

**20-1107 Retail Market Impact Analysis****(a) Applicability**

An independent market impact analysis shall be required for any application for site plan, **development plan**, or zoning that could result in 50,000 square feet or more of additional Floor Area for retail businesses in the City. Developments that would create less than 50,000 square feet of added retail space in the City or those that would reoccupy retail space that is already part of the City's retail database (whether currently occupied or currently vacant) shall be exempt from the independent market impact analysis.

**(b) Definitions**

(1) A retail business shall be defined as one whose primary coding under the North American Industrial Classification System (NAICS) falls into ~~at least~~ one of the following sectors **or sub sectors**:

(i) **Sectors** 44-45: Retail Trade;

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(ii) Sub sector 722: Food Services and Drinking Places;

(iii) Sub sector 811: Repair and Maintenance; and

(iv) Sub sector 812: Personal and Laundry Services.

(2) Retail space shall be defined as enclosed Floor Area that is principally intended for occupancy by any of the above kinds of retail businesses regardless of whether that space is vacant or occupied by other types of business.

(3) Retail space occupied by a non-retail use shall be **identified with respect to the calculations of Section 20-1107.**

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**(c) Criteria for Independent Market Impact Analysis**

(1) The independent market impact analysis will be undertaken by an independent consultant **selected by the City** from a list of approved consultants certified for this analysis by the City of Lawrence. **The applicant**

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may provide comment and advice concerning the selection of the consultant, however, the ultimate selection of the consultant shall be determined by the Director of Planning.

The applicant shall **bear the expense** of the independent market impact analysis.

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(2) The market impact analysis shall provide at least the following information:

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(i) The independent consultant will verify that the facts, assumptions, projections, and market data provided by the City are valid and reasonable.

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(ii) The City will provide sales tax information disaggregated to the extent possible by region of the city and type of retail activity. Based on that data, the independent consultant will determine what, if any, retail sectors are underserved in the City of Lawrence. Such determination will be based upon generally accepted norms for retail consumption per capita or per household. Sufficient information shall be provided as to allow for replication and verification of the consultant's conclusions.

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(iii) Computation of a hypothetical citywide retail space vacancy rate using current (i.e., at the time of application) data on the City's existing retail space vacancy rates. The independent consultant shall assume that the new retail space will either be entirely vacant when opened or will cause an equal amount of space elsewhere in the city to become vacant.

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(iv) Based upon population and disposable income trends, as well as projected retail absorption by NAICS sector or sub sector, the independent consultant will prepare a phasing plan for the development of various retail outlets. Such plan would not be site specific, but rather it would forecast absorption rates for the city at large. The plan would be designed to avoid an unacceptable citywide vacancy rate within retail properties to ensure that well served retail sectors are not prematurely expanded. Pursuant to the Comprehensive Plan, the project shall not be approved if the market impact analysis indicates the commercial project or proposed phase cannot be absorbed into the community

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within three years from the date of its estimated completion, or that it would result in a community-wide retail vacancy rate of greater than 8 percent.

4) The Planning Commission, the City Commission or the Planning staff may require additional data, analysis or information for the market impact analysis depending upon the proposed project or the proposed phase of the project. The Planning Commission shall establish standards and methods for analyzing retail market data.

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(d) **Responsibilities of the City**

(1) The Lawrence Douglas County Metropolitan Planning Office will maintain a list of not less than three independent consultants who are certified by the Planning Office to conduct the research and analysis necessary for the market impact analysis reports. The Planning Office will, from time to time, require these consultants to participate in appropriate training and informational sessions both to retain certification and to learn about new data and techniques suitable for the market impact analysis.

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¶<#>Unique circumstances may surround a request for retail development. The Lawrence Douglas County Metropolitan Planning Commission or Lawrence City Commission may require the analysis of additional information.¶

(2) The Lawrence Douglas County Planning Office will maintain a database of retail space and retail businesses in the City. This database will contain nonproprietary information, such as business name (or vacancy), address of the space, estimated Floor Area and land /parcel area of the space, NAICS code of the establishment, general physical condition of the ~~exterior of the space~~, zoning of the land/parcel, and related information that is readily accessible and useable by the public, by City officials, applicants for retail space development or occupancy, and independent consultants. The database shall be analyzed annually (at a minimum) to determine and document the conversion of retail space into non-retail space and vice-versa. The database ~~shall undergo annual~~ updating, including field research, at least annually but may be subject to periodic updating as revised information is obtained during normal city government operations.

Deleted: <#>The retail market impact analysis, properly prepared, will yield valuable information regarding the City's retail needs. These data should be aggressively provided to the development community to encourage retail development to keep pace with retail demand.¶

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(3) The Lawrence Douglas County Planning Office will maintain a database of retail sales tax receipts disaggregated by region of the city and type of retail activity as a measure of retail sales in the City of Lawrence.

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(e) **Relationship of Market Impact Analysis to Project Approval**

The market impact analysis shall be used in conjunction with the appropriate review and decision making criteria in the evaluation of zoning map amendment applications and decisions and approvals of development plans and site plans. The market impact analysis, coupled with information maintained by the Lawrence Douglas County Planning Office, is designed to help guide the decision process to avoid: (1) unreasonably impacting retail activity in the Central Business District; and (2) introducing retail businesses that cannot be absorbed by the market thus adversely impacting other retail districts.

Additionally, the market impact analysis, coupled with information maintained by the Lawrence Douglas County Planning Office, should be used to identify underserved retail sectors and provide compelling rationale for attracting retail businesses to satisfy this market demand.