

PLANNING COMMISSION REPORT PUBLIC HEARING ITEM

PC Staff Report
7/21/14

ITEM NO. 4A ANNEX 102.64 ACRES; E SIDE OF S IOWA ST & S SIDE OF N 1250 RD (SLD)

A-14-00104: Consider a request to annex approximately 102.64 acres located along the east side of S. Iowa Street and the south side of N. 1250 Road (Armstrong Road). Submitted by Landplan Engineering PA on behalf of Armstrong Management LC and Grisham Management LC, property owners of record. *Initiated by City Commission on 4/8/14.*

STAFF RECOMMENDATION: Staff recommends approval of the requested annexation [A-14-00104] of approximately 102.64 acres located along the east side of S. Iowa Street and the south side of N. 1250 Road (Armstrong Road) based on the findings in the body of the staff report and forwarding this request to the City Commission with a recommendation for approval.

Applicant's Reason for Request: *The annexation request is part of a package of development applications, including two (2) rezoning requests and a comprehensive plan amendment, which propose the development of a retail/commercial center at this location. This annexation request is consistent with Annexation Policy #1, listed on page 4-5 of Horizon 2020, which states "Lawrence will actively seek voluntary annexation of land within the UGA as development is proposed." The subject property is located within Service Area 4 of the UGA.*

KEY POINTS

- Subject property is located adjacent to existing City Limits along the west and north property lines.
- This Annexation request is submitted concurrently with a comprehensive plan amendment and rezoning for commercial and open space uses.
- The property is located within the designated Urban Growth Area for the City of Lawrence and within the boundary of the *Revised Southern Development Plan*.
- The property, when combined with land in the City of Lawrence, is located at the intersection of two State Highways.
- Utility and street extensions are feasible to serve the property.

COMPREHENSIVE PLAN FACTORS TO CONSIDER

- The annexation request is compliant with the Growth Management and Transportation policies of the Comprehensive Plan.

ASSOCIATED CASES/OTHER ACTION REQUIRED

- CPA-14-00107
- Z-14-00105: 122 AC to CR/CR-FP
- Z-14-00106: 46.10 AC to OS-FP




Other action required:

- City Commission approval of annexation and adoption/publication of ordinance.

PUBLIC COMMENT RECEIVED PRIOR TO PRINTING

- General questions from the public clarifying the nature of the request and inquiring about specific businesses that may be located at this site.

Site Summary

Parcels included in annexation request:	3	
Gross area included in all development requests:	168.64 Acres ¹	
Gross area in to be annexed:	102.64 Acres	
Area to be annexed excluding Highway right-of-way	83.28 Acres	
Gross area encumbered by regulatory floodplain:	47 Acres (apx.)	

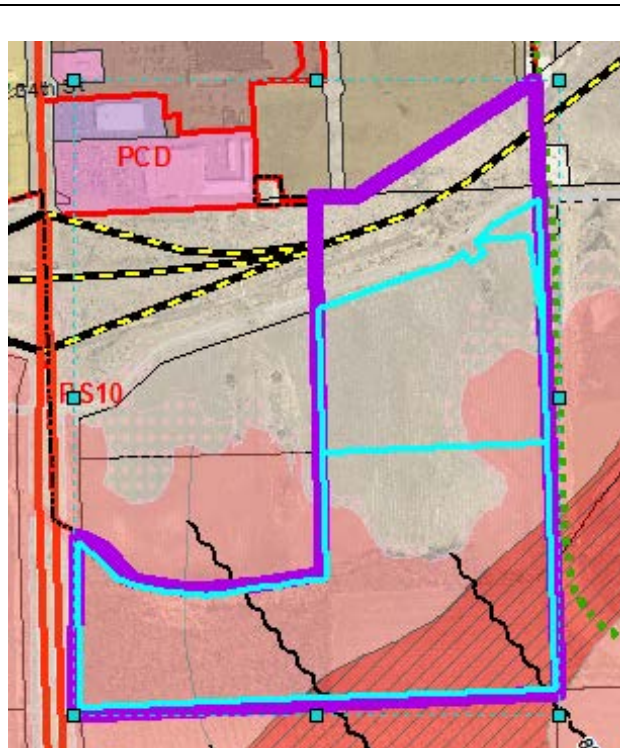


Figure 1: Boundary of Full Annexation Outlined in Purple

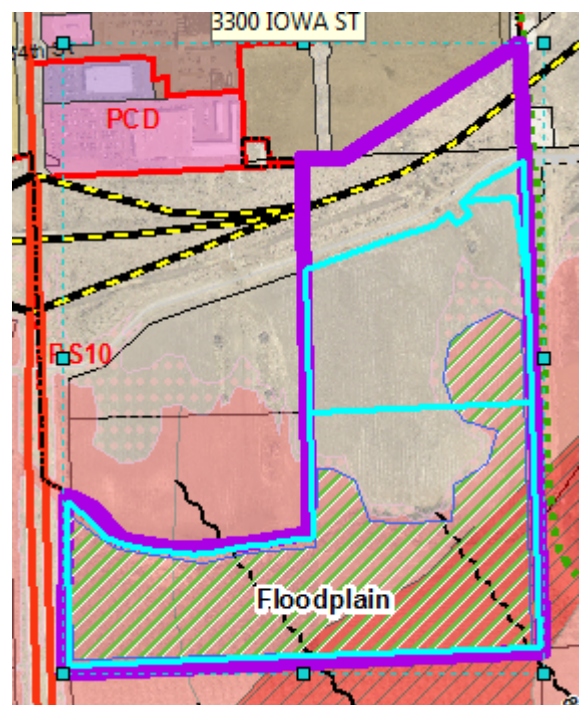


Figure 2: Proposed Annexation Excluding Right-of-Way outlined in Blue.

Subject property is located within Service Area 4 of the Urban Growth Area as defined in *Horizon 2020 [Map 3-1 Horizon 2020]*.

EXISTING CONDITIONS

The proposed annexation is a reversed “L” shaped property located along the south side of the South Lawrence Trafficway and the east side of Highway 59. The current zoning and land use is described for the land being annexed included in this application. A separate summary of the current zoning and surrounding land use will be included in the staff reports for each of the two related zoning applications Z-14-00105 and Z-14-00106.

Current Zoning and Land Use: A (County -Agricultural) District and VC (County – Valley Channel District); used for agricultural crop production.

¹ Acreage includes SLT right-of-way. Area less SLT right-of-way equal to 119.85 acres.

To the north: RS10 (Single-Dwelling Residential District along the south side of K-10 Highway Right-of-Way. RM15 (Multi-Dwelling Residential) District along the north side of K-10 Highway between Michigan Street and Ousdahl Road including area on the west side of Ousdahl Road. Agriculture uses and developing Highway. Uses along the north side of K-10 highway include an automotive dealership, a communication tower and vacant lots platted for multi-dwelling residential uses.

To the south: VC (County – Valley Channel District); agricultural uses.

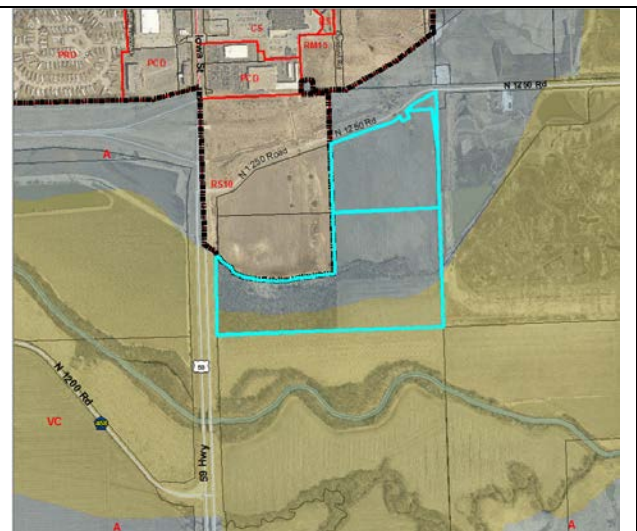


Figure 4: Existing Land Use

This annexation request is part of a larger 168-acre area development proposal. The 66 acres located at the immediate intersection of Highways K-10 and 59 is within the jurisdictional boundary of Lawrence. The annexation request extends the City Boundary to the south along Highway 59 and to the east along Highway K-10 to future Michigan Street, which is being constructed as part of the Highway K-10 project. Application documents include a conceptual plan showing the possible commercial development and lot division of the entire 168-acre area. A formal submission of a preliminary plat, final plat, and site plan will be made in the future, if the pending requests are approved.

Annexation Procedure

Kansas Law [*K.S.A. 12-519 et. seq.*] provides for annexation by ordinance of the City Commission. Lawrence City policy requires the Lawrence-Douglas County Metropolitan Planning Commission to review all annexation requests in excess of ten acres. This annexation request is accompanied by rezoning requests and a comprehensive plan amendment.

The City Commission received the annexation request on March 15, 2014 and forwarded the request to the City Commission for initiation on April 8, 2014.

The City of Lawrence Administrative Annexation Policy (AP-74) requires that the costs associated with compensation to a Rural Water District be paid pursuant to Kansas Statutes. The property included in this request is located in a part of the county that is not served by any Rural Water District. However, Rural Water District 2 has infrastructure located within existing right-of-way for this area. If the annexation request is approved, staff will coordinate any additional processing related to rural water district compensation.

COMPREHENSIVE PLAN

The subject property is located within Service Area 4 of the Urban Growth Area as shown in Map 3-1 of *Horizon 2020*. Service areas are defined in Chapter 4, Growth Management, *Horizon 2020*. A key feature of the plan states:

The Plan promotes development in the UGA through an adopted annexation policy which anticipates well-planned development of fringe areas.

Urban Growth Areas are those areas designated in Douglas County that surround incorporated cities and where the plan “*directs development*” to be located. Specific Growth Management policies are located in Chapter 4, *Horizon 2020*. Policies that are supportive of the property being annexed are as follows:

GOAL 1: Establish Urban Growth Areas

Policy 1.3.2: Nonresidential Land Uses

- b. *Non-residential developments should be developed in a planned manner with respect to adjacent uses, common access and integration of uses with the surrounding neighborhood.*
- c. *Location of non-residential uses should occur only at designated nodes of intersecting street/roads.*
- e. *Environmentally sensitive areas within the UGA should be protected, conserved and incorporated within the design context of a proposed development.*

Policy 1.4: Establish Utility Extension Policy for Newly Annexed Areas

- b. *Proposed developments based on planned growth areas will be given priority over proposals inconsistent with utility plans.*

GOAL 3: Annexation Policy

To implement the goals of the Comprehensive Plan, to provide for the orderly development of the community and to provide areas of land which will receive municipal services that can accommodate the residential, commercial and industrial growth of the community, it will be necessary to annex additional land into the incorporated municipal boundaries of Lawrence, Eudora, Baldwin City and Lecompton.

Policy 3.1: Areas Immediately Adjacent to the City Limits

- a. *Areas immediately adjacent to municipalities (Lawrence, Eudora, Baldwin City and Lecompton) should be encouraged to annex voluntarily if utility services are available to them.*

- b. Developments in need of the extension of city utilities or city services shall first be required to annex.*
- c. Properties within the UGA's should be encouraged to annex consistent with a service delivery plan.*

Plan policies support voluntary annexation, annexations that are consistent with planned infrastructure extensions, annexations that are adjacent to existing city limits and are within designated urban growth boundaries. This annexation request is consistent with the growth management policies found in *Horizon 2020*.

COMPLIANCE WITH ADOPTED AREA PLANS

The subject property is located within the *Revised Southern Development Plan*, a specific sector plan. This application is submitted concurrently with a comprehensive plan amendment application regarding commercial uses in the area. The plan amendment does not impact the suitability of annexation of this property. The *Revised Southern Development Plan* is discussed in detail in the related CPA and rezoning staff reports.

The plan addresses specific land use recommendations for residential, commercial, and open space uses as well as, gateways, landscaping signage and site specific development patterns. These elements are further discussed in the rezoning applications and will be included in future development related applications such as subdivision platting and site planning.

Infrastructure and Utility Extensions

Public Right-of-Way: The proposed annexation abuts Highway K-10 to the north, Highway 59 along the west and future Michigan Street along the east. Additionally, the applicant is working with KDOT and City staff to locate a mutually beneficial alignment for 35th street.

The Major Thoroughfares Map shows existing and future street network for arterial and collector streets. Upon full development, future Michigan Street will function as a minor arterial street and 35th Street will function as a collector street. Highway 59 is designated as a principal arterial street with Highway K- 10 designated as a freeway. In addition to the street network required to serve this area, adequate traffic control and intersection improvements are required. Signals, round-about and other geometric improvements pertaining to turn lanes will impact the total required right-of-way required both within the boundary of the development project and on adjacent property. The applicant, KDOT and City staff have been meeting to discuss specific concerns regarding access locations and intersection requirements for development of this area.

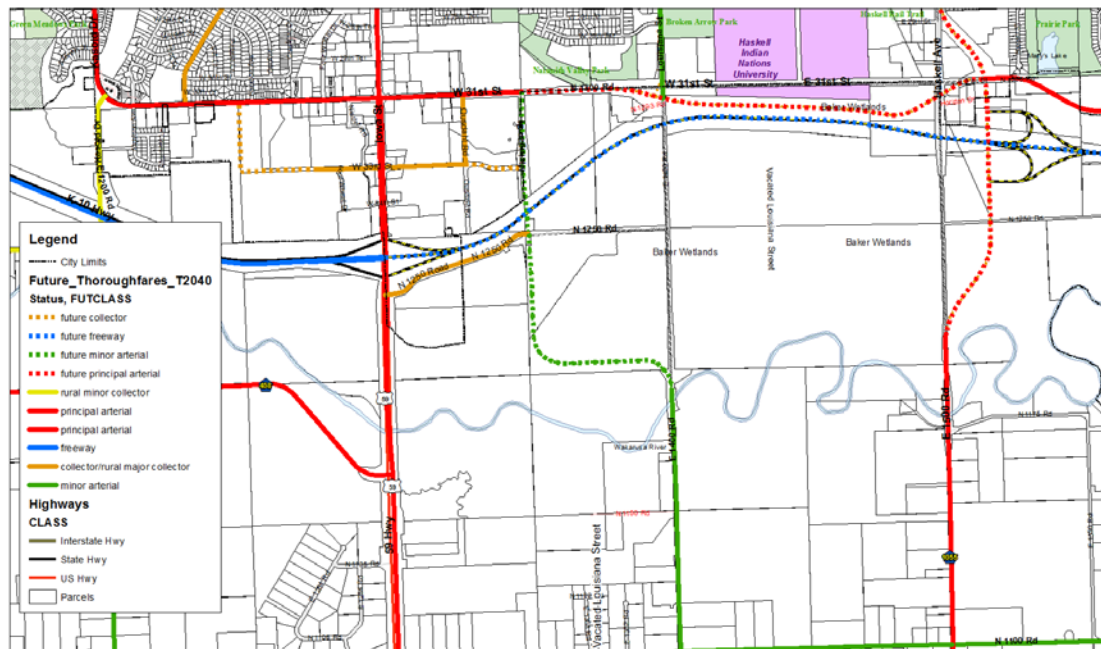


Figure 5: Future Thoroughfares Map

Right-of-way dedication will be required as the property develops and will be detailed as part of the subdivision process.

Development of this area includes improvements to the non-motorized network that include public sidewalks and bicycle lanes, paths, and routes. Some improvements will be included with the SLT project and others will be provided with the specific development of the subject property.

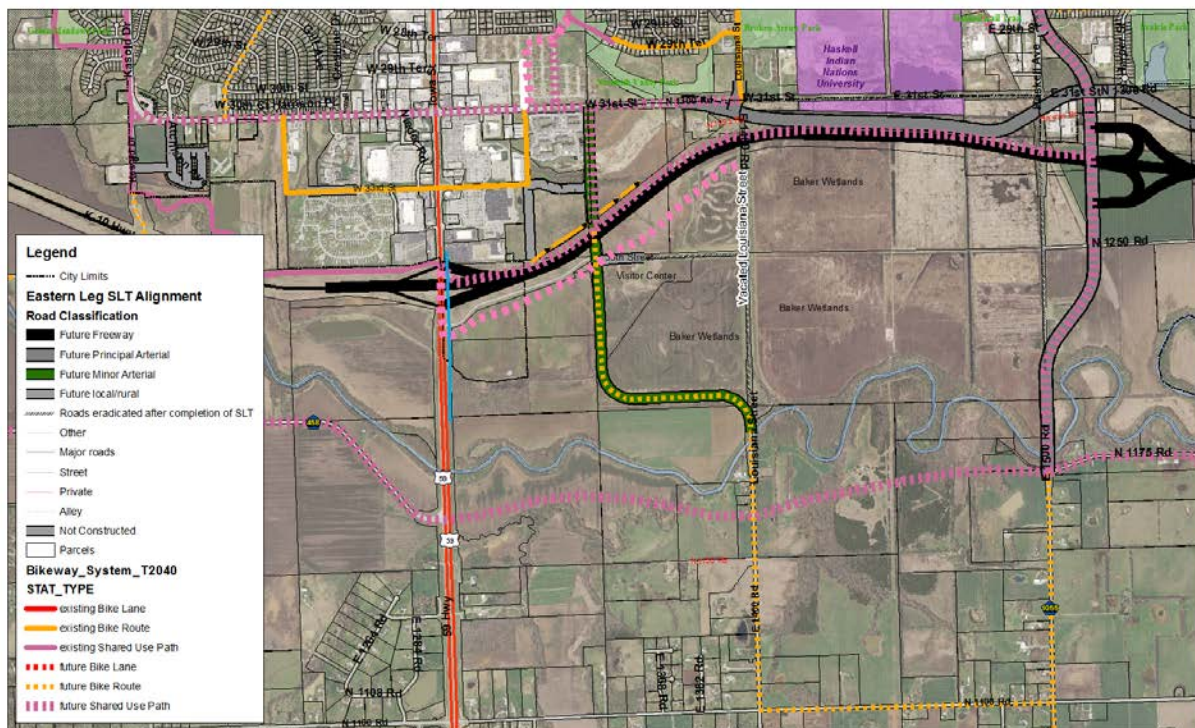


Figure 6: Street and Bikeway Network Map

Utility Extensions: Water and sanitary sewer line extensions are proposed in this area per the adopted utility master plans for these facilities. Development of the site does require extension of

water lines to the property and accommodation for a looped water system. A segment of the sanitary sewer is being relocated on the north side of Highway K-10 from Michigan Street up to 31st Street. Adequate capacity to this area will be available once the Wakarusa Wastewater Treatment Plant and Pump Station 10 are on line in 2018. These improvements are required concurrent with development of the subject property.

Final alignment of utilities, pipe sizes and timing will be coordinated with subdivision and public improvement plans for development of this area regardless of the type or intensity of development. Specific infrastructure costs are unknown at this time. There are no figures available at this time regarding estimated costs for utility extensions.

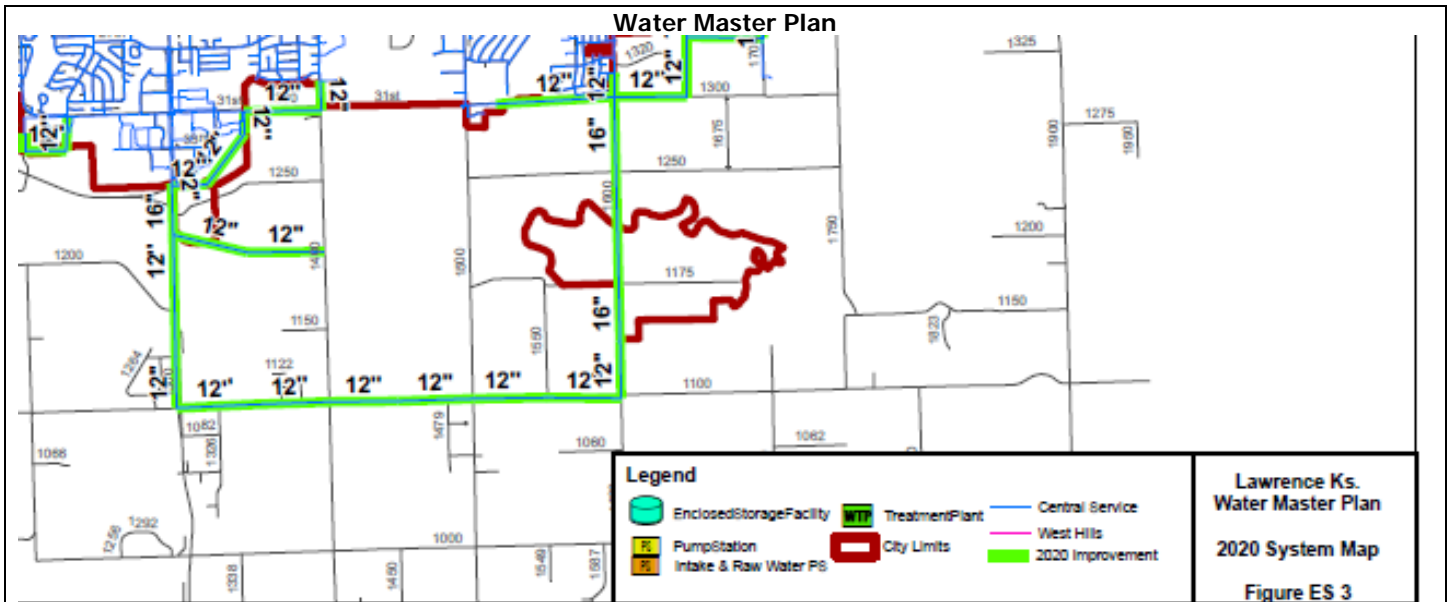
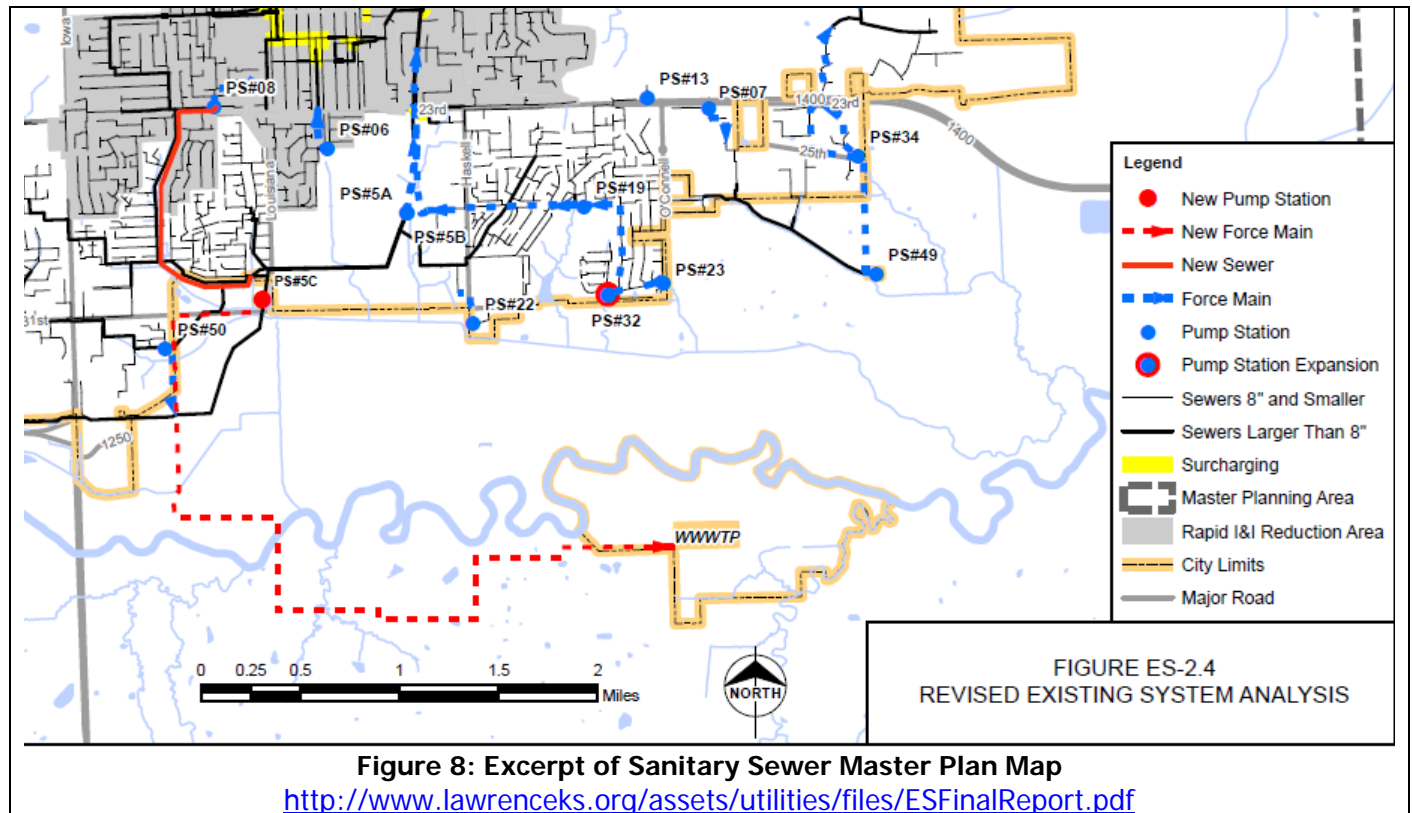


Figure 7: Excerpt of Water Master Plan Map

<http://www.lawrenceks.org/assets/utilities/files/Lawrence%20Water%20Master%20Plan%20Exec%20Summary%202012.pdf>

Sanitary Sewer Master Plan

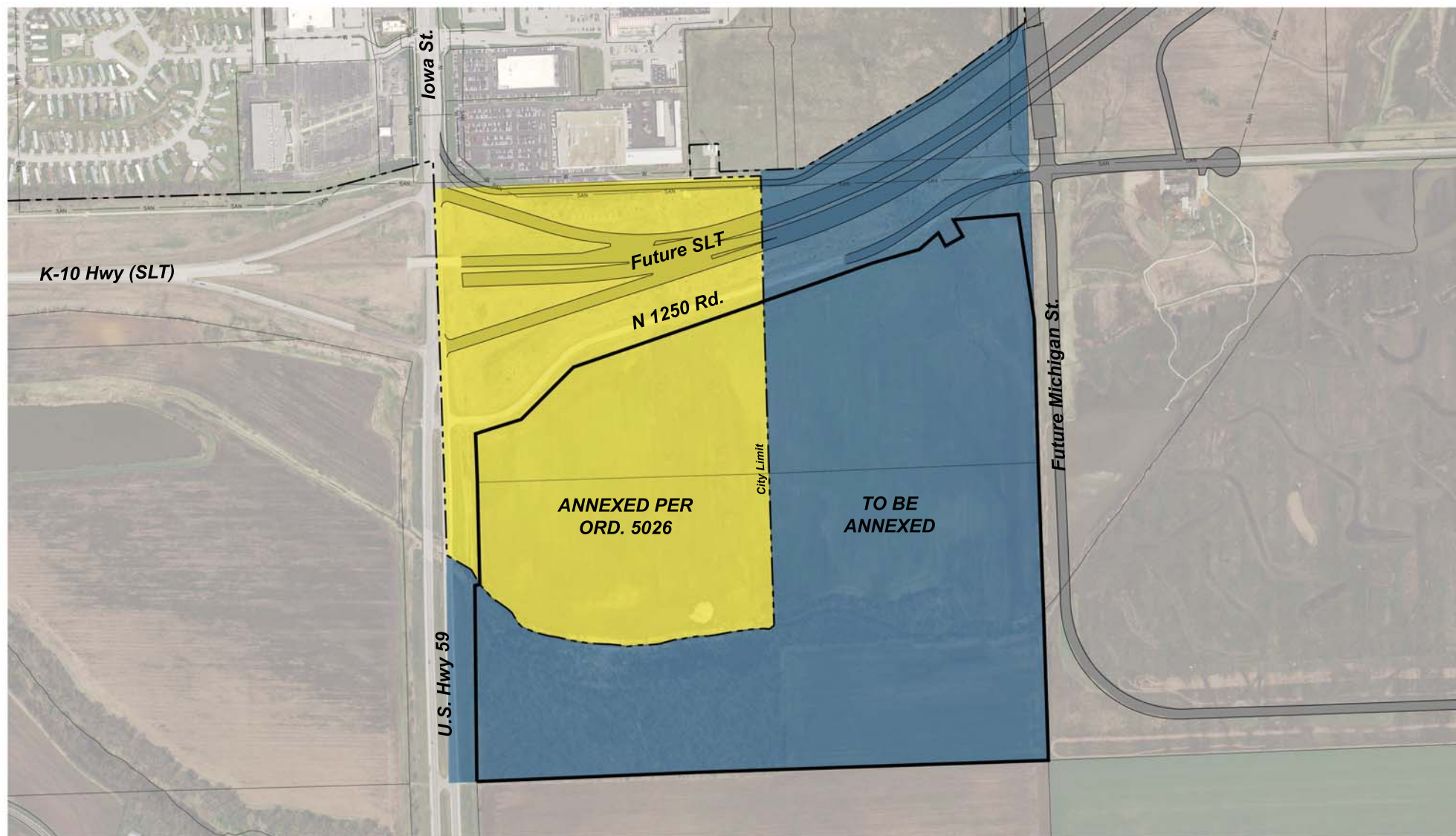


FUTURE DEVELOPMENT

This application was submitted with a concept plan showing a possible development option that includes the proposed annexation and an existing tract of land currently within the City Limits. This concept plan should not be taken to represent the ultimate development and final arrangement of lots, 35th Street alignment and intersection points. The concept plan, while a valuable tool to aid in the broad assessments of land use considerations, does not provide the level of detail needed to assess design criteria. The concept plan provides a lens by which to view the scope of anticipated needs to serve the type and intensity of development anticipated by the developer. Additional review through the subdivision process includes a statement regarding how public improvements are expected to be financed section 20-809 (f)(3)(iii). A preliminary plat has not been prepared for this property at this time.

CONCLUSION

The proposed annexation is compliant with recommendations of *Horizon 2020*. The subject property is located within the Lawrence Urban Growth Area and City services can be extended to this property; therefore, annexation is appropriate.

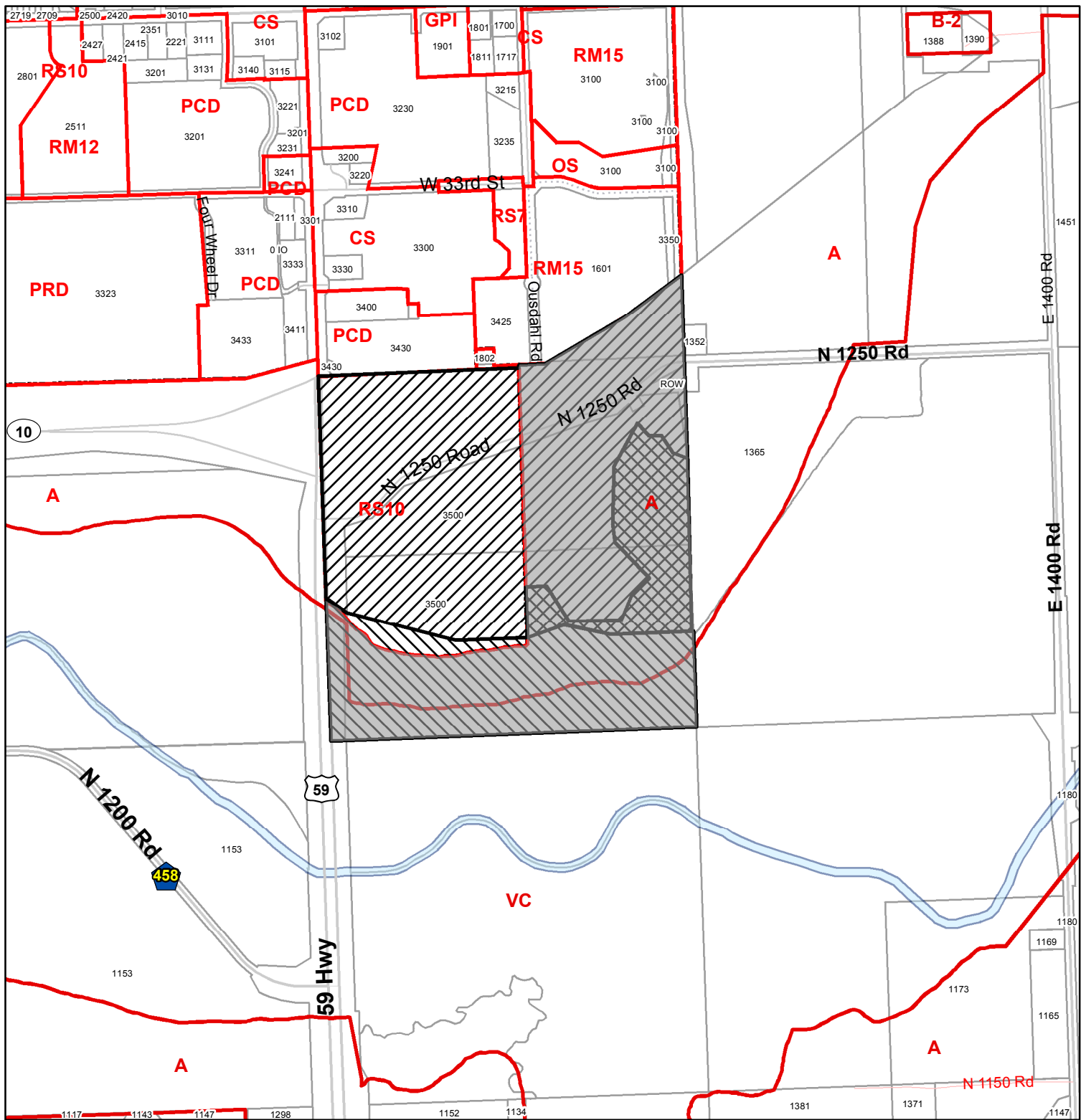


**SOUTHPOINT CENTER
ANNEXATION EXHIBIT**

ANNEXATION SUMMARY:

TO BE ANNEXED
TOTAL AREA: 102.64 AC.





A-14-00104: Annex approximately 102.64 acres

Z-14-00105: Rezone 122.96 acres from RS10 District and A District to CR/CR-FP District &

Z-14-00106: Rezone 46.1 acres from RS10 District, A District and VC District to OS-FP District

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



A-14-00104



Z-14-00105: A to CR-FP



Z-14-00105: RS10 & A to CR



Z-14-00106: A & VC to OS-FP



Memorandum
City of Lawrence / Douglas County
Planning and Development Services

TO: Planning Commission

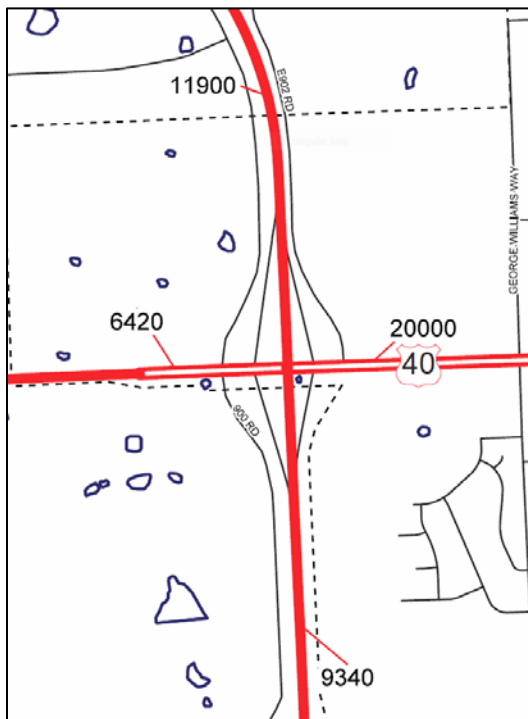
FROM: Jeff Crick, AICP, Planner II

CC: Scott McCullough, Planning and Development Services Director

Date: For the July 21, 2014 Planning Commission Meeting

RE: Requested Additional Information for CPA-14-00107, A-14-00104, Z-14-00105, and Z-14-00106

At the request of Commissioner Josserand, staff is providing information regarding traffic counts at the intersections of K-10/South Lawrence Trafficway & 6th Street and K-10/South Lawrence Trafficway & South Iowa Street. The following data is the Annual Average Daily Traffic for both directions, which is available from the [Kansas Department of Transportation](#):



**Figure 1: KDOT Traffic Counts (2013) for
6th St. at K-10**

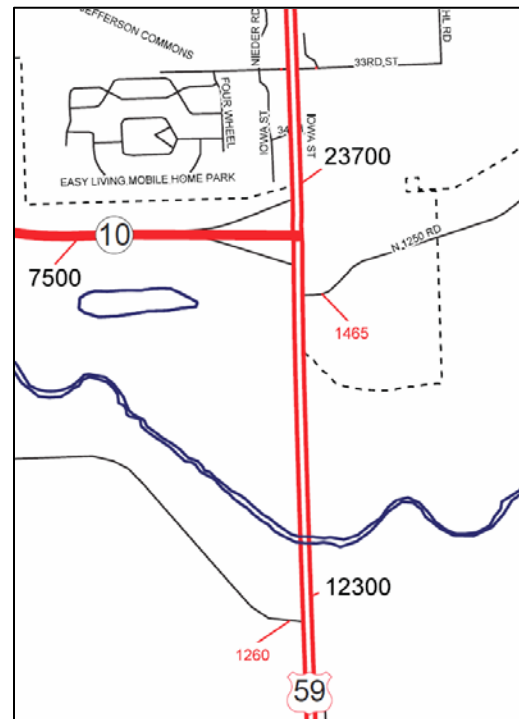


Figure 2: KDOT Traffic Counts (2013) for South Iowa St. at K-10

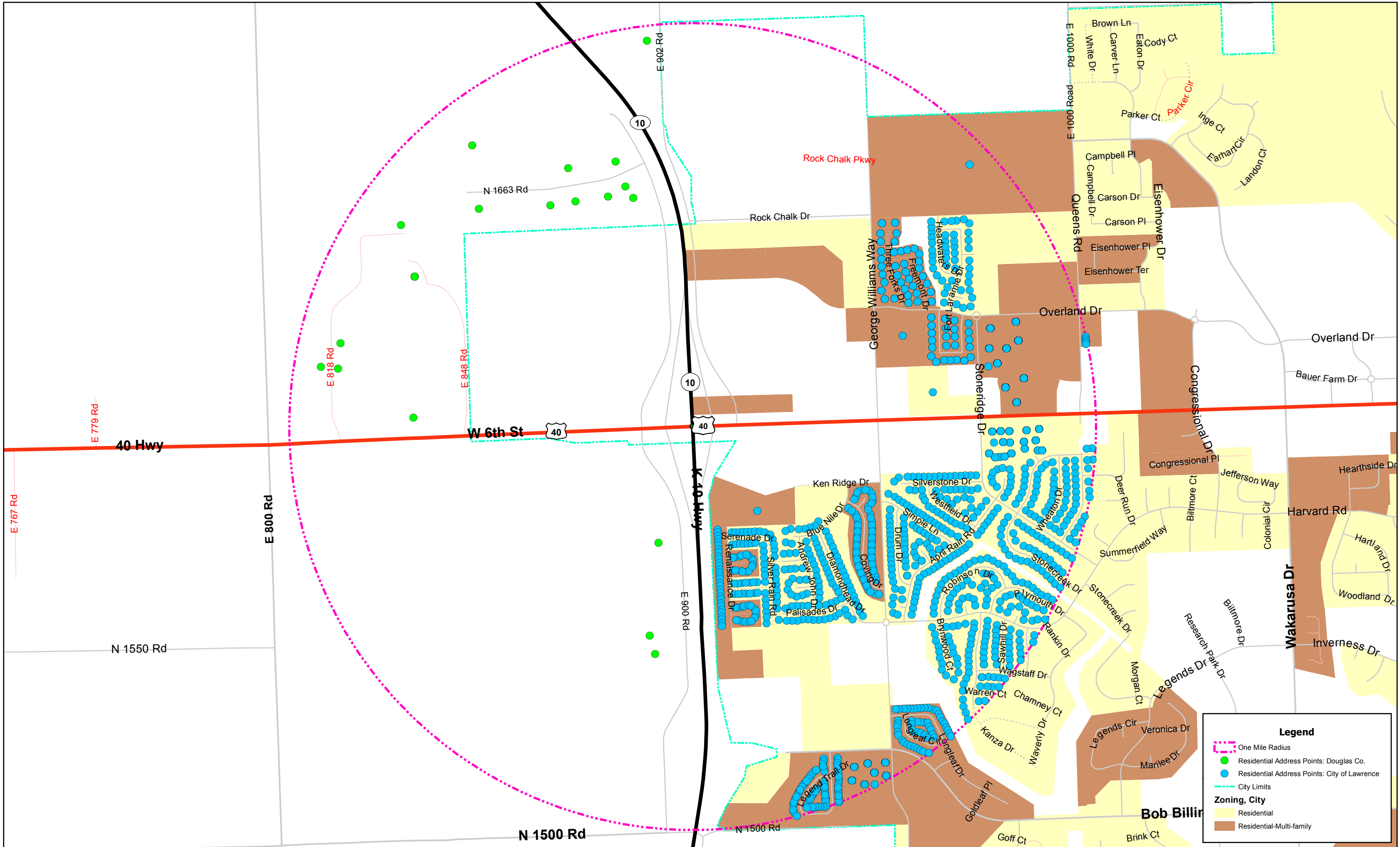
Staff was also asked to study the amounts of residentially zoned property within 1 mile of those intersections. Using the U.S. Census Bureau value for average household size (2.3 people per household) for the community, staff was able to approximate the populations living within a 1 mile radius of the these two locations.

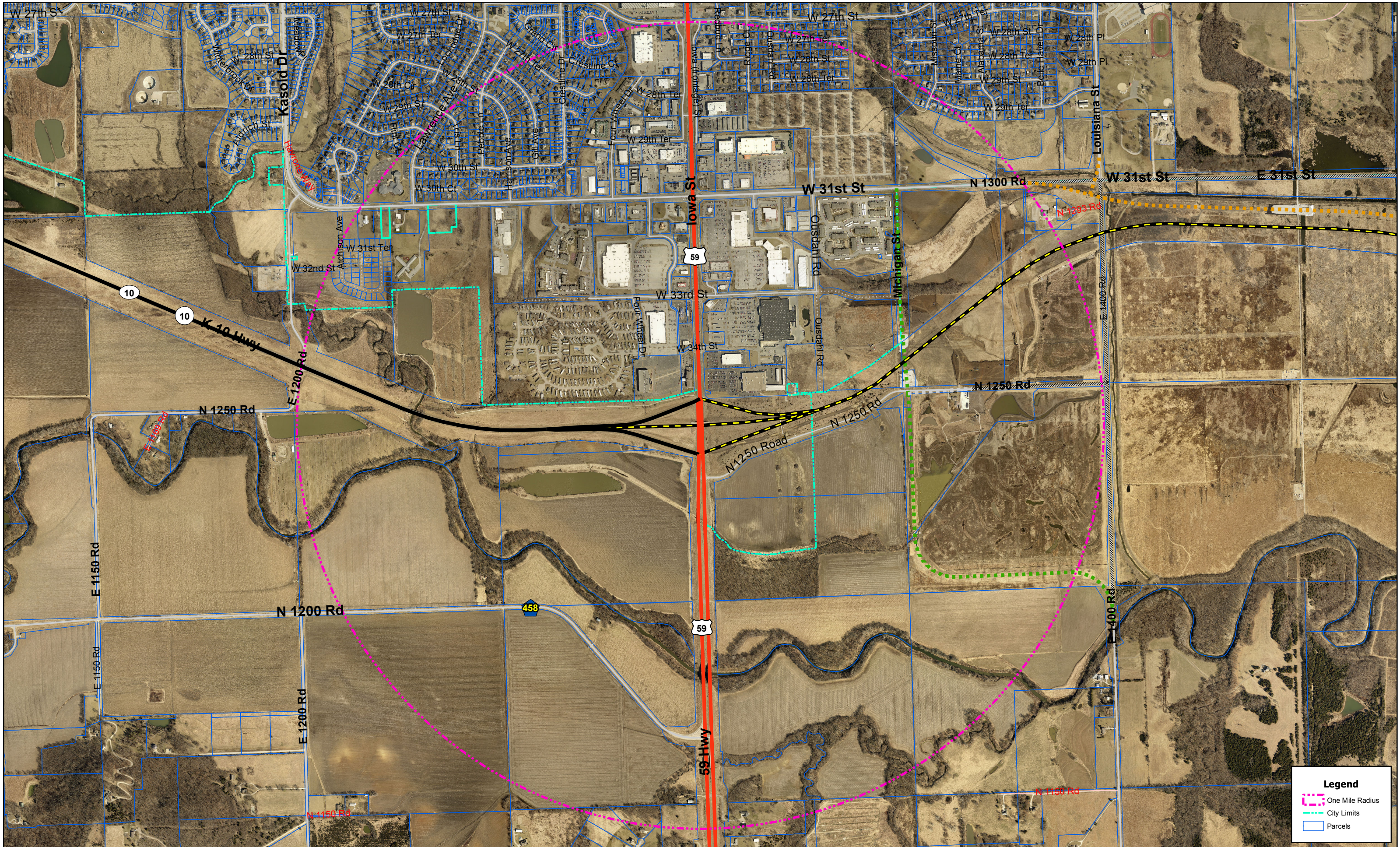
Location	Estimated Households		Total Households	Total Population (2.3 people per Household)
	City	County		
6th St. at K-10	1,472	21	1,493	3,434
S. Iowa St. at K-10	1,449	4	1,453	3,342

Attached are the maps from the study of the two locations.

Some points on the maps are stacked and/or overlap, so they do not indicate amount/intensity of households (multi-family projects). Also, some points indicated on the maps are properties that are either currently under construction, or are anticipated to be constructed within 3 to 5 years.

Aerial maps are provided to reflect the actual units currently constructed.





Legend

- One Mile Radius
- City Limits
- Parcels

From: <Bolick>, Zak <Zak.Bolick@INTRUSTBANK.COM>

Date: Tuesday, July 15, 2014 at 3:19 PM

To: USD497 USD497 <pkelly@usd497.org>

Subject: Southpoint Retail Development

Good afternoon Patrick,

I wanted to reach out to you this afternoon to voice my support for the Southpoint Retail Development that comes before you this coming Monday, July 21st where I understand you will weigh in on the requested annexation, rezoning, and amendment to the Comprehensive Plan as it relates to this development. As a business professional, homeowner, and graduate of Leadership Lawrence, I understand the tax burden that the residents of Lawrence, Kansas carry due to our wonderful city amenities and services, alongside of our lack of enough commercial and industrial developments to support it what we have.

With that said, I would ask that you pave the way for this development, which among many things will:

- Be an obvious and much needed gateway to our community from the South, along a much improved 59 Highway and finally to be completed SLT;
- Be a buffer to protect and enhance the Baker wetlands;
- Provide much needed sales and property tax dollars to our community;
- Prevent some existing spending dollars being spent outside of our community from continuing to do so.

We are blessed in this case with a developer who has spent time in our market, who has a history across the Southern half of our country doing like developments, and who believes in his development enough that he is not asking for any special financial incentives from the City, saying that the retail demand in our community is such that the development can be successful without them. This development should not negatively affect our amazing downtown, and was designed such that it is a regional retail destination feel rather than a walkable downtown look and feel, as to not compete with downtown Lawrence. Furthermore, thanks in part to the development at 9th & New Hampshire, as well as the new library and parking garage, and other downtown infill, there are more people living, working, and playing in downtown than perhaps ever before. It is clear to me that the retail demand and natural future growth is South, while the natural residential growth is West. As more and more people move farther West, and when Rock Chalk Park opens and is as popular as we all know it will be, there will be retail demand in that area. But before us today, we have an opportunity to welcome the right developer and the right tenants to our community, and reap the benefits of them being there in as short as a couple of years.

I urge you to consider this project for what it is, and what it means for our community, and support the annexation, rezoning, and amendment to the Comprehensive Plan this coming Monday, July 21st at your meeting.

Thank you for taking the time to read my email. I hope that it finds you doing well.

Best,

Zak Bolick, Commercial Relationship Manager
INTRUST Bank | 901 Vermont Street | Lawrence, KS 66044
Phone: 785-830-2616 | Mobile: 785-766-3836 | Fax: 785-830-2636
zak.bolick@intrustbank.com
www.intrustbank.com
I trust INTRUST.

Please consider the environment before printing this email.

From: "Dan Chavez" <Danc@chavezrestoration.com>
Date: Jul 15, 2014 5:32 PM
Subject: "Southpoint"
To: "montanastan62@gmail.com" <montanastan62@gmail.com>
Cc:

Stan,

My name is Dan Chavez; I am a local business owner and a Lawrence resident for the past 11 years. I am contacting you in regard to the Southpoint Development. I am one of many that believe in the Southpoint Development. I do not have a vested interest in the project, or know anyone that does. However, as a Lawrence resident, I am encouraged by such a project, and I think it will help keep tax dollars in Douglas County, as well as attract surrounding retail dollars from neighboring communities.

There have been times in the past that I felt the commission has looked for reasons not to approve such a project, listening to those afraid of too much change or growth. There will always be naysayers with whatever project is placed before the planning commission, some with great passion. I would ask you simply to weight the logic of those that oppose this project. I would challenge you to look at the merits of the Southpoint Development for what it can offer Lawrence and its residents.

I think in years passed; there were times when quality projects were more plentiful, when missing one opportunity only meant waiting on the next one. I wonder from a retail dollars standpoint if we can afford to miss the potential that this project offers Lawrence residents. Please consider the value that Southpoint offers to Lawrence, and vote accordingly. Thank you,
Dan Chavez



DIAMOND REALTY INVESTMENTS, INC.

5215 N. O'Connor Blvd, Suite #670
Irving, TX 75039

July 16th, 2014

Planning Commission
City Hall – 1st Floor
6 East 6th Street
PO Box 708
Lawrence, KS 66044

Dear Planning Commission members:

Diamond URS Lawrence, LLC, also known as The Connection at Lawrence, is a 324 unit, 888 bed class A off campus student housing multifamily property located at 3100 Ousdahl Road in Lawrence.

As an established business and tax paying entity, we are writing to express our full support for the proposed Southpoint Retail Development on the SE corner of Iowa St and K-10 (SLT).

As a business and property owner in Lawrence, we've been pleased to see positive signs of economic growth in the city and the area near our property (e.g. Menards and the K-10 SLT most recently.) We believe further developments will have a positive impact on the city, fellow property owners, and retail customers.

We are sorry that we will not be in attendance for the meeting on Monday July 21st, so we wanted to express our support for this project.

Sincerely,

Mark Stinger
Vice President & Chief Asset Manger
Diamond Realty Investments, Inc.

From: "Jones, Claudia K" <Claudia.Jones@intrustbank.com>
Date: Jul 16, 2014 8:31 AM
Subject: FW: Southpoint Retail Development
To: "montanastan62@gmail.com" <montanastan62@gmail.com>
Cc:

I just wanted to send this e-mail letting you know that from what I have read, I am in support of this project. I am uncertain as to why we would not want a project like this to come to Lawrence. It will bring more jobs, more retail sales for Lawrence, which in turn will increase the City's sales tax revenues. I was born and raised in Lawrence, KS and have lived here for almost 60 years and get tired of driving to Topeka or KC to shop at stores that Lawrence does not offer. I do shop downtown but the stores that are anticipated to be in this project would not interfere with the type of stores that Downtown Lawrence has to offer.

It is my understanding that Southpoint will not need any special taxing districts, tax rebates or other financial incentives from the City. This is even a larger bonus for Lawrence, a company wanting to locate in our city and not asking for any incentives to come.

I hope you will support the annexation, rezoning and amendment to the comprehensive plan to allow this project to move forward.

Claudia Jones

Southpoint Retail Development is important for our community, and I support the annexation, rezoning, and comprehensive plan amendment as the first steps in getting it built.

I also support the Family Fun Center that I have seen occasionally in the news. I know that there are protests to putting it out by Raintree, and as a former Raintree parent, I don't personally see the issue; however, there are plenty of other locations where something like this could go. North Lawrence (Tanger outlet area), West Lawrence (near the new Rock Chalk Park area - I just know that there is a place for this in our community. I have two children – 6 & 11, and have to go to Topeka or Kansas City to do anything other than swimming, bowling, or a movie. I am very concerned about the lack of fun activities available to kids and teens, and as a Lawrence native, I know the kinds of trouble bored kids get in. My hangout as a teenager was a restaurant – that's pretty sad.

Thank you for your consideration on these issues.

Heather Brown
Closing Director, McGrew Real Estate

1501 Kasold Drive
Lawrence, KS 66047

Main: (785) 843-2055
Direct: (785) 838-8274
Fax: (785) 843-2466

From: CadreLawrence [<mailto:mdfales@silverlakebank.com>]
Sent: Wednesday, July 16, 2014 9:49 AM
To: Bryan C. Culver
Subject: CadreLawrence Southpoint Retail Development Data Sheet



On behalf of CadreLawrence, thank you for taking the time to read this email. As we hope you know, having provided us with your email address, CadreLawrence is your community kitchen table, with an open invitation to the whole community to engage in thoughtful dialog by voicing support and presenting evidence for the creation of jobs and economic growth in Lawrence. With this email, you have the opportunity to get active in the support of a proposed new retail development which goes before the Planning Commission on Monday, July 21st. Read below to learn more about this proposal, and to identify our ask of you.

Information contained in this data sheet was gathered from months of research and communication with Chris Challis, developer for Collett, the company proposing the development on South Iowa, as well as data retrieved from the Retail Market Study prepared by Richard Kaplan & Associates. This is not the opinion of CadreLawrence, but more so the data that was reported to CadreLawrence from these sources.

- Planned on South Iowa Street at K-10/South Lawrence Traffic way in Lawrence, Kansas scheduled for opening in 2016.
- Will offer the Lawrence market area at least seven national retail companies that currently do not have a retail outlet in Lawrence.
 - Academy Sports
 - Ulta
 - Designer Shoe Warehouse (DSW)
 - Old Navy
 - Marshall's/Home Goods
 - Others yet to be named, including a specialty grocer
 - These businesses will occupy approximately 40% of the retail space at Southpoint.
- The project also plans to accommodate three existing retail establishments in Lawrence.
 - Their relocation to Southpoint offers these businesses a commercial center and building space more tailored to their operations as well as an easily accessible location to all Douglas County residents.
- Upon full build out in 2020, Southpoint is planned to have 538,550 square feet of commercial use.
 - This includes 18,000 square feet of office users and an 80,000 square foot, 100 room hotel.

Sales Tax Impact Estimate

- Southpoint will provide approximately \$132,000,000 in new retail sales in the

Lawrence market upon completion.

- These estimated retail sales will increase the City's sales tax revenues by 5.5% in 2016-17 (\$1.13mm annual increase) when the project opens and will increase the City's sales tax revenues by 6.6% in 2020 (\$2.18mm annual increase) when the project is fully completed.
- The project is estimated to provide a cumulative \$8,883,500 in additional sales tax revenue from 2016-2020, from opening through completion.

Leakage Impact

- The number of retail dollars leaking out of Lawrence to Johnson County or Topeka is estimated to decrease significantly with this new development.
 - Lawrence's drawing power as a retail center currently is about 10 percent less than Olathe's, about 25 percent less than Manhattan's and Topeka's, and about 50 percent less than Lenexa's.
 - For the retail sectors where Lawrence experiences some of the greatest sales leakage to our neighboring communities (e.g., clothing, general merchandise, furniture & home furnishings, and gasoline stations), Southpoint will add new retailers to each of these categories, helping stem the current leakage, and keep Douglas County dollars in Douglas County, and perhaps draw dollars from neighboring counties to Douglas County.

Vacancy Impact

- The addition of this development will be within the City's historic average for new retail development since 2006, and will not materially affect the City's historic vacancy rate over that period.

City Provided Financial Incentives

- Southpoint has been designed so it will not need any special taxing districts, tax rebates or other similar financial incentives from the city.
 - Interest from potential tenants for the center has been high enough that the development group is confident in its success without incentives.

Our ask of you

- Contact your planning commissioners, and use the information from this fact sheet to draft an email or letter to tell them whether or not you support the Southpoint retail development. The action ahead of the Planning Commission on Monday, July 21st includes annexation, rezoning and amending the Comprehensive Plan. The earlier the better, but the deadline for written communication to be included in the Planning Commission packet is 10:00 am on Monday, July 21st.
- Share this information with 3-5 or more people in your own social network, and ask them to get active in the process as well.
- Try to attend the Planning Commission meeting on Monday evening, July

- 21st to allow the Planning Commissioners to hear your voice.
- Ask questions. If we do not have the answers, we will get the answers directly from Chris Challis of Collett. Direct questions to info@cadrelawrence.com.
 - Your Planning Commission contact information:
 - City Appointees:
 - Amalia Graham - amalia.graham@gmail.com
 - Stan Rasmussen - montanastan62@gmail.com
 - Jon Josserand - jonjosserand@gmail.com
 - Patrick Kelly - pkelly@usd497.org
 - Bryan Culver - bculver@bankingunusual.com
 - County Appointees:
 - Jim Denney - denney1@sunflower.com
 - Pennie von Achen - squampva@aol.com
 - Clay Britton - clay.britton@yahoo.com
 - Bruce Liese - bruce@kansascitysailing.com
 - Eric Struckhoff - eric.c.struckhoff@gmail.com

Sincerely,
CadreLawrence

Hello Planning Commissioners,

I am writing to express that I do not support the approval of the Southpoint retail development. I am fully aware of the anticipated economic impact of the development, but want the commission to know that many of us in the community value the preservation of land and natural resources above economic impact *in some cases*. The continued sprawl south of Lawrence is not something that all residents want. Stores like Old Navy have already failed here, perhaps for reasons I am unaware of, but I suggest putting efforts into supporting local small businesses, rather than continuing to develop in natural areas around Lawrence in support of more large, corporate businesses.

Thank you for your time and consideration. I hope you hear from the many other residents I know who are NOT supportive of this development.

Best,
Emily Hampton

From: Karen Lowder [<mailto:klowder@cwood.org>]

Sent: Tuesday, July 15, 2014 3:28 PM

To: amailia.graham@gmail.com; montanastan62@gmail.com; jonjosserand@gmail.com; pkelly@usd497.org; Bryan C. Culver

Cc: denny1@sunflower.com; squampva@aol.com; clay.britton@yahoo.com; bruce@kansascitysailing.com; eric.c.struckhoff@gmail.com

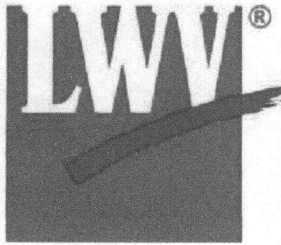
Subject: Please vote yes!

http://www2.ljworld.com/weblogs/town_talk/2014/jul/7/old-navy-academy-sports-others-announced/

I hope you ladies and gentlemen will consider the financial gain in jobs that many of these new pending properties might be able to provide, not only for our community, but for surrounding communities as well. We have a vibrant downtown with many local businesses that will remain a big draw because of its uniqueness, but I imagine we are losing a lot of sales tax revenue to Kansas City, Topeka and the Legends. My son recently came home for a wedding and needed to pick up a suit for his small son, but refused to even look for clothes in Lawrence because the selection is greater in Kansas City. I couldn't argue with that.

Wages, sales tax revenues, tax incentives...I'm sure there is much more to consider, but Lawrence is expanding its horizons with the Rock Chalk Park and the Warehouse Arts initiative...those visitors will need places to eat, places to stay and places to shop in their down time...it might as well be Lawrence! Let's make it work! Thanks for your consideration.

Karen Lowder
947 New Hampshire
#302
Lawrence, KS 66044



LEAGUE OF WOMEN VOTERS®
OF LAWRENCE/DOUGLAS COUNTY

July 20, 2014

RECEIVED

JUL 21 2014

City County Planning Office
Lawrence, Kansas

President
Cille King

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Secretary
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Debra Duncan

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Marlene Merrill

Austin Turney

Mr. Bruce Liese, Chairman, and Planning Commission
Lawrence-Douglas County Metropolitan Planning Commission

RE: ITEM NO. 3; COMPREHENSIVE PLAN AMENDMENT TO HORIZON 2020 CHAPTER 6,
CHAPTER 14, AND TO THE REVISED SOUTHERN DEVELOPMENT PLAN
ITEM NO. 4A ANNEX 102.64 ACRES; E SIDE OF S IOWA ST & S SIDE OF N 1250 RD
ITEM NO. 4B RS10 & A TO CR & CR-FP; 122.96 ACRES; SE CORNER SLT & US-59 HWY
ITEM NO. 4C RS10, A, & VC TO OS-FP; 46.10 ACRES; SE CORNER SLT & US-59 HWY

Dear Chairman Liese and Planning Commissioners:

We ask the Planning Commission to deny the Comprehensive Plan change, the annexation, and the rezoning requests of the Southpoint proposal for the following reasons:

1. The overriding consideration should be whether the location is appropriate for the proposed use. We answer that it absolutely is not, because:

a. It is away from population centers and is at the southern entrance to Lawrence where the automobile traffic will be entering and leaving. This location really requires automobile-oriented uses such as a fuel station, quick shop needs, and overnight accommodations. This type of use has been designated in the Comprehensive Plan for this area as an Auto-Oriented Center.

b. The original concern that this type of use would become a Truck Stop is not warranted for Auto-Oriented centers because they do not require either Regional or General Industrial zoning, the only districts that permit Truck Stops. Truck Stops also require a Special Use Permit.

c. Because of the proposed design of Louisiana Street to bridge the SLT, as well as the Iowa Street connection to the SLT, it would seem to us that the traffic pattern of the area would be especially sensitive to added traffic from shopping-center customers. To add non-essential traffic, such as this leaving and entering slow-moving type would seem to add dangerous and unnecessary traffic connections to the fast-moving through traffic lanes.

d. Shopping centers located in the County (or almost in the County as is this site), have been shown to encourage County sprawl. The future use of a shopping center in this location would, we suggest, encourage County population to develop around it, leading to more non-farm rural residential growth.

e. The proximity of the Southpoint development to the floodplain is also an important argument against

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OF LAWRENCE/DOUGLAS COUNTY

Page 2

allowing this type of development there. With the necessary modification of the floodplain and the amount of runoff that has to be accommodated, this is a difficult area to develop. In addition, the inevitable runoff directly into the floodplain has a major impact on farmland downstream. We suggest that you talk to the farmers who have already been negatively affected by city runoff, before encouraging more.

2. The major argument given in favor of Southpoint seems to be that this development would positively affect the City's pull factor and tax revenue. We could not find convincing arguments why this would be true. Our reasons are as follows:

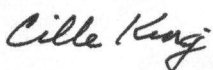
- a. The stores that Southpoint lists as being future occupants are the same stores that are found in other cities around Lawrence, so there would be no real reason to shop in Lawrence for out-of-town customers (the source of "pull.")
- b. The argument that the sales tax revenues will increase as a result of Southpoint depends on an increase in overall sales as a result of the development. The counter argument is that an increase in sales depends on an increase in income, which in turn, is dependent on an increase in employment, which brings the increase in population which brings the increase in overall incomes. Rather than increasing the amount of commercial use and zoning, the answer to this dilemma would be to increase the amount of available employment by supporting more business/industrial and office development. We suggest that the area near the SLT and this intersection outside of the Auto-Oriented area would be an important area to preserve for employment-related uses.

The planning staff method for determining the viability of future zoning by determining the current vacancy rates we find is unconvincing for justifying an increase in zoning, especially where Lawrence is already overzoned (commercial) and overbuilt (apartments). As one citizen/realtor once pointed out, landlords need occupants, if for no other reason than to protect and maintain their property, regardless of whether they pay full rent or not, and occupancy is not necessarily a sign of a healthy business.

For these reasons, and many others, we urge the Planning Commission to deny the Southpoint requests to change the Comprehensive Plan (Item 3), and the requests for Annexation, Rezoning to Regional Commercial, and Open Space (Items 4a,b,and c).

Thank you for considering our concerns.

Sincerely yours,



Cille King
President



Alan Black, Chairman
Land Use Committee

From: Candice Davis [<mailto:cdavis.chc@gmail.com>]

Sent: Monday, July 21, 2014 9:51 AM

To: Scott McCullough

Cc: David L. Corliss

Subject: Fwd: North Carolina retail proposal- letter

Hello Scott. I would like for you to include my letter in the packet for the PC tonight. I did send the e-mail to PC personal e-mails but would also like to have it included in the packet. I know that you are continually in most difficult positions as you try to accommodate many interests. However, sometimes "NO" is the most effective response to end continuous pressure from individual private interests. I believe that our long-range city planning must be forward thinking and reviewed periodically before developers submit their hearts desire. Sticking to such a plan is paramount and might make your job and those of other commissioners much easier. I know you are working hard but I am passionate about this town and will do what I can to see that changes move in a positive direction. The North Carolina group is just now contacting LAN about their proposal. They plan to speak to the group in August but the timing is very late in the city process. Your friendly but concerned neighbor, Candice Davis

Dear Planning Commissioners,

7-19-14

I am aware that you are reviewing a request for rezoning by a development group from North Carolina. They would like to invest in a large retail project south of existing retail on Iowa street that would be 40% as large as our downtown.

Having lived in Lawrence for 30 years, I am concerned about the continuing viability of our downtown retail businesses as well as city planning practices. Who is planning our city? Do the citizens of Lawrence want big developers and their lawyers to plan where projects will be located? A recent Horizon 2020 survey identified protection of our downtown as a top priority.

Good city planning should always consider the over-all health and welfare of the entire city, follow appropriate protocol and use established urban planning principles. This out-of-town firm is requesting rezoning to accommodate their development. Our long-range plan should only be changed to address the projected needs of the city not to address the needs of a developer.

Is this proposal really good city planning, and good for Lawrence?

Thank you for your thoughtful consideration, Candice Davis

Concerns/Questions

1. Is the North Carolina developer aware of our long-term city plan, Horizon 2020? Do they care about the welfare of our community or is this purely business?
2. The latest Horizon 2020 survey placed maintaining a viable downtown as a top priority.
3. Existing downtown retail is already shrinking. Bars and restaurants are tipping the scale.
4. What about existing commitments to Mercado and their plans for retail expansion in west Lawrence?
5. The new city recreation center to the west is promising much city and regional activity. Will this threaten taxpayer investments and hurt the potential retail market in that area?
6. There is already the highest % of retail on South Iowa Street. How will this impact existing city-wide retail businesses?

Kirk McClure, Ph.D.
707 Tennessee Street
Lawrence, KS 66044
mcclurefamily@sbcglobal.net

July 20, 2014

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Re: **ITEM NO. 3 COMPREHENSIVE PLAN AMENDMENT TO HORIZON 2020 CHAPTERS 6 & 14 CPA-14-00107**
ITEM NO. 4A ANNEX 102.64 ACRES; E SIDE OF S IOWA ST & S SIDE OF N 1250 RD A-14-00104
ITEM NO. 4B RS10 & A TO CR & CR-FP; 122.96 ACRES; SE CORNER SLT & US-59 HWY Z-14-00105
ITEM NO. 4C RS10, A, & VC TO OS-FP; 46.10 ACRES; SE CORNER SLT & US-59 HWY Z-14-00106

Members of the Lawrence Douglas County Planning Commission,

The applicant, Collett and Associates, seeks to develop a parcel on Iowa Street through an amendment to Horizon 2020, annexation of land and rezoning of the land. The proposal, Southpoint, calls for development of: About 460,000 square feet of retail in a first phase; 80,000 square feet for a 100-room hotel; and probably about 70,000 square of additional square feet of retail in a second phase (14 parcels at 5,000 square feet per parcel). The development will contain a total of over 600,000 square feet of commercial space.

This project is large; when fully built it will be the equivalent of 40 percent of our downtown. It will expand the supply of space on South Iowa by about 30 percent. At this scale it has the potential to have a significant negative impact on other retail shopping districts in Lawrence, including the downtown.

Additional Hotel Space:

The issue: Can the community absorb additional hotel space without threatening existing and future taxpayer investment in hotels?

The taxpayers of Lawrence are heavily invested in hotels. The taxpayers invested about \$11 million in the Oread Hotel. The taxpayers are investing about \$10 million in the 9th and New Hampshire project with a significant portion of that amount serving the new hotel.

Lawrence has zoned multiple parcels for additional hotel space. Hotel zoning was approved in the North Mass development. Hotel zoning was approved in the latest revision of the Bauer Farms development.

Lawrence is about to begin a process that may lead to a new conference center. This center will probably include additional hotel space, and this hotel and conference center will probably include a significant taxpayer contribution.

The Southpoint proposal includes a hotel. The staff report is silent on the hotel issue. It is unknown whether or not the city can absorb an additional hotel without threatening its already large investment in hotels.

The City made the hotel investments without careful study of the city's capacity to absorb new hotel space. The City is about to embark on such a study to guide it to a better decision on the conference center.

Zoning for additional hotel space may hurt an already saturated market. Zoning for additional hotel space may threaten existing taxpayer investment.

Recommendation on the hotel component: Do not approve additional hotel space until the absorption study is complete and it is clear that additional hotel space will not threaten existing, and possibly future, taxpayer investment.

Additional Retail Space:

The Issue: Can the Lawrence retail market absorb the proposed space without significant negative impact upon existing retail districts?

The Economics of Retail Markets: In a well-balanced market, the supply should grow in proportion with growth in demand.

The economics of retail real estate are well established. Demand for retail space is what determines the value of retail space, the number of jobs it will produce and the sales tax revenues that it will generate. The supply of retail space does not drive these outcomes. There are many false beliefs that building real estate grows the economy. It does not. Growth in the economy is a function of growth in the aggregate income of the households within the community because income sets the amount of spending that a market will experience. More stores do not create more spending; rather, only more income to the households in the community can drive growth in the economy. As a result, more stores do not create more spending, more sales taxes, more retail jobs or more value of all retail buildings. If too many

stores are added to a market, the stores vie for the finite amount of spending, driving down the revenue per square foot, hurting all stores.

Retail Demand: The best proxy for demand in a market is the local retail sales tax revenues. They show the actual spending in the market reflecting changes in income, the community's pull factor and the use of on-line shopping.

The City's retail market study shows that inflation adjusted retail sales taxes have been flat from 2000 to 2012. They actually declined very slightly at -.012 percent per year over the last twelve years. However, there has been negligible growth from 1995 to 2014 at +0.40 percent per year. Thus, for a long period of time, retail spending in real terms has not grown for about 20 years. See the table below.

Table: Lawrence Retail Supply and Demand Conditions 1995 to 2012

<i>Inflation</i>		
<i>Adjusted</i>		
<i>Sales</i>		
<i>Year</i>	<i>Taxes</i>	<i>Commercial Square Feet</i>
2012	\$ 13,593,996	9,105,151
2000	\$ 13,797,066	5,299,404
1995	\$ 12,695,769	4,372,183
<i>Demand Annualized Growth Rate</i>		
	0.40%	1995 to 2012
	-0.12%	2000 to 2012
<i>Supply Annualized Growth Rate</i>		
	4.4%	1995 to 2012
	4.6%	2000 to 2012

Source: City of Lawrence 2012 Retail Market Report

Demand Conclusion: The city's capacity to support growth in its supply of retail space is non-existent. With no growth in retail spending, the city has no capacity to support additional retail space at this time. The developer is only seeking to capture a share of that spending for the proposed development, taking this demand, and possibly some of the vendors, away from existing shopping districts.

Retail Supply: The stock of retail space has grown dramatically since 1995, which is the last time there seemed to be a balance between the supply of and the demand for retail space. From 1995 to 2012, the stock grew by 4.8 million square feet. This growth translates into a rate of growth of 4.4 percent per year. The City has approved an additional 1.2 million square feet at 6th Street and the SLT, Fairfield Farms, North Mass and 31st and Ousdahl Streets.

Supply conclusion: The supply of retail space is growing rapidly with much more approved for development.

Implications: The supply of retail space is growing rapidly while the retail spending is flat. This means that the revenues per square foot are falling. Reduced revenues lowers property values in existing shopping centers, including the downtown. Reduced revenues threaten the ability of attract investment to older existing properties. This is especially threatening to historic properties such as in our downtown.

If we expect to maintain the condition of our existing shopping centers, and especially if we want out downtown to continue to thrive, the space needs to attract sufficient revenue per square foot to drive sufficient lease rates that attract investment.

Staff report: The staff report on the proposed development concludes that because the vacancy rate has not become terribly bad, that the retail market will not be hurt by this development.

Vacancy is one of many measures of market health, but vacancy is one of the weaker indicators of market health. The notion is that if a market is overbuilt, the vacancy rate will rise proportionately. This is not true. Property owners will fill their space, even if it means granting rent concessions to attract occupants. Even with a rent concession that takes rents below costs, the property owner will lose less with a rent concession than with an empty property.

The staff should expand its analysis to examine the revenues coming into each market segment (defined both spatially and by type of vendor). It is clear from the staff report that the market is suffering from declining revenues per square foot over a long period of time, which leads to poor maintenance and reduced investment in existing properties, both of which are harmful to a retail market.

The Caplan Report: The market analysis provided by the developer contains multiple errors. Probably the most severe is the assumption that sales will rise 4.1 percent per year when they have not even been keeping up with inflation for a long period of time.

The Caplan report uses the argument that the proposed development will improve the Pull Factor of the entire retail market. The report claims that the community will benefit from new spending attracted to the local market. This can be a valid claim in a tourist market or a market with very special tenants that they become a destination shopping location not found in the region nor having any close substitutes elsewhere in the region.

This notion of attracting new spending into the community is simply not plausible with the proposed project. The vendors will not attract shoppers that are not already here. The vendors listed in the development proposal are not unique to the Kansas City-Lawrence-Topeka region. Thus, shoppers from Johnson County will not drive here for these vendors; they already have them in Johnson County. Shoppers from Shawnee County will not drive here for these vendors; they already have them, or have very close substitutes, in Topeka.

The best option to improve the pull factor in Lawrence is to enhance the one unique, destination shopping district that we have, Downtown Lawrence.

Recommendation:

Someday, this site on South Iowa Street may be an appropriate site for additional retail space and even hotel space on the scale proposed. That day is not even in sight.

- Retail spending remains flat while the supply has grown too quickly.
- We want to enhance, not degrade, the condition of our shopping centers and especially our downtown.
- We do not want to jeopardize our current and future hotel investments.

Tell the developer that this proposal is premature and cannot be approved at this time.

Yours truly,

A handwritten signature in black ink, appearing to read "Kirk McClure", with a horizontal line extending to the right.

Kirk McClure

July 21, 2014

VIA ELECTRONIC MAIL

Bruce Liese (bruce@kansascitysailing.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: Southpoint Project

Dear Members of the Planning Commission:

I represent K-10/40 Development, L.C., whose managers have an interest in the Mercato retail and commercial development at the northeast corner of Highways 40 (6th St.) and 10 in West Lawrence. Tonight, the Commission will consider a Comprehensive Plan Amendment to Horizon 2020 relating to what has been commonly referred to as the Southpoint Project, along with considering an annexation request and two rezoning requests affecting the same Project (the "Project"). For the reasons outlined here, the Commission should not at the present time recommend approval of the Project.

The Project is the largest commercial land use ever proposed to the City. Staff acknowledges at p. 14 of the Comprehensive Plan Amendment report (Item 3) that the proposed Comprehensive Plan Amendment *does not conform* to certain Horizon 2020 policies. Staff recognizes in multiple places in the Comprehensive Plan Amendment report that a number of retail and commercial developments will be negatively affected. This includes Mercato and a number of other sites mentioned in the report, and 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.

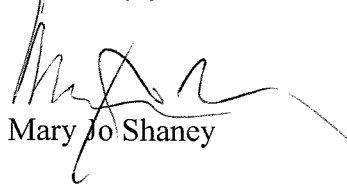
The Comprehensive Plan Amendment staff report includes some of Horizon 2020's goals and criteria for directing land use decisions, but certain policies warrant emphasis. Horizon 2020 does not contemplate the need for a new regional commercial center (Policy 3.13 at p. 15 of the staff report). While the staff report states that the Southpoint location simply would become "appended" to or "expand" the South Iowa Regional Commercial Center, in substance a project of this size does create a regional commercial center. This is a major departure from Horizon 2020.

The direction established in Horizon 2020 for the Southpoint 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 concern with the Project is not that it proposes retail and commercial development. The critical issue for tonight is whether the City process and directives under Horizon 2020 are being followed. Staff recognizes that there has not been a change in public policy, one of the criteria to be considered in determining whether to amend the Comprehensive Plan (*see* p. 17 of the report). That the City is now working with a task force to amend Horizon 2020 establishes that it is premature to change or gauge public policy.

There has been much discussion of the potential tenants for the Project. It appears this potential has been the driving force in garnering support from certain quarters. But the proper focus for the Southpoint concept plan is against the backdrop of the City's Comprehensive Plan policies and goals. We urge the Commission to adhere strictly to Horizon 2020 and to postpone 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