

Memorandum

City of Lawrence

Planning & Development Services

TO: David L. Corliss, City Manager

FROM: Barry Walthall, Building Codes Administrator

CC: Scott McCullough, Director of Planning & Development Services

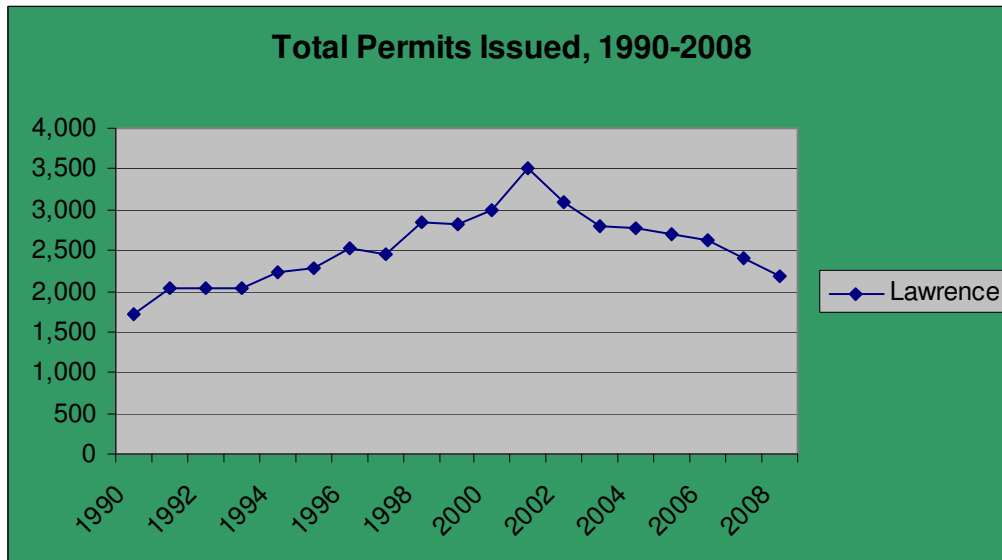
Date: February 3, 2009

RE: Building Permit Trends

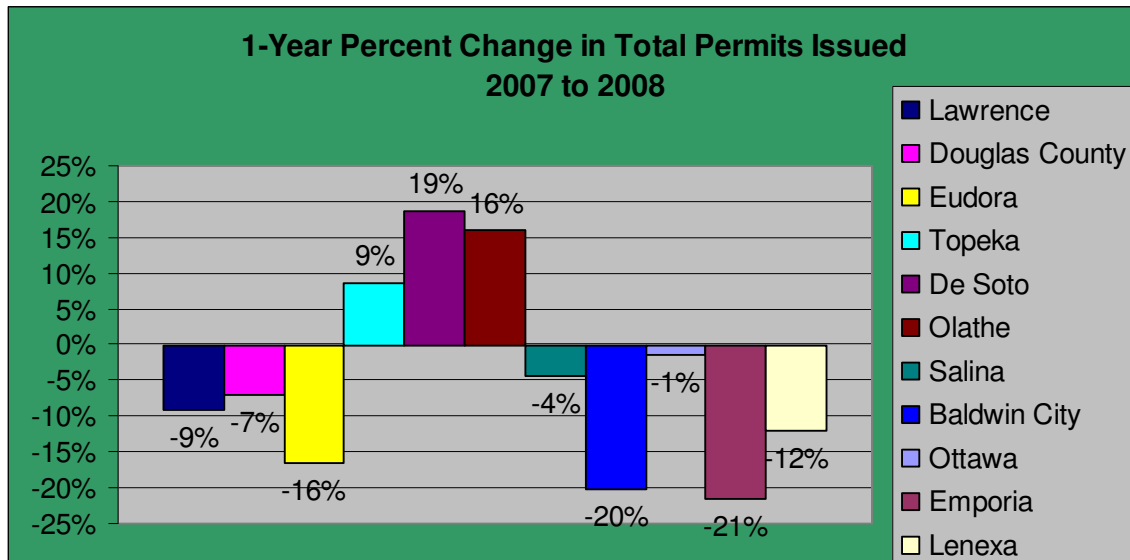
The purpose of this report is to provide information concerning trends for building permits issued compared to previous years and to other area jurisdictions. Other area jurisdictions surveyed include Douglas County, Eudora, Topeka, De Soto, Olathe, Salina, Baldwin City, Ottawa, Emporia, and Lenexa.

TOTAL NUMBER OF PERMITS

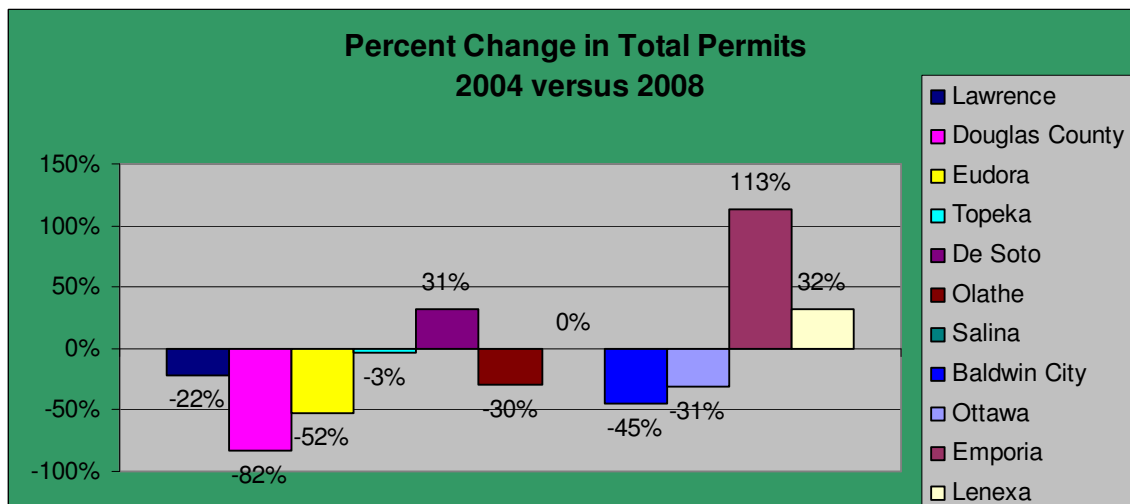
Permit activity has declined each year since 2001 to a total of 2,179 permits issued in 2008. The line graph below shows the trend for permits issued in Lawrence since 1990:



The number of permits issued in 2008 declined 9% from 2007, from 2,398 to 2,179. Of the other jurisdictions surveyed three, Topeka (9% increase, 1084 to 1177), Olathe (16% increase, 653 to 757) and De Soto (19% increase, 124 to 147) saw an overall increase in permit activity over the last year. The other seven permit departments had decreases in permit activity, with four experiencing greater than 10% decreases.

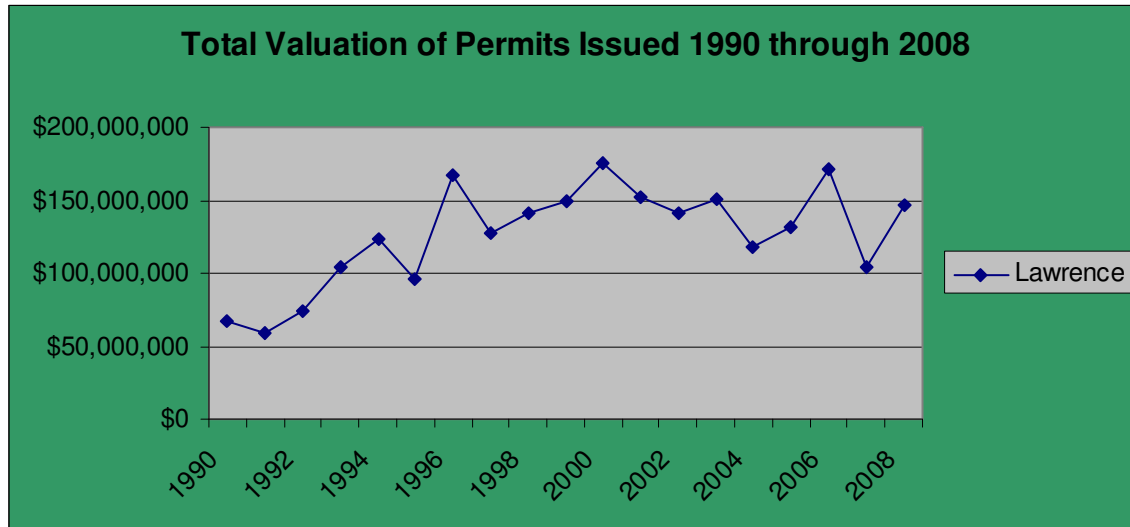


Over the past five years Lawrence experienced a 22% decrease in the number of permits issued. Of the ten other area jurisdictions surveyed only three had higher permit activity in 2008 than 2004, De Soto (31%), Lenexa (32%) and Emporia (113%). Overall, half of the jurisdictions had greater declines in permits issued compared to five years ago than Lawrence.



TOTAL PERMIT VALUATION

Despite the decrease in volume of permits issued the value of construction for which permits were issued increased compared to last year, \$146.5M in 2008 compared to 104.4M in 2007. Total valuation for Lawrence was the second highest total over the last five years, and seventh highest ever recorded.

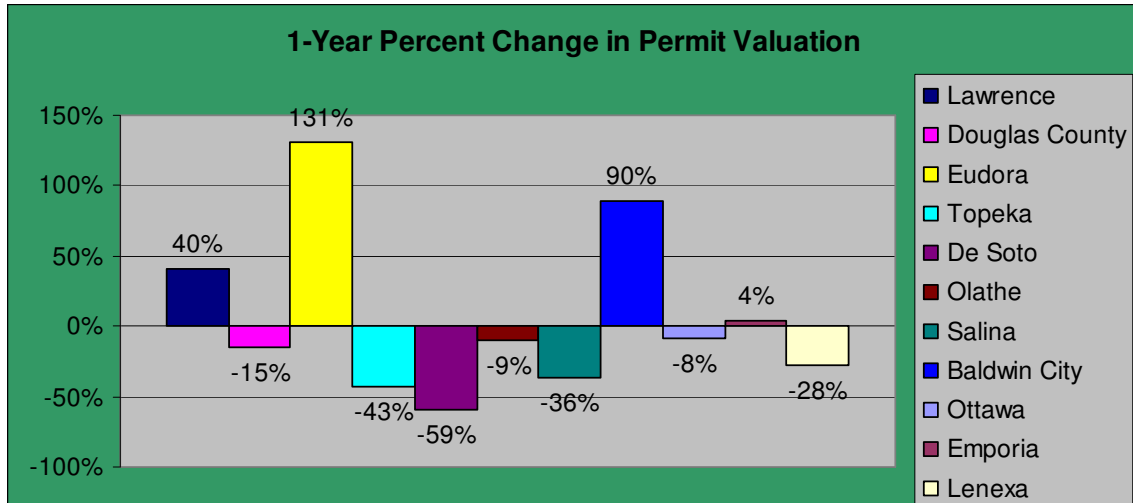


Valuation for publicly funded projects was \$10,642,761, compared to an estimated \$15,600,000 in 2007. 2008 was the first year for tracking publicly funded projects. A new medical office building at Lawrence Memorial Hospital (\$6,711,000) and the new water tower on Stoneridge Drive (\$2,470,000) accounted for 86% of the value of all public projects permitted in 2008.

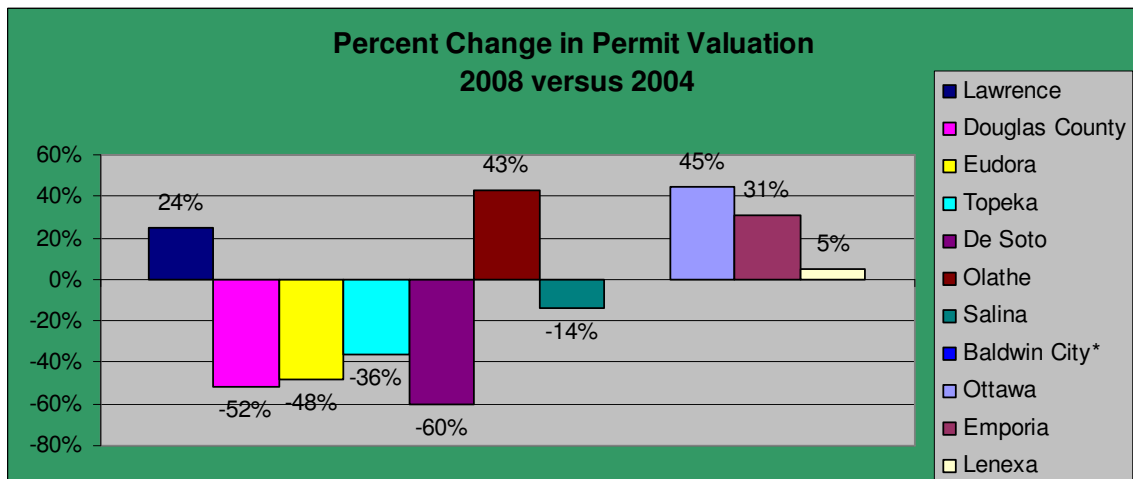
The top ten projects in permit value for 2008 accounted for 54% of the total valuation of permits issued. The top ten projects were:

<u>Address</u>	<u>Project Name</u>	<u>Valuation</u>
3100 Ousdahl Rd	The Exchange Apartments	\$20,891,071
1200 Oread Ave	The Oread Inn	\$17,883,508
550 Congressional Dr	Wal-Mart	\$9,500,000
325 Maine St	LMH Medical Office Building	\$6,711,000
4000 W 24th Pl	Remington Square Apartments	\$6,197,320
100 Indiana St	KU Boathouse	\$4,500,000
1321 N. 3rd St	BC & R Storage Addition	\$4,160,251
4701 W. 6th	Dillons Remodel	\$3,837,172
555 Stoneridge Dr	Stoneridge Water Tower	\$2,470,000
3235 Ousdahl Rd	Western Extralite	\$2,295,465

Lawrence experienced a 40% increase in permit valuation compared to a year ago. Only Eudora (131% increase) and Baldwin City (90% increase) reported higher increases in 2008 over 2007 than Lawrence. Seven permit agencies reported decreases, with De Soto reporting the greatest decrease at -59%.



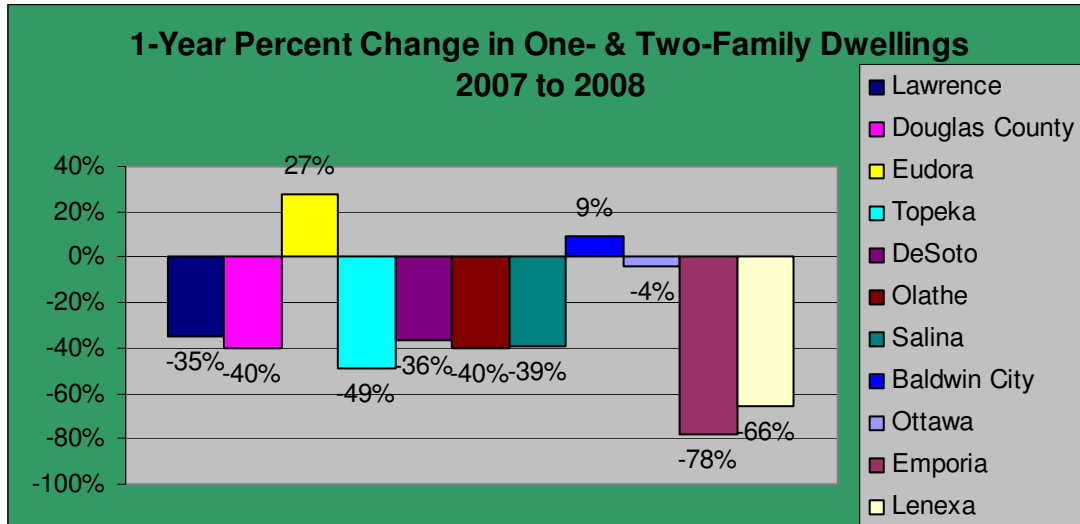
Lawrence also compared well over the past five years with a 24% increase for the year 2008 versus 2004. Ottawa (45%), Olathe (43%) and Emporia (31%) reported greater increases than Lawrence in permit valuation compared to five years ago, with Lenexa (5%) being the only other city reporting an increase. De Soto reported the greatest decrease, -60%.



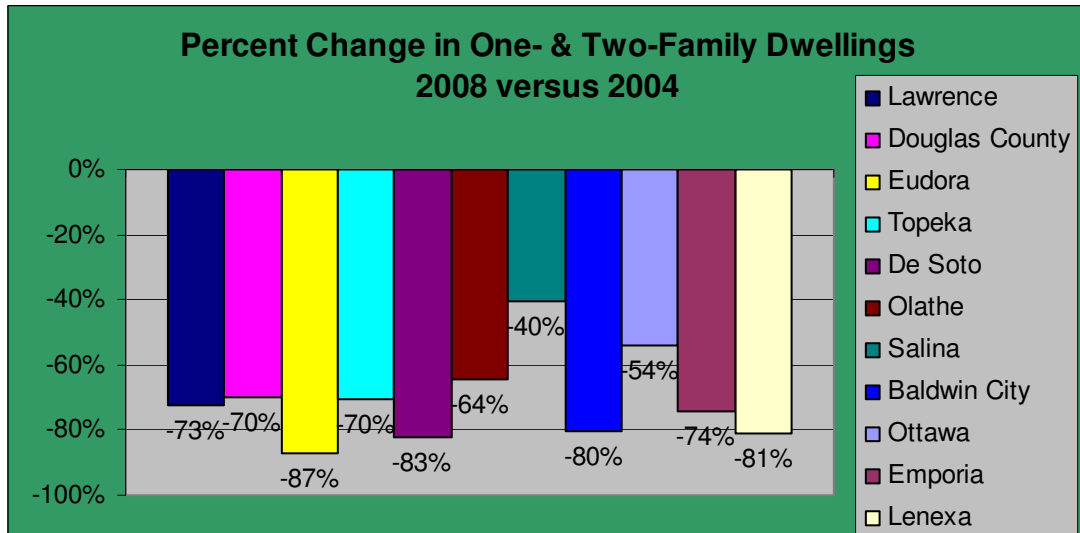
*Baldwin City did not track this information until 2005

RESIDENTIAL PERMITS

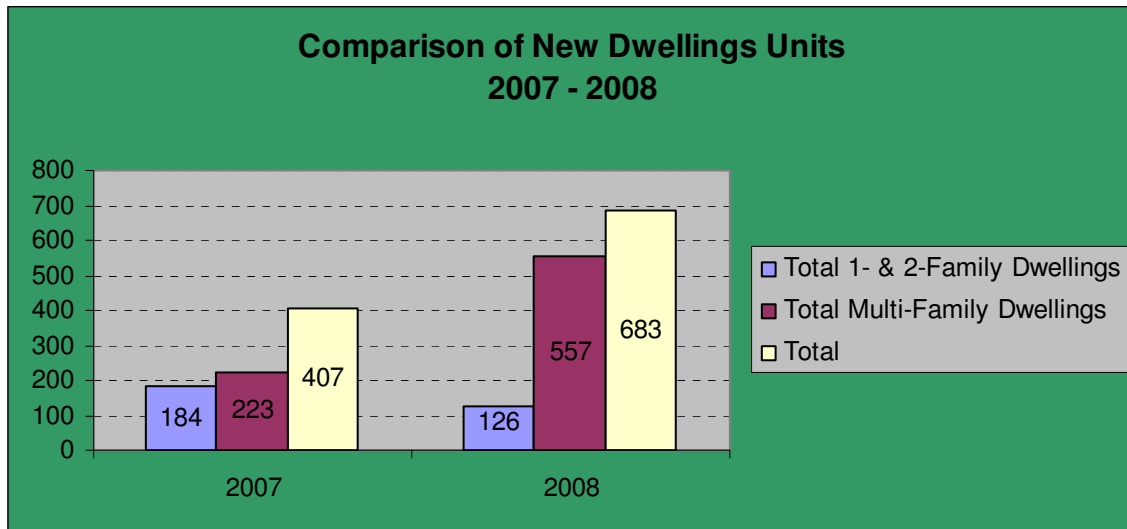
Lawrence experienced the fifth consecutive year in declining number of permits issued for new one- and two-family dwellings in 2008, and a 35% decrease from 2007. Most other area jurisdictions surveyed experienced similar decreases. Emporia reported the greatest decrease at 78%. Only Eudora (27%, 11 in 2007 to 14 in 2008) and Baldwin City (9%, 11 in 2007 to 12 in 2008) reported increased numbers of permits issued.



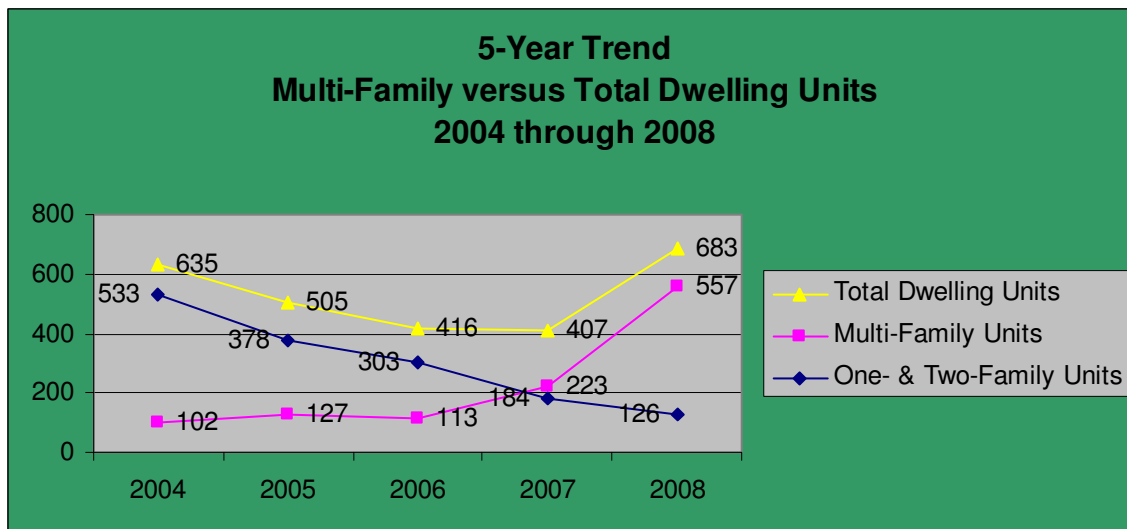
Compared to five years ago no jurisdiction reported an increase in the number of permits issued for one- and two-family dwellings. Lawrence experienced a 73% decrease. The lowest decrease was 40% reported by Salina.



Despite the decreases in new one- and two-family dwellings, the total number of dwelling units increased 68% over the past year because of the 568 apartment units under construction:

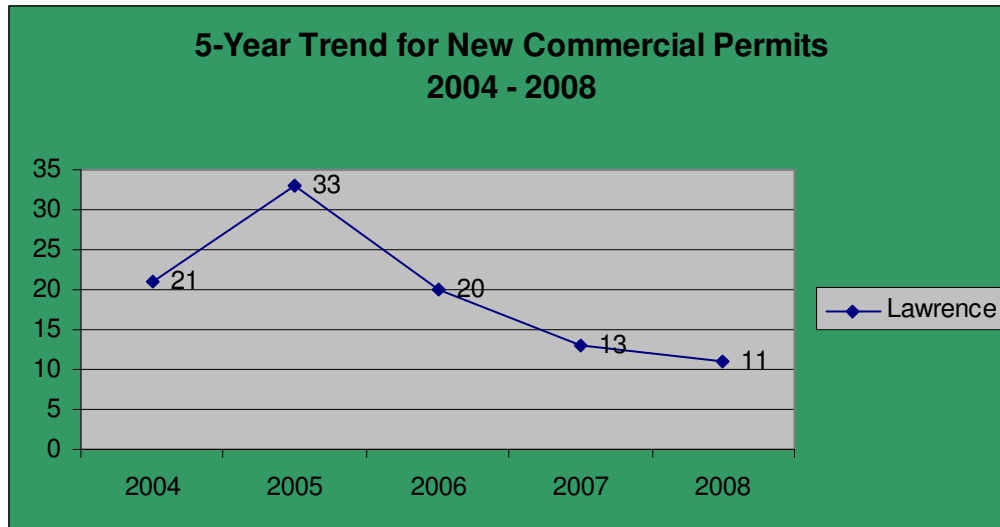


Additionally, the total number of dwellings is 8% higher than five years ago:



COMMERCIAL PERMITS

There were 11 permits for new commercial projects in 2008 compared to 13 in 2007. The following line graph shows the trend for new commercial projects over the last five years:



Lawrence is one of four area jurisdictions reporting a decrease in the number of new commercial projects over the last year, and only Topeka reports a greater percent decrease. Baldwin City increased 200%, from 1 to 3 permits, and Eudora increased 100%, from 1 to 2 permits issued. Douglas County reported the next highest percentage increase, 47%, and the highest numerical increase, from 19 to 28.

