Stores (NAICS 445) has a pull factor of 1.05.
This sales factor is greatly influenced by university students who buy groceries and beverages. Furthermore, many students are, in fact, not accounted for in the Douglas County official population but rather counted by the U.S. Census in their permanent place of residence when it is not Douglas County. This does not reflect itself in the sales expenditure data but impacts the pull factor. The precise number of full-time college students not accounted for in Douglas County is uncertain.
- Sporting Goods, Hobby and Book Stores (NACIS 451) has a pull factor of 1.24.
This category’s high pull factor is due to the inclusion of book stores. Given the quantity and prices of college text books, as well as related materials sold to college students, this high pull fact is to be expected. Analysis of confidential information in this category indicates that the retail sales attributed to sporting goods and hobby related expenditures are below 1.00.

The other nine retail categories presented in the following table (Table I-B – “Douglas County Retail Pull Factors by Category”) and depicted in the accompanying graph reflect opportunities for real retail expansion in Lawrence and Douglas County achieved, in part, by the introduction into the market of a greater selection of goods and products in these retail areas.

Table I - B & Graph
Douglas County Retail Pull Factors by Category 2012

NAICS Category	State Taxes Collected Per Capita (@ 1%)	1% Douglas County Sales Taxes Collected Per Capita	Douglas County Retail Pull Factor
441 Motor Vehicle and Parts Dealers	\$137.	\$101.	0.74
442 Furniture and Home Furnishings Stores	\$23.	\$14.	0.59
443 Electronics and Appliance Stores	\$18.	\$16.	0.93
444 Building Materials, Garden Equipment	\$60.	\$41.	0.69
445 Food and Beverage Stores	\$94.	\$99.	1.05
446 Health and Personal Care Stores	\$14.	\$12.	0.86
447 Gasoline Stations	\$27.	\$15.	0.58
448 Clothing and Clothing Accessories Stores	\$35.	\$22.	0.62
451 Sporting Goods, Hobby, Musical Instruments, and Book Stores	\$21.	\$26.	1.24
452 General Merchandise Stores	\$165.	\$97	0.59
722 Food and Drinking Places	\$94.	\$88.	0.94
TOTAL	\$608.	\$553.	0.91



The sectors with the lowest pull factors in Douglas County offer real potential sales that can be achieved with increased product availability and selection.

II. Southpoint Projected Retail Sales

Upon full build out in 2019, Southpoint is planned to have 247,000 square feet of commercial use which includes 18,000 square feet of office users. The following rendering displays the site plan and the square footage for each site, space or building. Southpoint is planned to contain a mix of 19 commercial businesses. These 19 businesses include the relocation of one existing establishment to Southpoint. (See Table II-A – “Southpoint Tenant Mix by Category and Size”) This business will occupy one of the anchor sites and may result in an interim increase of vacant square feet to the Lawrence retail inventory, at least on a temporary basis. The Lawrence market has routinely refilled prime retail spaces vacated due to a variety of market factors.

Table II - A
Southpoint Tenant Mix by Category and Size

NAISC	Category	Number in Southpoint	Total Square Feet Planned	Opening Year(s)
441	Motor Vehicle and Parts Dealers	None	N / A	N / A
442	Furniture and Home Furnishings	2	28,000	2017, 2019
443	Electronics and Appliances	None	N / A	N / A
444	Bldg. Materials & Garden Eqpmnt.	None	N / A	N / A
445	Food and Beverage	2	22,300	2018, 2019
446	Health and Personal Care	1	1,900	2018
447	Gasoline Station with C-Store	None	N / A	N / A
448	Clothing Stores	3	24,900	2017, 2018, 2019
451	Sporting Goods, Hobby & Books	2	117,000	2017
452	General Merchandise	2	17,500	2018
722	Food and Drinking Places (3 sit down restaurants; 2 fast food establishments)	5	30,500	2017, 2018, 2019
<u>Other:</u> 523	Office uses, Medical offices	2	4,900	2018, 2019
TOTAL		8 Categories; 19 businesses (a)	247,000 Sq. feet	-

(a) Includes one existing Lawrence establishment.

Source: Collett; RICHARD CAPLAN & ASSOCIATES.

Southpoint Site Plan



Projected Retail Sales

Southpoint is projected to result in a net increase of over \$60 million in retail sales to Lawrence and Douglas County. (See Table II-E "Southpoint Projected Retail Sales").

Sales for the retailers are based on the proposed tenant list and projected other uses provided on a confidential basis for this study by Collett. These sales projections incorporate a combination of the following economic and market factors:

- Average store data published for those Southpoint tenants that are publicly owned companies as reported in the company's most recent SEC filing;
- Confidential data provided to Collett by several of the national retailers that have committed to locate in the Southpoint project;
- Historical retail sales trends for Lawrence and Douglas County including number and reported retail sales of the retailers already in Douglas County;
- Retail industry averages by category as published by the Urban Land Institute's Dollar and Cents of Shopping Centers;
- Key Douglas County and Lawrence demographic trends and conditions especially population growth and per capita income; and

Southpoint Retail Market Study
Lawrence, Douglas County, Kansas

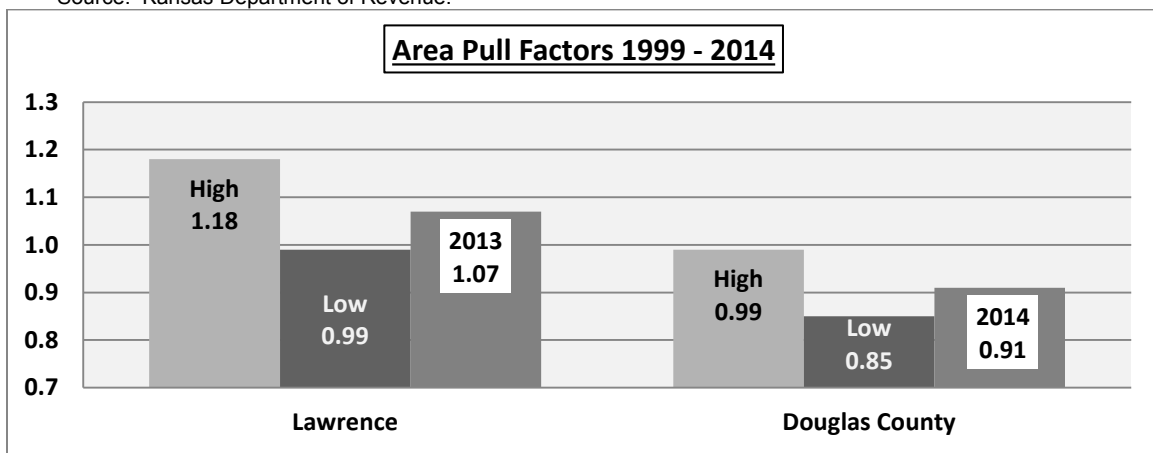
- Recapturing Douglas County retail sales leakage described on the following pages offering a combination of new national retailers to the community and expanding the selection of goods and products to residents.

The local retail pull factors are significant in that Douglas County remains below 1.00, a balanced retail sales threshold, declining to 0.91 in 2012 from a peak of 0.99 in 2005, and the City of Lawrence has declined 10.2% from its pull factor peak of 1.18 indicating retail sales dollars are increasingly leaving Douglas County. These figures reflect the potential for both the city and county to return, in not exceed, their high pull factor levels recorded in the last decade.

Table II - B
City of Lawrence and Douglas County Retail Pull Factors 2000 – 2013

Year	City of Lawrence Pull Factor	Douglas County Pull Factor
2000	1.13	0.93
2001	1.18	0.93
2002	1.13	0.92
2003	1.08	0.93
2004	1.11	0.96
2005	1.11	0.99
2006	1.12	0.97
2007	1.02	0.87
2008	0.99	0.85
2009	0.99	0.85
2010	1.02	0.86
2012	1.07	0.91
2013	1.07	0.91
2014	N / A	0.91
Range 2000 – 2014:		
Highest Level	1.18	0.99
Lowest Level	0.99	0.85
2013/14 Difference from Highest Pull Factor Level	(10.2%)	(9.9%)

Source: Kansas Department of Revenue.



Douglas County leaks 9% of its retail sales. Furthermore, although Douglas County is the 5th most populated county in Kansas, it ranks 6th among the 10 most populated counties in Kansas. (See Table II-C – “Pull Factors for Kansas 10 Most Populated Counties 2014”)

Table II – C
Pull Factors for Kansas’ 10 Most Populated Counties 2014

Pull Factor Rank	Kansas County	2014 Population	FY 2014 Retail Pull Factor
1	Saline	55,755	1.32
2	Johnson	574,272	1.28
3	Sedgwick	508,803	1.14
4	Shawnee	178,406	1.04
5	Reno	63,794	1.03
6	Douglas	116,585	0.91
7	Wyandotte	168,036	0.88
8	Riley	75,195	0.77
9	Butler	66,208	0.73
10	Leavenworth	78,979	0.54

Source: U.S. Census; Kansas Department of Revenue.

There is significant opportunity to increase Lawrence’s retail sales. In 2013, the City of Lawrence’s retail pull factor is lower than seven Kansas cities nearest to Lawrence in population. Lawrence’s pull factor is 8th among the 10 mid-size populated cities in Kansas (cities with a population between 30,000 and 120,000 persons). **Lawrence’s retail pull factor is ranked 17th among the State of Kansas’ 25 1st class cities.** Consequently, retail sales in Lawrence and Douglas County have the potential to grow by approximately 10%. This growth is achievable as it reflects past pull factors reached by both the City of Lawrence and Douglas County.

In conclusion, because Lawrence is the employment center for Douglas County, is located at the convergence of all major highways in Douglas County and houses 79% of the county’s population, the city and county have the potential to grow their retail base and recapture the county’s sales leakage. Based on the realistic opportunity for Lawrence and Douglas County to grow their retail pull factors based on past sales levels and through the addition of national name brands add to the local market, **Southpoint will add approximately \$81.7 million in sales to the local economy upon full opening of the development.** The projected phasing for the opening of the Southpoint from 2017 until 2019 is summarized in the following Table II - D.

Table II – D
Southpoint Square Feet by Year and Projected Retail Sales & Sales Tax Receipts

Year Opened	No. of Businesses	Square Feet Open	Projected Sales (in Opening Year)	Projected Sales in 2019 (100% Open)
2017	5	168,500	\$51,000,000	\$56,330,000
2018	6	190,600	\$9,001,000	\$9,510,000
2019	8	247,000	\$15,900,000	\$15,910,000
Less Net from Relocation	N / A	(Confidential)	(~\$13,000,000)	N / A
NET TOTAL SALES	19	247,000	N / A	\$81,750,000
City of Lawrence Sales Tax Receipts				\$1,267,125

III. Southpoint Projected Sales Tax to City of Lawrence

The total sales tax rate in Lawrence is 9.05% that includes the State of Kansas and Douglas County. The City of Lawrence share of sales tax is 1.55%.

Based on retail pull factors achieved by the City of Lawrence in 2001 and Douglas County in 2005, there is the potential to recapture Douglas County sales leakage and grow Lawrence retail sales by up to 10% based on historical data and through increasing the selection of products and an expanded choice of brand name national retailers.

Based on **Southpoint projected City of Lawrence sales of \$81.7 million (in 2015 dollars) upon full development**, This will result in a net increase of approximately at least 6.7% in retail sales growth to the city.

Southpoint will generate a total annual increase in Lawrence sales taxes of \$1,259,387 per year by 2019 (See Table III-A - "Projected Southpoint Annual Sales and City of Lawrence Tax Receipts.") These projections project the net change in retail sales from the three existing Lawrence tenants planning to relocate to Southpoint.

Sales tax from the project will build over the three year period (2017 – 2019) that the project is under development. The build out is presented in the following graph III-A Southpoint Total Square Feet by Year.

Based on this three year build out, total projected sales are presented in the following Graph and Table III – A.

Southpoint Total Sales by Year

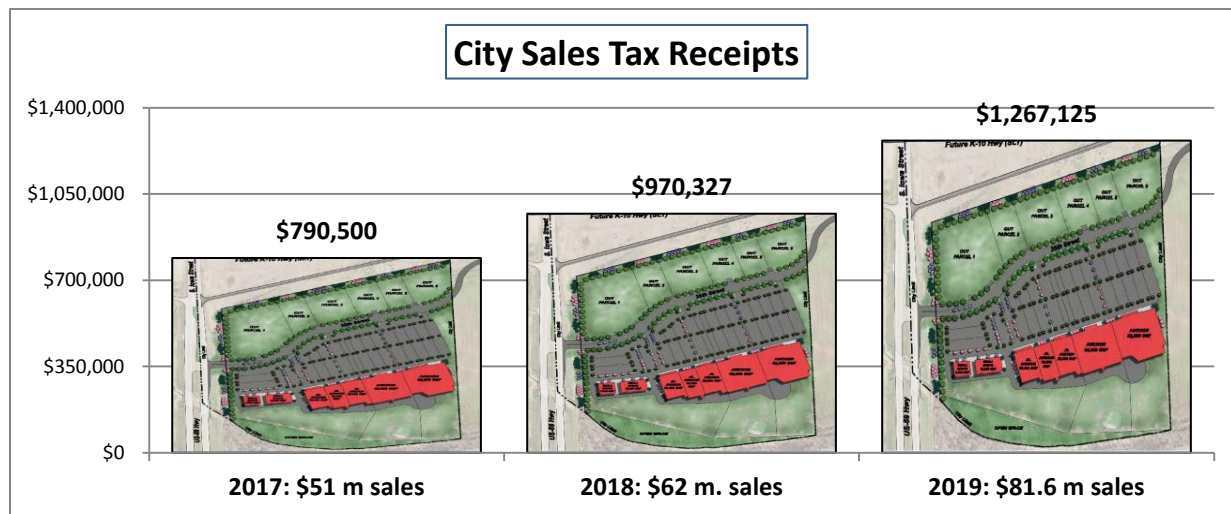


Table III – A
Projected Southpoint Sales and City Sales Tax Receipts 2017 - 2019

Year; Total Square Feet Open	2017		2018		2019	
	Total Sales (in 2015 \$)	City Sales Taxes (@1.55%)	Total Sales (in 2015 \$)	City Sales Taxes (@1.55%)	Total Sales (in 2015 \$)	City Sales Taxes (@1.55%)
2017: 168,500 s.ft.	\$51,000,000	\$790,500	-	-	-	-
2018: 190,600 s.ft.			\$62,600,000	\$970,300	-	-
2019: 247,000 s.ft.					\$81,600,000	\$1,264,800
TOTALS	\$51 million	\$790,500	\$62.6 million	\$970,300	\$81.6 million	\$1,264,800

Note: Sales taxes reflect the net change in retail sales from the existing Lawrence tenant planning to relocate to Southpoint.

IV. Projected Impact on Lawrence Vacancy Rate

This study projects the impact on the Lawrence commercial vacancy rate upon adding Southpoint to the city's inventory and considering the impact of relocations from elsewhere in the city. These findings also provide insight into the ability of the project to achieve full occupancy. Upon occupancy of the Southpoint, the city-wide vacancy rate will decline by 0.4% to 6.8%. (See Table IV - D - "Proposed Development Impact on Lawrence Vacancy Rate").

Background

There has been an average over 334,000 added square feet of commercial development in Lawrence from 1995 through 2014. Since 1993, according to the City of Lawrence Planning & Development Services 2012 Retail Market Report. This amount has fluctuated from during periods of the city's highest population growth rates from 2002 to 2004 and declined during the national recession. For this reason, projecting commercial development based on a 20 year annual average has been used from 2015 through 2020. The projected absorption incorporates Southpoint and all outstanding major commercial projects approved by the City of Lawrence as summarized in the following Table. (See Table IV– A – "Lawrence, Kansas Unbuilt Commercial Inventory"). Excluding Southpoint, the City of Lawrence has an approved unbuilt inventory of 1,184,968 commercial square feet. Southpoint's addition to the market will raise this amount to 1,431,968 square feet.

Table IV - A
Lawrence, Kansas Unbuilt Commercial Inventory

Project	Approved Square Feet	Timing
Fairfield Farms	200,000	Unknown
Gateway	155,000	Unknown
Mercato	359,640	Unknown
31 st & Ousdahl Phase I (Menards)	189,988	2015
31 st & Ousdahl Phase II	65,340	Unknown
North Mass	215,000	Unknown
SUB-TOTAL	1,184,968	-
SOUTHPOINT	247,000	2017 - 2019
TOTAL	1,431,968	-
Projected Annual Average 2015-2020 (IF all constructed)	238,661	-

Source: City of Lawrence Planning & Development Services.

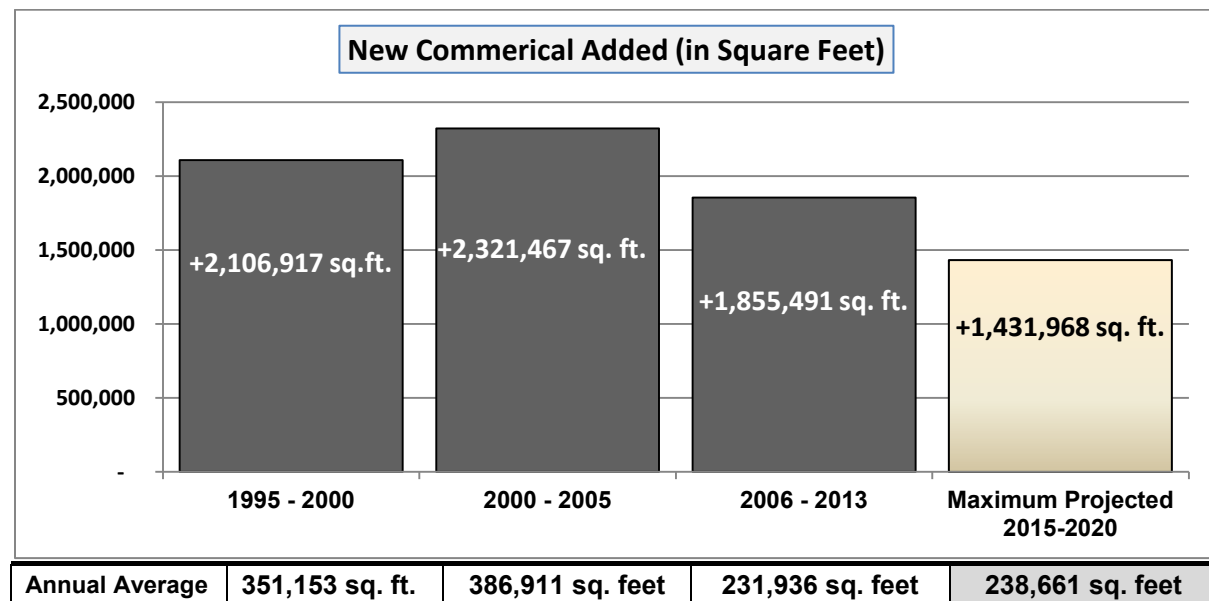
Phase I at 31st & Ousdahl, Menards, is under construction expects to be open in 2015. In addition, it should be noted that the sales category, Building materials and supplies category is not in competition with any of the expected tenants at Southpoint. In 2015, the city is also adding 39,075 square feet of predominantly food related sales at Bauer Farms

The Lawrence commercial market has demonstrated stability and its ability to absorb new commercial space. As noted elsewhere in this market study, the City has absorbed an average of 265,070 square feet since 2006. This is due, in part, to the permanence of city's economic base – the students, faculty and staff of the University of Kansas, as well as Haskell Indian Nations University.

This absorption projection in this study covers from 2017 through 2019, the years that Southpoint is planned to enter the market during which time the new K10/U.S. 59 (South Iowa Street) interchange immediately adjacent to Southpoint will be completed and opened.

If all of these projects are completed and phased into local market by 2020, an unlikely scenario since one or more the sites may compete for the same national tenants as Southpoint, this will result in adding an average increase of 238,661 square feet per year. **This amount is comparable to the 231,936 square feet annual average amount that has been absorbed by the Lawrence market between 2006 and 2013** and more than any five year period since 1995.

Graph IV - B
Lawrence Commercial Development Trends 1995 - 2020



Source: City of Lawrence Planning & Development Services 2012 Retail Market Study.

Commercial vacancy data is collected and reported by the City of Lawrence on a periodic basis, most recently published in 2013 for 2012. In addition to the city's vacancy data, the Lawrence office of a leading international commercial real estate firm, Colliers International, tracks and reports Lawrence commercial occupancy and vacancy on an annual basis. Since 2006, vacancy rates ranged from 3.9% to 7.2% and the city has absorbed an average of 279,733 per year. These figures, along with historical absorption rates, are a major barometer of projecting the city's future vacancy rate upon full build out of Southpoint. (See Table A – "Lawrence Commercial Vacancy Rates 2006 – 2014").

The following table reflects the City of Lawrence and private source's commercial vacancy data for the city since 2006. The city reported data reflects the fact that more has been absorbed in the last six years than was added to the market.

**Table IV – C
Lawrence Commercial Vacancy Rates 2006 - 2014**

Year	City of Lawrence Data			Private Real Estate Data	
	Total Commercial Square Feet	Occupied Commercial Square Feet	Vacancy Rate	Retail Vacancy Rate	Source
2006	7,249,660	6,771,182	6.6%	3.9%	Development Strategies
2007	N / A	N / A	N / A	5.1%	Grubb & Ellis
2008	N / A	N / A	N / A	5.3%	Grubb & Ellis
2009	N / A	N / A	6.6%	5.4%	Grubb & Ellis
2010	8,800,567	8,184,527	7.0%	N / A	N / A
2012	9,105,151	8,449,580	7.2%	5.4%	Colliers International
2013	Est. 9.1 million	N / A	N / A	4.4%	Colliers International
2014	N / A	N / A	N / A	3.9%	Colliers International
2006 – 2013 Average	265,070 per year	279,733 per year	6.8%	4.9%	

As stated, Southpoint's square feet are projected to be opened beginning in 2017 through 2019 in the stages as summarized in the following Table IV – D and site plan.

Table IV – D
Southpoint Opening Schedule 2017 – 2019

Year Opening	Square Feet Completed	Total Square Feet Opened
2017	168,500	158,500
2018	22,100	190,600
2019	56,400	247,000
Total	247,000	247,000

Southpoint Site Plan - Phasing



Phase I: 168,000 square feet

Findings and Conclusion

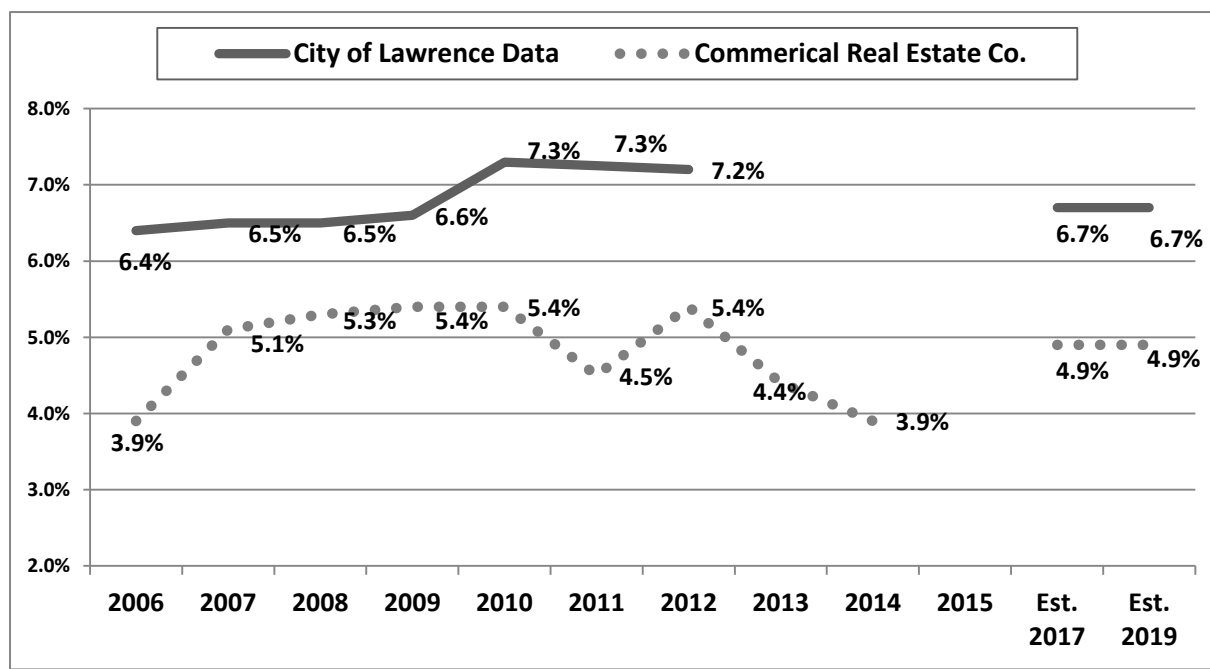
In conclusion, the city's commercial vacancy has been projected to be 7.2% upon completion of the Southpoint project in 2019. This projection is based on the following:

1. The city's average annual absorption rate since 1995;
2. The city's historically stable vacancy rate ranging from 6.6% to 7.2% in the last decade;
3. The phasing of building over three years through 2019 for Southpoint; and
4. The amount of commercial space that has been approved but unbuilt may be absorbed by the Douglas County market by 2020.

Furthermore, **the attraction of new tenants to the Douglas County market will add more than \$81 million in retail sales and \$1.266,000 in sales tax receipts to the City of Lawrence by 2019.**

In conclusion, upon occupancy of the Southpoint, the city-wide vacancy rate will remain within the range of 6.6% to 6.7% based upon the city's continued ability to absorb an average of 238,661 square feet annually, less than the amount since 2006 but incorporating all outstanding major projects and Southpoint. (See Table IV - D - "Commercial Vacancy Rate 2006 – 2019 and Proposed Development Impact on Lawrence Vacancy Rate"). This represents the city's historic average absorption and vacancy rates from 2006 through 2013. This vacancy projection incorporates the build out of the total approved inventory. This total build out amount represents less than the amount of square footage that has been added to the Lawrence market since 2006.

Graph IV - E
Commercial Vacancy Rates 2006 - 2019



Source: City of Lawrence Planning & Development Services; Development Strategies; Colliers International.

Table IV - E
Lawrence Commercial Square Footage and Vacancy Rates 2012 - 2019

Year	Total Square Footage	Southpoint Square Footage Opened (a)	MAXIMUM Increase in Square Footage (Table IV-B)	Net Annual Absorption in Sq. Feet	Total Vacant Sq. Feet (b)	Projected Vacancy Rate
2012	9,105,151	N / A	N / A	2006-2012: 279,733	653,222	7.2%
2014	9,336,979	N / A	238,661	70,914	637,427	6.8%
2015 (c)	9,568,807	N / A	238,661	222,432	637,427	6.7%
2016	9,807,468	N / A	238,661	222,432	653,656	6.7%
2017	10,046,129	168,500	238,661	222,432	669,885	6.7%
2018	10,284,790	22,100	238,661	222,432	686,114	6.7%
2019	10,523,451	56,400	238,661	222,431	702,343	6.7%
2015 - 2019 Change / Average	1,193,305; 238,661 per year	247,000; 21% of total	1,193,305	1,112,160; 222,432 per year	142,399	(0.0%)

- (a) Assumes that 100% of Southpoint will be absorbed by the market due to pre-lease commitments;
(b) Conservatively assumes that 93.2% will be absorbed, average 6.8% vacant, by the market through 2019;
(c) Includes Menards and Bauer Farms additions in 2015 that are fully absorbed.

These projections assume that all major outstanding commercial projects will be built by 2020 (see Table IV-A) and that each phase of Southpoint will be fully occupied in the year opened as each anchor and our parcel will be preleased prior to construction. They also assume that space vacated by relocations within Lawrence to Southpoint will be re-occupied by other commercial tenants by 2019.

This retail market study has been prepared exclusively for the use of Collett and the City of Lawrence in planning a commercial development in Lawrence, Kansas. Otherwise, any use or reproduction of the material in this study without the expressed consent of RICHARD CAPLAN & ASSOCIATES is prohibited.

August 14, 2015
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Southpoint Retail Market Study

Addendum:

Economic Impact on the City of Lawrence

August 16, 2015

City of Lawrence Property Taxes

In 2014, the property tax mill levy for land within the City of Lawrence was 124.808 mills. Of this total, 23.7% of this total, 29.534 mills is the City of Lawrence share of the total and remitted to the City of Lawrence. Southpoint will pay **\$207,138 per year** (in 2015 dollars) to the City of Lawrence in property taxes for 46.10 acres upon full build out of the project.

The following table summarizes by the property tax payments by year beginning in FY 2018 through Southpoint build out projected in FY 2020.

The major assumptions for these figures are based on the average assessed values assigned by the Douglas County Appraiser's Office for comparable, recently appraised commercial land and commercial buildings in the City of Lawrence in 2015 and are described following Table A - 1.

Table A - 1
Southpoint Property Taxes to the City of Lawrence

Fiscal Year	Land (a)	Improvements (b)	City of Lawrence TOTAL TAXES
2018	\$86,558	\$82,260	\$168,818
2019	\$86,558	\$93,048	\$179,606
2020	\$86,558	\$120,580	\$207,138

Source: City of Lawrence, Douglas County Assessor.

Assumptions:

- (a) The assessed value of the land will average \$250,000 per acre.
- (b) The assessed value of the improvements will average \$65.00 per square foot of improvements.

Douglas County Projected Employment

Southpoint will generate **442 direct employment** opportunities in Lawrence and Douglas County upon full build out of the development.

Restaurant and hotel employment figures are based on national industry averages adjusted for the State of Kansas. Retail employment is based on the actual average retail employment per square foot in Lawrence. The following Table A -2 summarizes these employment figures by job category and year available.

**Table A - 2
Southpoint Employment by Labor Market Category**

Year Opened	Retail Services	Food Services	Office Workers	TOTAL JOBS
2017	202	27	0	229
2018	9	76	10	95
2019	56	47	15	118
2019 Total	267	150	25	442
% of Total	60%	34%	6%	

Source: National Restaurant Association; Kansas Department of Labor; Bureau of Labor Statistics.

Mitigation Plans for Baker Wetlands

KDOT worked with the USACoE, FHWA, Baker University, and the public to develop wetland mitigation plans for this area. The mitigation agreement includes:

- More wetlands will be created. To replace approximately 58 acres of wetlands and habitat impacted, the state will create or restore 317 acres.
- Habitat restored. 37 acres of Upland Prairie and 16 acres of Riparian Habitats will be preserved, restored or created.
- Enhanced educational facilities. A wetland education and research center will be built dedicated to studying the role of wetlands in the environment. The facility will be run by Baker University.
- Enhanced access.
- Hike and bike trails from Iowa Street to Haskell Avenue.
- Camp site for educational use and parking areas within mitigation area.
- Preservation of the Baker Wetlands for future generations. To assist Baker University in its role as steward of the wetlands, the state will provide an endowment to cover the maintenance, operations and administration of wetlands enhancements.
- Provide a single transportation corridor through a sensitive area. 31st Street will be located closer to the South Lawrence Trafficway to reduce noise and light impacts in the Haskell Wetlands.
- Reduce noise and light impacts. Haskell Avenue and Louisiana Avenue will be relocated farther from the original Baker Wetlands.
- Noise walls will be constructed through the wetlands to minimize freeway noise impacts.
- Additional measures include:
 - A narrower median (46' wide) will be used through the wetlands (vs. a typical 60' wide median).
 - Limits on highway lighting through the wetlands.
 - No disturbance of the east-west historic berm (just south of existing 31st Street).
 - No grubbing in the wetlands.
 - Special construction procedures to minimize disturbance of existing soils in the wetlands.
 - All highway runoff will be diverted away from the wetlands.

Economic Benefits

This six-mile, four-lane freeway is projected to have a regional economic benefit of \$3.7 billion, the greatest of any project under the T-WORKS program. KDOT determines economic benefit through use of a computer-modeling tool called TREDIS, which analyzes transportation benefits, including:

- Congestion relief
- Travel time savings
- Market access expansion
- Safety impacts
- Contingent development
- New population markets

The completion of the South Lawrence Trafficway represents the “final piece” in an otherwise efficient transportation system serving Douglas, Johnson and Shawnee counties, and an important step toward improving safety, reducing congestion, and supporting regional industry.

CONTACT INFORMATION

Kimberly Qualls
NE Kansas KDOT Public Affairs Manager
785.296.3881
kqualls@ksdot.org

For additional information on the SLT visit www.ksdot.org/TWORKS



South Lawrence Trafficway

moving forward

Fall 2012

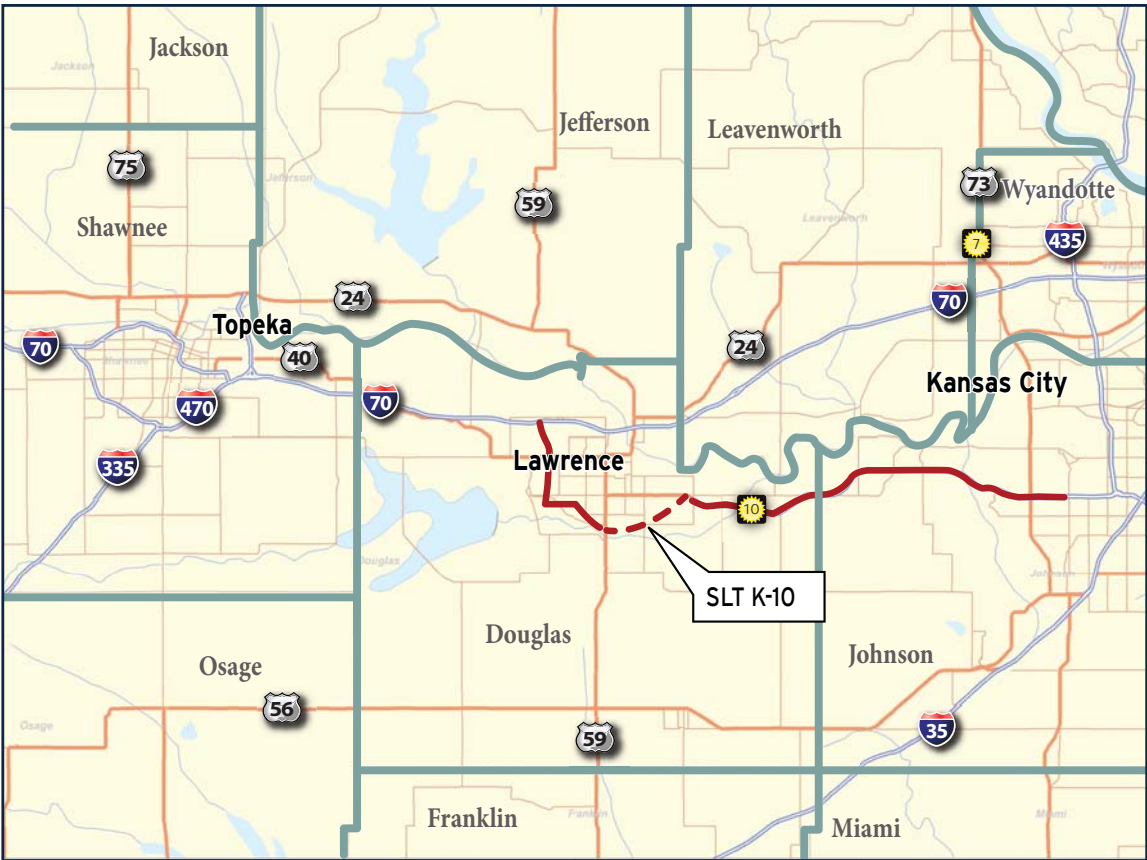


BY THE NUMBERS

- Location – Complete K-10 from South Junction of US 59/K-10 to East K-10
- Cost – \$150 Million Construction Cost Length – 6 Miles
- Economic Impact – \$3.7 Billion Benefit to the Kansas Economy
- Fall 2013 Begin Construction
- Fall 2016 Open to Traffic

As part of the 2010 T-WORKS transportation program, the South Lawrence Trafficway (SLT) was identified as the number one priority for the state of Kansas and has the highest economic benefit of all the projects in the T-WORKS program. After years of study, the SLT is moving forward.

K-10 and I-70 are vital links for the state - connecting Manhattan, Topeka, Lawrence and Johnson County. These corridors are paramount in supporting commerce, education and culture.



Study Goals

During the years of study, Kansas Department of Transportation (KDOT) examined in detail, twelve different alignment options including the option of doing nothing (“no build”). The detailed reviews evaluated each of the alternatives based on:

- Safety — projected crash rates
- Efficiency — congestion relief, volume of traffic diverted from city streets, length of alignment
- Environmental impacts — farmland impacts, visual and noise impacts, wetland impacts, cultural and historic

resource impacts (avoidance, minimization, and mitigation for impacts taken into account)

- Cost — construction, operation, and maintenance costs (“reasonable expenditure of public funds”)

Based on these criteria, two federal agencies, the Federal Highway Administration (FHWA) and the U.S. Army Corps of Engineers (USACoE) approved the preferred “32nd Street” alignment, which is shown above and in greater detail inside this brochure.

South Lawrence Trafficway Map

1. Complete diamond interchange at Iowa Street

2. Shared use path along north side of K-10

3. Relocate Louisiana Street south of 31st Street

4. Remove existing Louisiana Street

5. Relocated Louisiana Street goes over K-10

6. Relocated New Louisiana Street ties into existing Louisiana Street

7. Relocate Louisiana Street north of 31st Street, connects eastern sidewalk into new shared use path (under 31st Street and under K-10)

8. Remove existing 31st Street

9. Relocate 31st Street

10. Shared use path

11. Noise Walls (S. side of SLT and between SLT and relocated 31st Street)
12. Bridge over historic berm

13. Folded diamond interchange at Haskell Avenue

14. Eradicate existing Haskell Avenue

15. Relocate Haskell Avenue

16. K-10 over O'Connell Road

17. City 31st Street construction project/potential county 31st Street project

18. Fully directional interchange

19. K-10 over relocated E. 31st Street

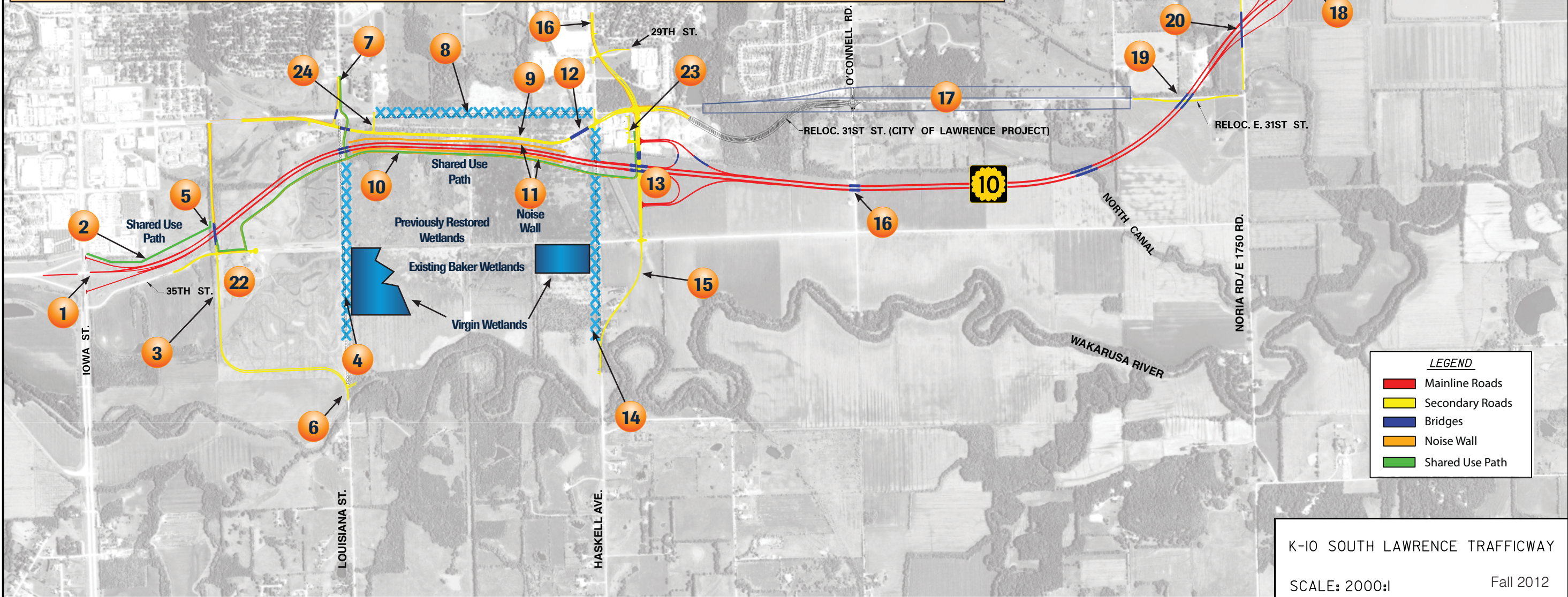
20. Noria Road/E. 1750 Road over K-10

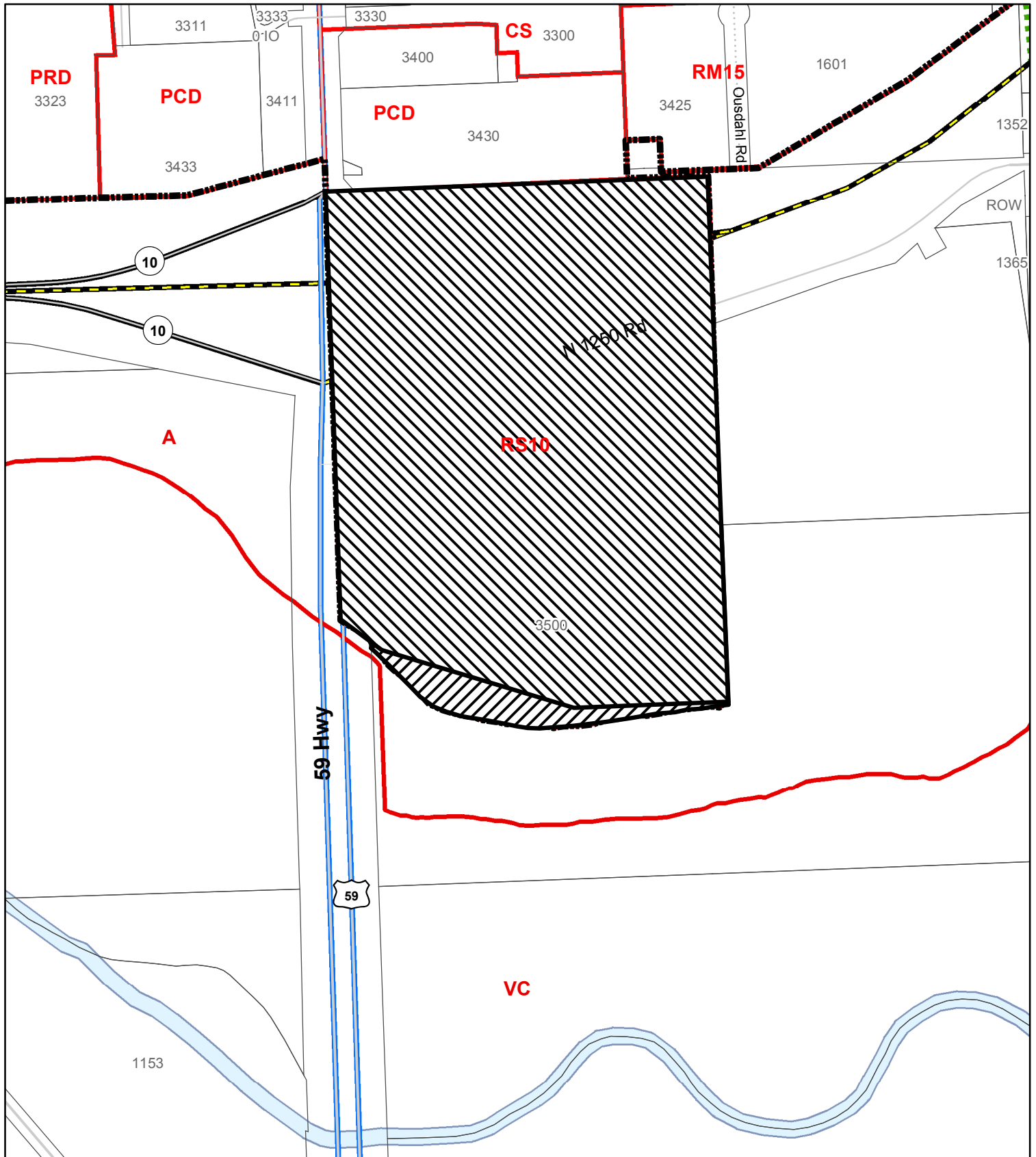
21. Noria Road/E. 1750 Road over 23rd Street

22. Wetlands education and research facility

23. Horizon Frontage Road

24. Firehouse entrance





Z-15-00327: Rezone 63.89 acres from RS10 District to CR District &

Z-15-00328: Rezone 2.61 acres from RS10 District to OS District

Located at Southeast Corner of US 59 Highway (Iowa Street) & East Leg of K-10 Highway





August 12, 2015

Dear Commissioner Britton and members of the Lawrence Douglas County Planning Commission, Mayor Farmer and members of the Lawrence City Commission
c/o Director of Planning Scott McCullough:

Some friends and I were sitting around talking the other afternoon after one of our get-togethers and the subject of the retail project that had been proposed for K-10 and South Iowa last summer came up in discussion. We were all fairly baffled as to why the project had not proceeded, and did a little research as to some of the issues surrounding this application. The result of our education was disappointment in the resistance we learned was directed toward the earlier project, and we wanted to share some thoughts with you to encourage you to approve the revised application.

The members of our group are between the ages of 55 – 75. Most of us are retired from professional careers. We continue to be involved in the community and support a variety of local social service and arts organizations through our contributions and service on boards. Those include organizations such as the Lawrence Art Center, the Lawrence Schools Foundation, Cottonwood, Bert Nash, the Boys and Girls Club, Rotary and many others. We love going to movies at Liberty Hall, eating at downtown restaurants, and frequenting our delightful mix of local retailers.

In addition to shopping downtown, we all also shop on South Iowa and we all shop in Kansas City. We collectively agree that we would like to shop less in Kansas City. If we had Old Navy, DSW, Home Goods and the mix of other stores that have made commitments to the Southpoint location, we would patronize those stores instead of spending those dollars at Oak Park, Town Center or the Legends. We understand the value of keeping our sales tax dollars local, and while none of us claims we would never shop in Kansas City again, we would definitely go less often and spend more money here if this project is approved.

Lawrence has struggled over the years to combat a reputation of being a hard place to do business. We see nothing but positives with this project and hope the developer gets a warmer welcome this time than was offered last summer. They seem to be professional and experienced and are requesting the opportunity to make a multi-million dollar investment in our community. They have commitments from numerous desirable retailers who want to be part of this project in this location. The project already received a positive recommendation from our professional planning staff last summer. This is being offered to us at a time when the state continues to cut funding for our schools and social services, and we are being asked to pick up those costs locally. We have among us retired teachers and are all strong supporters of public education. We support the city's plan to hire new police officers, build bike trails, and we support the homeless shelter and other not for profit organizations and agencies the city funds. Those are all desirable goals for our community that we should be able to afford without taxing ourselves out of our homes and businesses. This project would generate significant sales and property tax that could pay for many of the items on our community wish list. It is also our understanding that the developer is asking for an opportunity to make this multi-million dollar investment in our community without a request for any incentives.

We believe there are more than satisfactory answers to any and all of the objections and comments made against the project last year. These are as follows:

1. Competition with downtown. We do not believe this will be competition for downtown. We have even spoken with downtown merchants who do not believe this will be competition. In fact they believe that any project that keeps Lawrence shoppers in town rather than heading to Kansas

City will benefit downtown, and that downtown merchants will capture an additional share of the dollars we currently lose to other communities. Additionally, having multiple sites and opportunities for retailers to locate will keep retail rents at competitive market rates, which will in turn allow our wonderful eclectic mix of locally owned “mom and pop” downtown businesses able to continue to operate successfully.

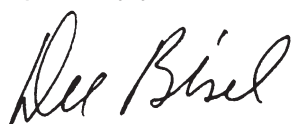
2. Competition with other developments. Retailers spend millions of dollars each year researching the best locations for their business to be successful. These retailers have determined their optimum chance for success is this south Iowa site. Other developments will evolve over time, and attract different businesses that are more compatible with their specific demographics. It is important to have a variety of sites for retailers to locate, just as it is important to have a variety of sites for industrial users to locate. That gives Lawrence the best opportunity to capture the most sales and property tax dollars, and generate the most jobs and employment opportunities, and keep rents affordable for all businesses.
3. Developing south of the SLT. For the last four decades I don't know that anyone really thought we would actually ever drive on this highway. It has only been within the last two years that this has started to become a reality. Additionally we are soon going to see increases in our water bills to pay for the new waste water treatment plant the city is currently constructing on the Wakarusa River. The Lawrence school district boundary ends at Rock Chalk Park to the north, but it goes south of the Wakarusa for several miles. The combination of these factors will open up significant area for future growth south of the river. There is no better location than the intersection of two major highways, K-10 and US 59, to locate an attractive shopping center that will welcome guests and residents to our community.
4. Size. We understand one of the biggest concerns was the size of the project. We have learned that it has been reduced by more than 50%, which should address any concerns regarding size.
5. Planning. Our research indicates the area plan already shows this site as being appropriate for retail; and the only thing the developer is asking is for a change to traditional retail rather than auto related retail. We have no shortage of gas stations or fast food restaurants in town, and don't ever leave Lawrence to buy gas or get fast food. We do however leave Lawrence to shop at the stores on the developer's list. Traditional retail makes much more sense at this location; it is more aesthetically pleasing, it captures more of our leaking sales tax dollars, and it will attract new visitors and shoppers to our community. We believe it is a completely appropriate land use for this site.

Our group gets together in various ways several times a month. We try to stay current with local events and activities, but we very rarely make any comment or speak up on issues. This discussion about this project, and our continued curiosity about its status evolved to the point we became interested enough to write to you with our thoughts. We believe we are like most Lawrence residents in this regard; we are always interested but not often actively engaged, and trust you as our elected and appointed officials to make decisions that represent our interests. This time we felt it important to let you know what those interests are.

Our interests are encouraging you to roll out the red carpet for this project and say “thank you” to this developer and to these retailers. We would commit to patronizing their stores and shift a great deal of our Kansas City shopping to their cash registers. We also believe that our dozen or so members are highly representative of hundreds (and even thousands) of people in our community who share our opinion about this, and we encourage you to approve this project.

You may have received this same letter from other members of our group, it was a collaborative effort based on our joint discussions. Thank you again for consideration of our thoughts.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Dee Biel". The signature is fluid and cursive, with the first name "Dee" being more prominent than the last name "Biel".

From: "Doug Brown" <dougbrown@askmcgrew.com>

Date: August 4, 2015 at 2:48:13 PM CDT

To: <clay.britton@yahoo.com>

Subject: SEC K-10 and Iowa Street

Hi Clay

I wanted to reach out to you and see if you had any concerns or comments on the captioned property slated for discussion at the August 24th Planning Commission meeting. I am part of the applicant group and we would very much appreciate your support. As you are no doubt aware, we did not receive a positive vote the last time we made application back in July of 2014. We listened to all comments and I believe we've made adjustments that will please the commission.

The main argument we heard at the last meeting in July of 2014 was that the project was too big. We have reduced the size of the project by around 60%. We still have commitments from our major tenants, so sales tax revenue, jobs and property tax should still be of strong benefit, not to mention construction jobs. But the size of the overall center is significantly smaller.

We are still not asking for any assistance from the city or county in the way of TIF, CID, TDD, etc. Other proposed developments cannot claim that.

The other main argument for not approving last year was "it is in the wrong place." We assumed from those comments that officials wanted to give the Mercato development a chance to find and bring new tenants to their project. We respectfully submit that The Mercato has now had 8 years to sign tenants to their project and as of the writing of this email, I am not aware of one tenant willing to locate in that project. We cannot tell retailers where to locate their stores. They tell us. And they are telling us they want to be at Southpoint, not Mercato. Mercato will no doubt be developed with the success of Rock Chalk Park in mind. But it will not attract these types of retailers, at least not for awhile. I'm guessing Mercato will attract motels, restaurants and smaller retailers who will cater to the weekend attendees at Rock Chalk. If Academy Sports, Marshalls Home Goods, Old Navy, Designer Shoe Warehouse and others were attracted to Mercato, they would be building there now. The site is approved and has been for years. These retailers are waiting for our development to be approved. And with your vote we can welcome them to Lawrence.

There was an argument made that this project should not be approved because it would require an amendment to Horizon 2020. Respectfully, Mercato also required an amendment to be approved and just recently required another amendment to be increased in size. Horizon 2020 has been amended over 40 times including the amendments for Mercato. And frankly, the amendment for this project is far less reaching than the ones for Mercato. This ground is already approved for commercial activity, we just want to broaden the use groups.

Someone said they thought this project would "kill downtown Lawrence." I heard the same argument when I brought Target to Lawrence in the '90s, as well as when we brought Kohl's, Home Depot, etc. These stores help Lawrence keep shoppers here, which benefits downtown. Also, Downtown Lawrence is healthier than it's ever been with more living units coming and more businesses eyeing it for development. I've lived here all my life and have been in the commercial real estate business for 28 years and I've never seen our downtown stronger.

Finally, as was discussed last year, this will become a "gateway" entrance to Lawrence. The zoning is already in place to allow car dealerships, car repair shops, convenience stores, truck stops, etc. I think we could all agree that a high end shopping area with beautiful amenities such as the ones we propose would be nicer at the entrance to South Lawrence than these already approved "vehicle related" uses. This will also be a nice amenity for commuters to Topeka and Kansas City traveling on the bypass.

Please let us know if you will not be able to attend this meeting. Last year we were very surprised that three commissioners were absent for our presentation and one had to abstain. Therefore, we only had six commissioners available to hear our comments. We'd very much like to be heard by all of you.

Thanks for your time on this. We appreciate all you do for our community by serving on this board. Please don't hesitate to contact me with comments or questions regarding this development.

Highest Regards,

Doug Brown
Senior Commercial Partner
McGrew Commercial
1501 Kasold Drive
Lawrence, Kansas 66047
785-838-8244 D
785-766-9355 C
785-843-2466 F
dougbrown@askmcgrew.com

"Principles mean more than any money or success"

McGrew

COMMERCIAL

From: Karen Cochran [<mailto:kccochran321@gmail.com>]
Sent: Tuesday, August 11, 2015 2:06 PM
To: Scott McCullough; clay.britton@yahoo.com; Jeremy Farmer
Subject: RE: South Iowa retail

August 2015

Dear Commissioner Britton and members of the Lawrence Douglas County Planning Commission, and Mayor Farmer and members of the Lawrence City Commission

c/o Director of Planning Scott McCullough:

Some friends and I were sitting around talking the other afternoon after one of our get-togethers and the subject of the retail project that had been proposed for K-10 and South Iowa last summer came up in discussion. We were all fairly baffled as to why the project had not proceeded, and did a little research as to some of the issues surrounding this application. The result of our education was disappointment in the resistance we learned was directed toward the earlier project, and we wanted to share some thoughts with you to encourage you to approve the revised application.

The members of our group are between the ages of 55 – 75. Most of us are retired from professional careers. We continue to be involved in the community and support a variety of local social service and arts organizations through our contributions and service on boards. Those include organizations such as the Lawrence Art Center, the Lawrence Schools Foundation, Cottonwood, Bert Nash, the Boys and Girls Club, Rotary and many others. We love going to movies at Liberty Hall, eating at downtown restaurants, and frequenting our delightful mix of local retailers.

In addition to shopping downtown, we all also shop on South Iowa and we all shop in Kansas City. We collectively agree that we would like to shop less in Kansas City. If we had Old Navy, DSW, Home Goods and the mix of other stores that have made commitments to the Southpoint location, we would patronize those stores instead of spending those dollars at Oak Park, Town Center or the Legends. We understand the value of keeping our sales tax dollars local, and while none of us claims we would never shop in Kansas City again, we would definitely go less often and spend more money here if this project is approved.

Lawrence has struggled over the years to combat a reputation of being a hard place to do business. We see nothing but positives with this project and hope the developer gets a warmer welcome this time than was offered last summer. They seem to be professional and experienced and are requesting the opportunity to make a multi-million dollar investment in our community. They have commitments from numerous desirable retailers who want to be part of this project in this location. The project already received a positive recommendation from our professional planning staff last summer. This is being offered to us at a time when the state continues to cut funding for our schools and social services, and we are being asked to pick up those costs locally. We have among us retired teachers and are all strong supporters of public education. We support

the city's plan to hire new police officers, build bike trails, and we support the homeless shelter and other not for profit organizations and agencies the city funds. Those are all desirable goals for our community that we should be able to afford without taxing ourselves out of our homes and businesses. This project would generate significant sales and property tax that could pay for many of the items on our community wish list. It is also our understanding that the developer is asking for an opportunity to make this multi-million dollar investment in our community without a request for any incentives.

We believe there are more than satisfactory answers to any and all of the objections and comments made against the project last year. These are as follows:

1. Completion with downtown. We do not believe this will be completion for downtown. We have even spoken with downtown merchants who do not believe this will be competition. In fact they believe that any project that keeps Lawrence shoppers in town rather than heading to Kansas City will benefit downtown, and that downtown merchants will capture an additional share of the dollars we currently lose to other communities. Additionally, having multiple sites and opportunities for retailers to locate will keep retail rents at competitive market rates, which will in turn allow our wonderful eclectic mix of locally owned "mom and pop" downtown businesses able to continue to operate successfully.
2. Competition with other developments. Retailers spend millions of dollars each year researching the best locations for their business to be successful. These retailers have determined their optimum chance for success is this South Iowa site. Other developments will evolve over time, and attract different businesses that are more compatible with their specific demographics. It is important to have a variety of sites for retailers to locate, just as it is important to have a variety of sites for industrial users to locate. That gives Lawrence the best opportunity to capture the most sales and property tax dollars, and generate the most jobs and employment opportunities, and keep rents affordable for all businesses.
3. Developing south of the SLT. For the last four decades I don't know that anyone really thought we would actually ever drive on this highway. It has only been within the last two years that this has started to become a reality. Additionally we are soon going to see increases in our water bills to pay for the new waste water treatment plant the city is currently constructing on the Wakarusa River. The Lawrence school district boundary ends at Rock Chalk Park to the north, but it goes south of the Wakarusa for several miles. The combination of these factors will open up significant area for future growth south of the river. There is no better location than the intersection of two major highways, K-10 and US 59, to locate an attractive shopping center that will welcome guests and residents to our community.
4. Size. We understand one of the biggest concerns was the size of the project. We have learned that it has been reduced by more than 50%, which should address any concerns regarding size.
5. Planning. Our research indicates the area plan already shows this site as being appropriate for retail; and the only thing the developer is asking is for a change to traditional retail rather than auto related retail. We have no shortage of gas stations or fast food restaurants in town, and don't ever leave Lawrence to buy gas or get fast food. We do however leave Lawrence to shop at the stores on the developer's list. Traditional retail makes much more sense at this location; it is more aesthetically pleasing, it captures more of our leaking sales tax dollars, and it will attract new visitors and shoppers to our community. We believe it is a completely appropriate land use for this site.

Our group gets together in various ways several times a month. We try to stay current with local events and activities, but we very rarely make any comment or speak up on issues. This discussion about this project, and our continued curiosity about its status evolved to the point we became interested enough to write to you with our thoughts. We believe we are like most Lawrence residents in this regard; we are always interested but not

often actively engaged, and trust you as our elected and appointed officials to make decisions that represent our interests. This time we felt it important to let you know what those interests are.

Our interests are encouraging you to roll out the red carpet for this project and say “thank you” to this developer and to these retailers. We would commit to patronizing their stores and shift a great deal of our Kansas City shopping to their cash registers. We also believe that our dozen or so members are highly representative of hundreds (and even thousands) of people in our community who share our opinion about this, and we encourage you to approve this project.

You may receive this same letter from other members of our group, so I want to let you know that it is the result of a collaborative effort based on our joint discussions.

Respectfully yours,

Karen Cochran

--

Karen Cochran

321 Woodlawn Drive

Lawrence, KS 66049

785-550-5052

kccochran321@gmail.com

From: Connie Friesen [<mailto:confriesen@aol.com>]
Sent: Tuesday, August 11, 2015 12:36 PM
To: Scott McCullough; Clay Britton; Jeremy Farmer
Subject: South Iowa project support request letter

August 11, 2015

Dear Commissioner Britton and members of the Lawrence Douglas County Planning Commission, Mayor Farmer and members of the Lawrence City Commission

c/o Director of Planning Scott McCullough:

Some friends and I were sitting around talking the other afternoon after one of our get-togethers and the subject of the retail project that had been proposed for K-10 and South Iowa last summer came up in discussion. We were all fairly baffled as to why the project had not proceeded, and did a little research as to some of the issues surrounding this application. The result of our education was disappointment in the resistance we learned was directed toward the earlier project, and we wanted to share some thoughts with you to encourage you to approve the revised application.

The members of our group are between the ages of 55 – 75. Most of us are retired from professional careers. We continue to be involved in the community and support a variety of local social service and arts organizations through our contributions and service on boards. Those include organizations such as the Lawrence Art Center, the Lawrence Schools Foundation, Cottonwood, Bert Nash, the Boys and Girls Club, Rotary and many others. We love going to movies at Liberty Hall, eating at downtown restaurants, and frequenting our delightful mix of local retailers.

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Lawrence has struggled over the years to combat a reputation of being a hard place to do business. We see nothing but positives with this project and hope the developer gets a warmer welcome this time than was offered last summer. They seem to be professional and experienced and are requesting the opportunity to make a multi-million dollar investment in our community. They have commitments from numerous desirable retailers who want to be part of this project in this location. The project already received a positive recommendation from our professional planning staff last summer. This is being offered to us at a time when the state continues to cut funding for our schools and social services, and we are being asked to pick up those costs locally. We have among us retired teachers and are all strong supporters of public education. We support the city's plan to hire new police officers, build bike trails, and we support the homeless shelter and other not for profit organizations and agencies the city funds. Those are all desirable goals for our community that we should be able to afford without taxing ourselves out of our homes and businesses. This project would generate significant sales and property tax that could pay for many of the items on our community wish list. It is also our understanding that the developer is asking for an opportunity to make this multi-million dollar investment in our community without a request for any incentives.

We believe there are more than satisfactory answers to any and all of the objections and comments made against the project last year. These are as follows:

1. Completion with downtown. We do not believe this will be completion for downtown. We have even spoken with downtown merchants who do not believe this will be competition. In fact they believe that any project that keeps Lawrence shoppers in town rather than heading to Kansas City will benefit downtown, and that downtown merchants will capture an additional share of the dollars we currently lose to other communities. Additionally, having multiple sites and opportunities for retailers to locate will keep retail rents at competitive market rates, which will in turn allow our wonderful eclectic mix of locally owned “mom and pop” downtown businesses able to continue to operate successfully.
2. Competition with other developments. Retailers spend millions of dollars each year researching the best locations for their business to be successful. These retailers have determined their optimum chance for success is this south Iowa site. Other developments will evolve over time, and attract different businesses that are more compatible with their specific demographics. It is important to have a variety of sites for retailers to locate, just as it is important to have a variety of sites for industrial users to locate. That gives Lawrence the best opportunity to capture the most sales and property tax dollars, and generate the most jobs and employment opportunities, and keep rents affordable for all businesses.
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Respectfully yours,

Connie Friesen
3604 Quail Creek Court
Lawrence, KS 66047-2133

From: joanwebgolden [<mailto:joanwebgolden@sunflower.com>]

Sent: Thursday, August 13, 2015 6:53 PM

To: Scott McCullough; Clay Britton; Leslie Soden

Cc: marilyn.bittenbender@colliers.com

Subject: South Iowa Project

Scott, Clay and Leslie:

I wanted to add my vote of support to the South Iowa Project.

I know you are getting letters from other ladies, voicing their support, so am not going to duplicate that message.

However, I believe that there is synergy from development and the re-sized development proposal will be a good draw to increase our retail sales tax base; and it will not take away from our vibrant downtown.

I understand this proposal will come before the Planning Commission on August 24, and then before the City Commission.

I appreciate your consideration and support of this project.

Joan Golden
1132 West Hills Pky
Lawrence, KS 66044
785-842-7544

**Sheryl K Jacobs
1524 Fountain Drive
Lawrence, KS 66047**

August 12, 2015

Dear Commissioner Britton and members of the Lawrence Douglas County Planning Commission,
Mayor Farmer and members of the Lawrence City Commission
c/o Director of Planning Scott McCullough:

Some friends and I were sitting around talking the other afternoon after one of our get-togethers and the subject of the retail project that had been proposed for K-10 and South Iowa last summer came up in discussion. We were all fairly baffled as to why the project had not proceeded, and did a little research as to some of the issues surrounding this application. The result of our education was disappointment in the resistance we learned was directed toward the earlier project, and we wanted to share some thoughts with you to encourage you to approve the revised application.

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You may have received this same letter from other members of our group, it was a collaborative effort based on our joint discussions. Thank you again for consideration of our thoughts.

Respectfully yours,

Sheryl Jacobs

From: Marcia O [<mailto:mho3413@earthlink.net>]
Sent: Wednesday, August 12, 2015 7:38 PM
To: Scott McCullough
Subject: South lawrence shopping center

I am very much in favor of the South Lawrence shopping center. Among many other things, I think it would keep many people from doing their shopping in KC. Lawrence could use and would support more good shopping.
Marcia Oelschlager

PRICE T. BANKS
ATTORNEY AT LAW, RETIRED
P.O. Box 442341
2018 CAMELBACK DRIVE
LAWRENCE, KANSAS 66047
785/766-5069
price@pricetbanks.com

TO: Lawrence-Douglas County Metropolitan Planning Commission
Amalia Graham (amalia.graham@gmail.com)
Jim Denney (denney1@sunflower.com)
Patrick Kelly (pkelly@usd497.org)
Pennie von Achen (squampva@aol.com)
Julia Butler (julia.v.butler@gmail.com)
Clay Britton (clay.britton@yahoo.com)
Bryan Culver (bcculver@gmail.com)
Bruce Liese (bruce@kansascitysailing.com)
Rob Sands (Robert.c.sands@gmail.com)
Eric Struckhoff (eric.c.struckhoff@gmail.com)

CC: Scott McCullough, Director, Planning and Development Services
(smccullough@lawrenceks.org)

FROM: Price T. Banks

DATE: August 24, 2015

RE: South Point Shopping Center

Please see the attached letter prior to tonight's Planning Commission hearing.

PRICE T. BANKS
ATTORNEY AT LAW, RETIRED
P.O. Box 442341
2018 CAMELBACK DRIVE
LAWRENCE, KANSAS 66047
785/766-5069
price@pricetbanks.com

August 22, 2015

City of Lawrence Planning Commission
PO Box 708
Lawrence, Kansas 66044

Re: South Point Shopping Center

Commissioners:

The purpose of this communication is to voice opposition to the South Point Shopping Center proposals before you that fly in the face of good planning practices, and violate the policies and principals set out in the Comprehensive Plan for Lawrence and Douglas County.

I have been asked by a law firm to consult with landowners and others about the staff report findings generally and about whether the simultaneous action to amend the Comprehensive Plan and to rezone the subject property reflects the goals of the Comprehensive Plan.

By way of introduction:

I hold a Bachelor's degree in Urban Planning, and a Master's degree in "Community Development from Michigan State University. I hold a JD from Cooley School of Law.

I was Planning Director for Lawrence and Douglas County for 12 years from 1982 to 1994.

I have been a professional Planner for 47 years, and practiced Land Use Law and Municipal Law for over 20 years. I've worked in dozens of communities in Kansas, Missouri and Michigan, and have served as a City Attorney, and as a County Administrator.

I've taught Planning classes at the Graduate School for Urban Planning at the University of Kansas.

I presided over the ad-hoc committee that drafted the original version of the current Kansas Planning & Zoning Enabling Legislation.

I have drafted Land Use regulations for many Cities and Counties.

I am writing to encourage the Planning Commission to engage in sound, accepted planning practices when dealing with the South Point applications, and to uphold the

tradition of planning excellence in Lawrence and Douglas County. Moreover, I urge you to resist being rushed into decisions that imperil the existing commercial properties.

Horizon 2020 is the result of years of study and dialogue of many of the true stakeholders in Lawrence and Douglas County. Those were not efforts to be taken lightly. Amendments to the Comprehensive Plan should follow the same procedures and involve the same stakeholders. While the Plan has been amended many times in relatively minor ways, more significant amendments were carefully studied, and were not adopted until the planning commission and the governing bodies determined that there was a community consensus.

Community planning was originally conceived so that citizens, public officials and property owners would have policies and procedures on which they could base decisions regarding investments, both public and private. It was conceived as a mechanism to improve the quality of life in a community. Although plans must not be set in concrete, they should not be changed whenever a proposal is inconvenienced by those plans. They need to provide a steadying feature to assist planners to achieve a positive influence on the quality of life in the community. If they are amended on a reactive basis, they become meaningless.

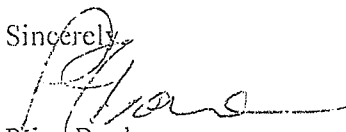
About thirty two years ago, Lawrence denied an application for commercial zoning for what became known as the "Cornfield Mall" at the site of the current proposal. That application was denied, and the courts affirmed the action, and affirmed the right of our community to map a future that could be depended on by the citizens.

In the present case, it is suggested that the purpose of the amendment is to bring Horizon 2020 and the Revised Southern Development Plan into alignment with the proposed commercial center.

That simply stated is putting the cart before the horse. A development proposal should be in alignment with Horizon 2020, or should not be considered. Any proposal needs to meet all of the criteria of the Plan or it should not be considered. Piecemeal leapfrog amendments to the Comprehensive Plan are not planning but are anti-planning, and take us back to the days when there was no planning at all.

The present proposal expands the regional center to intrude into lower intensity land uses including agricultural land and open space and regulated flood plain, and therefore is contrary to the provisions of the Comprehensive Plan. It meets none of the design criteria of the Plan. It expands the center far beyond the set maximum of 1.5 million square feet, and creates a precedent for additional expansion and a precedent for a gauntlet of strip commercial land uses, signs and the resulting traffic congestion.

I urge you to deny the request to amend Horizon 2020, and to preserve the tradition of excellent planning practice in Lawrence and Douglas County.

Sincerely,

Price Banks

August 23, 2015

Dear Commissioner Britton and members of the Lawrence Douglas County Planning Commission, Mayor Amyx and members of the Lawrence City Commission
c/o Director of Planning Scott McCullough:

I would like to express my support for the retail area being proposed for K-10 and South Iowa and encourage you to send it on to the city commission with a favorable recommendation.

We have a developer who is willing to invest their money in our community asking very little in return – only a zoning change from auto retail to general retail. What better place for this center than at a major intersection of two major roads. This center will keep shopping here in Lawrence and Douglas County as well as drawing from smaller communities around Lawrence.

This project would generate significant sales and property tax dollars that could help pay for many of the items on our community wish list. Many downtown merchants agree that this project will benefit their businesses and having additional shoppers, who make multiple stops in their shopping day, a positive for the city. Additional retail locations will keep the rents lower and benefit all of us.

Please give a favorable vote for the Southpoint development project.

Regards,

Jane Bateman
926 West 29th Street
Lawrence, KS 66046



LEAGUE OF WOMEN VOTERS®
OF LAWRENCE/DOUGLAS COUNTY

RECEIVED

AUG 24 2015

City County Planning Office
Lawrence, Kansas

August 22, 2015

President
Debra Duncan

Vice President
Cille King

Secretary

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Marjorie Cole

Directors
Margaret Arnold

Marci Francisco

Janice Friedman

Midge Grinstead

Carol Klintnett

Marlene Merrill

Marlaine Stoor

Austin Turney

Melissa Wick

TO: Mr. Clay Britton, Chair, and Members of the Lawrence-Douglas County
Metropolitan Planning Commission

RE: ITEM NO. 1 COMPREHENSIVE PLAN AMENDMENT TO HORIZON 2020
CHAPTERS 6 & 14 (JSC) CPA-15-00335: ITEM NO. 2A RS10 TO CR; 63.89
ACRES; SE CORNER SLT & US-59 (JSC) Z-15-00327: ITEM NO. 2B RS10 TO OS;
2.61 ACRES; SE CORNER SLT & US-59 (JSC) Z-15-00328.

The League of Women Voters is opposed to the request to amend Horizon 2020 and to rezone the acres under discussion. A Horizon 2020 Steering Committee has been updating the plan since February 2014 and they have received valuable public input along the way. The Committee next meets on August 31, 2015 to consider recommending that the Planning Commission, City Commission and County Commission accept their Issue Action Report. The League believes it would be irresponsible for the Planning Commission to acquiesce to a rezoning request until it has had the opportunity to accept and review the Steering Committee's Report.

Should the Committee decide to continue with the current agenda, we would like to point out that a quick perusal of two commercial realty websites identified 41 retail properties for lease in the city of Lawrence, including eight located in the downtown area. While several of those are small, one is 30,000 square feet and another 20,226 square feet. The vacant Discovery Furniture/Roommakers building on Iowa Street is 47,979 square feet and, of course Mercato, adjacent to Rock Chalk Park, is 600,000 square feet of vacant retail space.

For those reasons, we respectfully request that you deny the amendment to Horizon 2020 and the rezoning requests.

Sincerely,

Debra Duncan, President

Alan Black, Chairman Land Use Committee

August 24, 2015

VIA ELECTRONIC MAIL

Amalia Graham (amalia.graham@gmail.com)
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Lawrence-Douglas County Metropolitan
Planning Commission
City of Lawrence, Kansas
City Hall
6 East 6th Street
Lawrence, KS 66044

Re: South of K-10 Commercial and Retail Applications, CPA-15-00335; Z-15-00327; Z-15-00328

Dear Members of the Planning Commission:

I represent K-10/40 Development, L.C., whose managers have an interest in commercial properties in Lawrence, Kansas, including in downtown Lawrence and in the Mercato retail and commercial development at the northeast corner of Highways 40 (6th St.) and 10 in Northwest Lawrence. Tonight, the Commission will consider a Comprehensive Plan Amendment to Horizon 2020 Chapters 6 and 14 relating to an application for commercial development south of K-10, along with considering two rezoning requests affecting the same Project (the "Project"). For the reasons outlined here, the Commission should not recommend approval of the changes to the Lawrence Comprehensive Plan and related zoning.

The proposed Comprehensive Plan Amendment *does not conform* to certain Horizon 2020 policies. Staff acknowledges the proposed Project is a departure from the adopted form, level and type of commercial development envisioned for the site. Traditional neighborhood design is encouraged at this location and development should be undertaken in the form of Planned Development Overlays (p. 1-3), but these policies are proposed to be abandoned at the point in time they should be considered, that is, now (p. 1-3).

Further, staff notes in multiple places that a number of retail and commercial developments will be negatively affected by the Project because it could impact the timing of development for other properties (p. 1-2) and by potentially underserving the areas around these other locations (p. 2A-13). This includes Mercato and a number of other sites mentioned in the report, and there are businesses and locations that are not mentioned in the report. The pending requests veer from existing policies and implicate significant questions of public policy and planning.

These are not abstract considerations. There are approximately 1.3 million square feet of commercial inventory already available in the City (p. 1-9). The City should not change its Comprehensive Plan to add another 247,000 square feet -- what the Project applicants seek -- at the risk of damaging what exists.

Horizon 2020's goals and criteria for directing land use decisions center on the Nodal Development Concept for new commercial development (Horizon 2020, 6-2). Nodal Development is the antithesis of "strip development." Yet, tonight's proposed Comprehensive Plan Amendment and related zoning amendments would allow the extension of the already largest strip center in the City to jump across K-10 and into the flood plain.

Critically, staff states that the reason for the Comprehensive Plan Amendment is to "bring Horizon 2020 and the Revised Southern Development Plan into alignment with the proposed commercial center." But this approach assumes the Project itself should dictate what Horizon 2020 and the SDP should contain, rather than the other way around, that is, that the City's policies should dictate whether the Project is appropriate. This is a significant and sharp departure from public policy and Horizon 2020.

The direction established in Horizon 2020 for this location is that regional commercial "shall not" occur south of K-10. K-10 is viewed in Horizon 2020 as a "barrier" to commercial development of the kind now being proposed.


The central issue for tonight is to address whether the City process and directives under Horizon 2020 are being followed. Staff recognizes that there has not been a change in public policy (see p. 1-17 of the report). That the City has been working with a task force to review Horizon 2020 establishes that it is premature to change or gauge public policy.

The Project proposed is smaller than the proposal disapproved by the Commission last year, but the same planning principles that applied to the denial then apply with as much force now. The Project proposed is a smaller but no less potent dose of the type of development that has not been contemplated by or authorized under the City's Comprehensive Plan, and staff acknowledges that nearby properties will be entitled to further commercial development (p. 2A-13).

Members of the Planning Commission
August 24, 2015
Page 3

The proper focus for the Project plan is against the backdrop of the City's Comprehensive Plan policies and goals. We urge the Commission to adhere to Horizon 2020 and to vote against this Project until the public process has been properly engaged.

Very truly yours,



Mary Jo Shaney

MJS:hkm

cc: Scott McCullough, Director, Planning and Development Services,
via e-mail smccullough@lawrenceks.org
James C. Bowers, Jr., Esq., via e-mail jbowers@whitegoss.com

From: Heidi Simon [<mailto:heidi.j.simon@gmail.com>]

Sent: Friday, August 21, 2015 4:42 PM

To: clay.britton@yahoo.com; Patrick Kelly <PKelly@usd497.org>; Amalia.graham@gmail.com; Julia.v.butler@gmail.com; bculver@gmail.com; Robert.c.sands@gmail.com; Denney1@sunflower.com; squampva@aol.com; bruce@kansascitysailing.com; Eric.c.struckhoff@gmail.com

Cc: mikeamyx515@hotmail.com; lsoden@lawrenceks.org; sboley@lawrenceks.org; matthewjherbert@gmail.com

Subject: SouthPoint Rezoning

Dear Commissioners,

First, I want to thank you for your time and commitment to Lawrence in your planning commissioner roles. What you do matters greatly to our amazing city and I know you fulfill this role with little recognition and appreciation. So, thank you!

I am writing today because I can't be at the meeting on Monday and I want to voice my strong support for the approval of the items on your agenda to rezone the Southeast corner of SLT and US-59.

I did attend the meeting last year and I was disappointed when the vote conversation turned from "rezoning" to how people feel about the development. My take on the vote is the following:

1. This area is already zoned for some type of commercial use. A vote for this is simply changing the type of zoning from auto-related to regional commercial. There will be development in this area. The question becomes what do we want this commercial development to add to our community (both visually and in tax dollars). I love me some Lawrence, KS, but one of my least favorite first impression/gateways to our city is the east 23rd st./K-10 entrance. All of the businesses along this corridor are great for Lawrence, however they just don't create a very welcoming entry point to Lawrence. I'm afraid if we keep the current zoning on the Southeast corner as auto-related, we will indeed have another E. 23rd st. entry to Lawrence.
2. Other developers in town might suggest that changing this to regional commercial will take away from other areas that are already zoned for this use. Before the Rock Chalk Park development I might have supported this thought. However, since RCP it is clear to me that area has special opportunities for development that won't work in other areas of the city. It is my personal belief that the RCP area would benefit most from hotels, restaurants and movie theatres. Not to mention, retail wants to be by other retail. I believe this be one of the biggest reasons it's not already developed. So even if we want this to happen, we can't make the retailers want this.
3. Tax dollars. I'm not sure if the developers estimates are exactly correct on the amount of money this development will bring to our city, but I know it's more than zero, which is the current amount. We are in desperate need of dollars staying in our city and coming into our city. I read somewhere that some say the stores coming in won't bring in more money, it will just shift it from other businesses in Lawrence. Although this may happen in few instances, it is a fact that millions of dollars leave our community for the exact type of stores that this development will be adding. I am an example of this and pretty much everyone else I know is too. This will keep money in Lawrence and will add money to Lawrence from our smaller communities surrounding us.
4. It is my understanding the developers are not asking for any tax breaks or incentives. This is unheard of. How can we turn this down when we so desperately need more tax dollars to come to and stay in Lawrence and on top of it they aren't asking for tax breaks?
5. I miss Old Navy.

At the end of the day, this really comes back to my first point. Do we want this to be auto-related or regional commercial? I want this commercial area to add tax dollars and a well-planned/designed/sculptured/landscaped area. Let's get this right.

Thank you for your time and I would be grateful to receive a response that you have at least read this email.

Heidi Simon
5503 Chameny Ct.
Lawrence, KS 66049

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August 21, 2015

Lawrence-Douglas County Planning Commission
City of Lawrence, Planning & Development Services
P.O. Box 708
Lawrence, Kansas 66044

**Re: Supplemental Memorandum to the Lawrence-Douglas County
“Planning Commission Report” for the August 24, 2015 Planning
Commission Meeting**

Dear Chairman Britton and Members of the Planning Commission:

I am writing on behalf of Collett in support of the opportunity the Commission has at its August 24, 2015 meeting to consider and recommend approval of the following agenda items:

- Item 1:** Comprehensive Plan Amendment to Horizon 2020 Chapters 6 & 14;
- Item 2A:** Rezoning from RS10 to CR at the Southeast Corner of SLT & US-59; and
- Item 2B:** Rezoning from RS10 to OS at the Southeast Corner of SLT & US-59.

Each of the foregoing applications was filed by Landplan Engineering on behalf of the owners of the subject property, Armstrong Management and Grisham Management (collectively, the “Applicant”). After withdrawing its previous application to address concerns stated at the prior Planning Commission hearing that the project be scaled-down, the Applicant has reduced the proposed development consistent with the Planning Commission’s comments.

INTRODUCTION

By recommending approval of the three (3) requests above, the Planning Commission has an opportunity to benefit the entire City of Lawrence by creating expanded shopping opportunities that will prevent existing spending from exiting Lawrence and draw *new* dollars to the City, which will increase City sales and property tax revenues (to the tune of nearly \$1.5 million annually), and create nearly 500 new jobs for Lawrence and Douglas County residents.

But perhaps more importantly, SouthPoint presents the ideal opportunity to create an attractively-designed, graciously-landscaped southern “gateway” to the City of Lawrence at the

doorstep of the new K-10 expansion. The proposed shopping center generally complies with the long-term vision set forth in Horizon 2020, and enumerated in the Land Development Code, yet improves upon that vision, and brings it in-line with the significant opportunity that exists to grow Lawrence's retail market.

PLANNING COMMISSION REPORT

Upon receipt of staff's Planning Commission Report on August 18, 2015 (the "Staff Report"), the Applicant was pleased that staff recommended approval of all three (3) applications. In addition to staff's findings regarding the potential "positive effect on the City's pull factor and tax revenue" (Item No. 1-1), the Applicant generally agrees with the conclusions of the Staff Report. This memorandum is intended to highlight, and in some instances clarify, a few of the facts and findings contained therein.

A. The Current Zoning (RS10) is Inappropriate for the Subject Property and was Merely Intended to Serve as a "Holding Zone"

As noted in the Staff Report, the existing residential zoning designation is a remnant of a past practice to apply low-density residential zoning *automatically* upon annexation. *See e.g.* Staff Report, at Item No. 2B-9 ("In 1979, as properties were annexed into the City Limits, the RS-1 district was commonly used as a holding zone.").

Thus, a residential zoning designation was never intended to be the permanent zoning for the site, nor is it the most effective use of this highway-interchange location or a desirable spot to place single-family homes.

In fact, Horizon 2020 already prescribes a very high intensity use for the site (auto-related commercial). The question is not *if* the site should be rezoned, but which of the two options before you (auto-related commercial or regional commercial) is the more appropriate alternative.

B. The Requested Comprehensive Plan Amendment Represents a Lateral Move to a Similar-in-intensity, But More Appropriate and Desirable Alternative for the Southern "Gateway" to the City

As set forth at Item 1-2 of the Staff Report, the Applicant is requesting that Horizon 2020 be amended to change the future land use designation from Auto-Related Commercial to Regional Commercial. These uses are essentially equivalent in terms of intensity and are subject to many of the same provisions under Horizon 2020. There is one major difference, however, in that auto-related commercial centers are not particularly attractive, and typically comprise small service buildings and large car lots and truck plazas. This stands in contrast to the attractively-designed and graciously-landscaped southern "gateway" that SouthPoint offers.

As the Staff Report explains:

SouthPoint will “provide a more substantial buffer for the Wakarusa River riparian areas,” and “[t]he public stands to gain . . . through preservation of a linear connection of the riparian lands leading into the Baker Wetlands.” *See* Staff Report, at Item No. 2B-1, -12.

In addition to the economic, aesthetic and environmentally-conscious factors that make SouthPoint a preferable alternative to an auto-related commercial center, the City has experienced significant redevelopment of auto-related commercial uses in recent years. Dealerships such as Briggs Subaru, Lawrence Kia, Jack Ellena Honda, Crown Toyota and Dale Willey Automotive have all invested significant additional capital toward enhancing and/or expanding their current locations. The result of this redevelopment is a limited demand for auto-related uses at the corner of SLT and US 59.

The Lawrence *retail* market, by contrast, is primed to see significant growth in the next few years through appropriate development, such as extending the South Iowa Regional Commercial Center to its logical southern terminus at SouthPoint. A commercial zoning designation *not* restricted to auto-related uses is the much more appropriate and desirable alternative.

C. SouthPoint Embraces the Significant Opportunity that Exists to Grow Lawrence’s Retail Market

According to a recent study by Caplan & Associates, SouthPoint is the ideal location for a retail development based on a variety of factors. With the addition of national retailers who do not yet serve Douglas County shoppers and its prime location adjacent to Lawrence’s largest commercial district, SouthPoint is projected to increase City sales and property tax revenues by a combined \$1.5 million annually. *See SouthPoint Retail Market Study*, prepared by Richard Caplan & Associates, at 12 (Aug. 14, 2015) (attached to Staff Report as exhibit to Item No. 1). The development will also create expanded shopping opportunities and nearly 500 new jobs for Lawrence and Douglas County residents. *Id.*

SouthPoint is Designed to Attract New-to-Market Tenants. The Applicant has assembled a mix of tenants that will allow the shopping center to thrive in Lawrence’s retail market. As noted in the Caplan Study referenced above, Douglas County currently has a pull factor of 0.91, meaning the County “leaks” \$0.09 of every dollar to be spent elsewhere. Lawrence similarly ranks 17th out of the State’s 25 first-class cities. “Altogether, this leakage offers an opportunity for retail growth, especially among those sectors where the sales leakage is greatest.” *Id.* at 6.

Eight of the eleven major retail categories designated by NAICS are planned to be located at SouthPoint, including two of the poorest performing sectors in terms of pull factor:

NAICS CATEGORY	DOUGLAS COUNTY RETAIL PULL FACTOR	SOUTHPOINT TENANT
442 Furniture and Home Furnishings Stores	0.59	HomeGoods (Marshall's)
448 Clothing and Clothing Accessories Stores	0.62	DSW or Off Broadway Shoes

As framed by Caplan & Associates, this results in a “significant opportunity to increase Lawrence’s retail sales.” *Id.* at 11. SouthPoint seeks to take advantage of that opportunity by adding 237,000 square feet of retail space, an amount easily consumed by the market based on Lawrence’s demonstrated ability to absorb new commercial space.

The SouthPoint Project will be Absorbed at the City’s Historic Absorption Rate. According to the Caplan study, “the City has absorbed an average of 265,070 square feet since 2006.” *Id.* at 16. Lawrence has an approved unbuilt inventory of approximately 1,184,968 square feet, which increases to 1,431,968 square feet upon the inclusion of SouthPoint. But even in an unlikely scenario where “*all* of these projects are completed and phased into the local market by 2020 . . . this will result in adding an average increase of [only] 238,661 square feet per year,” an amount less than that averaged since 2006. *Id.*

Upon occupancy of SouthPoint, the city wide vacancy rate is, therefore, projected to drop from 7.2% to approximately 6.7%. These projections are actually quite conservative, however, in that they assume *all* approved unbuilt inventory will be completed and phased into the market by 2020. But as discussed in greater detail below, several of these undeveloped concepts are either unlikely to be completed in the near future, or involve commercial-retail categories that will not compete with any of the expected tenants at SouthPoint.

D. Unlike Various Entitled, but Undeveloped Commercial Areas in the City, SouthPoint is Ready to Break Ground in 2016 and Provide Lawrence Residents with New-to-Market, National Tenants Shortly Thereafter

Staff states that the “[p]roposal could impact the timing of development for other entitled, but entirely or partially undeveloped, commercial areas . . . thereby potentially under serving these areas of the community.” *Id.* at 2. It is important to clarify, however, that several of the development examples for this assertion are either unlikely to be completed in the near future, or involve commercial-retail categories that will not compete with any of SouthPoint’s tenants.

Menards is in the building materials and supplies category, for example, which “is not in competition with any of the expected tenants at SouthPoint.” *Id.* at 16.

The Mercato development, on the other hand, appears to need additional rooftops in the vicinity before retailers are willing to locate there. After attempting for several years to obtain tenants and move the project forward, the Commission has no evidence that Mercato will experience meaningful progress in the near future. There has been no public announcement of

tenants, nor have any development plans been submitted to the City. SouthPoint, by contrast, has tenants ready to go if it receives approval of the requested plan amendment and rezoning, and the Applicant plans to break ground in the Spring of 2016. These tenants recognize the significant opportunity that exists to grow Lawrence's retail market by being strategically positioned in a modern retail development at the southern entrance to the City.

E. SouthPoint Meets or Exceeds Each of the Requisite Factors Set Forth in the Land Development Code and Identified Under Kansas Case Law

Finally, from a purely legal and land use perspective, SouthPoint meets and/or exceeds each of the factors required to be considered under Section 20-1303(g) of the Land Development Code; the same factors identified by the Supreme Court of Kansas in *Golden v. Overland Park* as the quintessential items to be considered in making any rezoning determination.

SouthPoint is consistent with the character of the neighborhood and complements the zoning and uses of nearby properties. The current zoning is not at all conducive to maximizing the value of this uniquely-situated property, evidenced by the fact that the property, as zoned, has remained vacant and underutilized for more than thirty-five (35) years. The *rezoning* will, therefore, provide a benefit, rather than a detriment, to nearby properties, whereas denial of the application will harm the public by depriving Lawrence and Douglas County residents of the numerous benefits discussed in this memorandum. Finally, staff recommended approval of all three (3) applications upon finding, among other things, that "Horizon 2020 lists several key strategies that are applicable to the proposed development and support the proposed request." See Staff Report, at Item No. 2B-3.

CONCLUSION

SouthPoint will provide a number of benefits, including an attractive southern "gateway" to the City, increased sales and property tax revenues, expanded shopping opportunities and new jobs for Lawrence and Douglas County residents. It will facilitate completion of the much-needed public improvements that are currently underway, and the scope of the requested amendments meet and/or exceed the quintessential zoning factors established in *Golden v. Overland Park* and in the City's Land Development Code.

SouthPoint represents a lateral move to a land use that is similar-in-intensity, but much preferable to that currently contemplated by Horizon 2020. The development will have a positive impact on the retail market, and help to alleviate the leakage of retail sales currently experienced in Lawrence as well as in Douglas County.

For the foregoing reasons and others, we respectfully request that you recommend approval of all three (3) applications, as did staff.¹ We look forward to discussing the project further at the August 24, 2015 Planning Commission meeting.

Sincerely,



Dan Watkins

¹ For the exact wording of staff's recommendations with respect to all three (3) applications discussed in this memorandum, please refer to **Exhibit A** attached hereto.

EXHIBIT A

STAFF RECOMMENDATIONS

ITEM NO. 1:

COMPREHENSIVE PLAN AMENDMENT TO HORIZON 2020 CHAPTER 6, CHAPTER 14, AND TO THE REVISED SOUTHERN DEVELOPMENT PLAN (JSC)

*“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.”*

ITEM NO. 2A:

RS10 TO CR; 59.80 ACRES; SOUTHEAST CORNER SLT & US-59 HIGHWAY (JSC)

*“Staff recommends **approval** of rezoning 59.80 acres from RS10 (Single-Dwelling Residential) District to CR (Regional Commercial) District, and forward it to the City Commission with a recommendation for approval based on the findings of fact found in this staff report.”*

ITEM NO. 2B:

RS10 TO OS; 6.07 ACRES; SE CORNER SLT & US-59 HWY (JSC)

*“Staff recommends **approval** of the request to rezone 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 Highway based on the findings presented in this staff report, and forwarding it to the City Commission with a recommendation for approval, subject to the following condition:*

- 1. The following uses shall be prohibited:*
 - a. Public and Civic Use Groups:*
 - i. Community Facilities; Cemetery, Cultural Center/Library and Funeral and Interment, Utility Minor, and Utility Major*
 - ii. Recreation Facilities; Active Recreation and Entertainment & Spectator Sports, Limited*
 - b. Commercial Use Groups:*
 - i. Transient Accommodation; Campground*
 - ii. Parking; Accessory Parking*
 - c. Other Use Groups:*
 - i. Communication Facilities; Amateur & Receive-Only Antennas, Telecommunications Antenna, Telecommunications Tower and Satellite Dish*
 - ii. Recycling Facilities; Small Collection Recycling Facilities”*



August 21, 2015

Lawrence –Douglas County Planning Commission
C/o City Hall
6 E. 6th St.
Lawrence, KS 66044

RE: Proposed Retail Development at SLT and South Iowa

Dear Commission members:

I understand that the Lawrence-Douglas County Planning Commission will hear arguments for and against the proposed project for a new shopping center at the southeast corner of the SLT and Iowa Street interchange at its evening meeting on Monday, August 24th at City Hall. The Downtown Lawrence, Inc. board of directors has asked me to share their thoughts with the Planning Commission on this proposal.

In the past both the City Commission and the Planning Commission have been vigilant in maintaining Downtown Lawrence as the heart of the City. As far as this proposed project is concerned, we would ask the Planning Commission and the City Commission to continue this tradition of supporting locally owned, small and specialty businesses. Maintaining our retail mix and keeping Downtown vibrant and healthy are important not only to DLI but to our community as a whole. In the past year Downtown Lawrence has been named the number one tourist destination in the state by Trip Advisor and *Parade Magazine*, and the number two city for finding great local gifts by Yelp!. This is due in large part to the hard work of our local business owners and the excellent products and services that they offer.

Doubtless there are some advantages to welcoming new retail offerings to the community. As the discussion of it proceeds we would hope that the Planning Commission and the City Commission would be aware of the plans to include smaller, specialty businesses in the development and what effect that might have on downtown. Our goal and mission is to promote, preserve, and enhance this historic business district and to continue to engage the community and provide a place for locals and visitors alike to gather and enjoy our special brand of hospitality and tradition of unparalleled customer service.

Downtown Lawrence, Inc. would like to see the Planning Commission and City staff further explore this project including the various types of proposed retail businesses that might be included in it before any official recommendation or approval is determined. DLI wants to be an involved and active participant in the conversation as the conversation on this project proceeds.

Sincerely,

Sally Zogry
Executive Director