

Memorandum

City of Lawrence – Douglas County Planning & Development Services

To: Lawrence-Douglas County Planning Commission

From: Dan Warner, AICP, Long Range Planner

Date: For December 12, 2011 Planning Commission Meeting

RE: CPA-6-5-09: Reconsider Comprehensive Plan Amendment to Horizon 2020 Chapter 14 to include the Northeast Sector Plan.

Introduction:

The Northeast Sector Plan was approved the Lawrence-Douglas County Planning Commission by a vote of 5-4 on September 20, 2010. The Douglas County Board of Commissioners considered the Northeast Sector Plan at meetings on May 11, 2011 and June 1, 2011. The County Commission, by a vote of 2-1, referred the Northeast Sector Plan back to the Planning Commission with specific statements outlined below. The City Commission reviewed the Northeast Sector Plan at their meeting on August 9, 2011. The City Commission also provided direction to the Planning Commission as noted below.

The items below are staff's discussion of the direction provided by the County Commission and City Commission. The respective governing bodies' direction is italicized.

County Commission Direction

- 1. Consider the public/private infrastructure costs of development of the area southwest of the airport currently designated Industrial when compared with the infrastructure costs of developing other identified industrial sites around Lawrence, in particular the Farmland site and the sites in the NW corridor along Farmer's Turnpike, to determine if such costs are extraordinary for the amount of industrial land developed.*

All of the future industrial sites have challenges to develop that will incur costs associated with the development of those properties. The following information details many of those challenges:

Farmland 293 acres/per the Farmland Industries Redevelopment Plan
Development challenges

- Environmental remediation necessary to deal with the nitrogen in the ground caused by the fertilizer processing at the former Farmland Industries site.
- New public streets necessary throughout the future business park.
- Water and sewer will need to be extended to the site to serve the future business park.
- Stormwater control on the property currently is a priority and will remain a priority for the site.

Airport area 240 acres/per the Northeast Sector Plan

Development Challenges

- A sewer extension is necessary to serve new development.
- There are stormwater issues due to the flat nature of the area. Development may trigger upgrades to existing stormwater infrastructure (such as stream channels and pump stations) in North Lawrence.
- Public streets will have to be upgraded and/or created to accommodate industrial development.

Farmer's Turnpike area 262 acres

Venture – 47 acres

Farmer's Turnpike & I-70 – 155 acres

Rothwell – 60 acres

Development Challenges

- All properties need sewer and water extensions if developing at an urban standard.
- There will be costs associated with accessing Farmer's Turnpike, such as turn lanes. Public street extensions into the sites are possible as well.

It is difficult to generate and compare cost estimates to develop the above areas. The areas have different challenges to develop that make apples to apples comparisons difficult when trying to determine which area has the extraordinary development costs and if the costs are extraordinary for the amount of industrial land developed. Further, different project proposals for any of the areas likely will produce different cost estimates. Therefore, without having specific projects to respond to, it is difficult to develop cost estimates for serving areas with public infrastructure. For instance, a single large user in one of those areas will require only 1 point of contact for infrastructure, whereas multiple users in the same area may require more public infrastructure and will likely cost more to serve.

Who ultimately pays for the infrastructure can be a factor in deciding if costs are too high. The City's development policy, outlined in Resolution No. 5614, generally requires that a development pay to extend necessary services to the site. This is accomplished through a benefit district, pay-back district, or direct developer construction.

A developer may petition the governing body for assistance in paying for infrastructure. If a policy choice is made by the governing body to pay for public infrastructure costs, the city or county at-large takes on the costs. However, a benefit district may be created and those properties that receive a direct benefit from the public infrastructure pay a share of the total cost. Who ends up paying what share of the costs oftentimes is a decision made during the negotiations for specific development projects.

Staff finding: There are simply too many variables to determine if the costs to develop the industrial designated area in the Northeast Sector Plan are extraordinary for the amount of industrial land proposed for development. Decisions regarding public funding of infrastructure improvements, and whether or not those costs are too high, are best made by governing bodies at the time of specific development project requests.

2. *Considering the presumed extraordinary costs to provide public infrastructure, such as storm water, sewer and street improvements, presumed to be needed to support industrial or other urbanized development in Grant Township, discuss whether urbanization should be reasonably expected outside of the airport property.*

Large-scale urbanization would be challenging in the area given the stormwater issues and perceived costs to resolve the issues. Because of these and other factors, the Northeast Sector Plan limits urbanization outside of the airport property. The future industrial area reflected in the current Northeast Sector Plan would require some amount of drainage improvements but could be reasonably developed, in staff's opinion.

As discussed in the previous section, there are public infrastructure costs associated with developing all of the future industrial areas. Governing bodies typically make funding decisions as they respond to development proposals and decisions about whether or not a project's cost are extraordinary are considered at that time. Decisions are based on availability of funds, the scope of the project, type of industry, and the number of jobs being created, etc. Funding decisions are not typically made at the sector planning level where there are no specific development projects being considered and where the timeframe for particular developments is unknown.

The North Lawrence Drainage Study recommended millions of dollars in stormwater infrastructure improvements for the Grant Township area based on a future land use assumption of considerably more urban development than what is proposed in the Northeast Sector Plan. It stands to reason then that the stormwater costs related to development according to the Northeast Sector Plan will not be as high as what was proposed by the North Lawrence Drainage Study.

As noted in Question #3, if the amount of designated urbanized area were reduced, the presumed public infrastructure costs would likely also be reduced. Consideration should be given to reducing the amount of urbanized area outside of the airport in order to reduce the presumed public infrastructure costs.

Staff finding: The limited urbanization proposed by the Northeast Sector Plan for the area outside of the airport is reasonable.

3. *Considering the unique challenges present in the area of the sector plan, including infrastructure costs, identified storm water issues, the presence of class 1 and 2 soils, etc., and considering the other areas in the county, especially those that surround Lawrence, designated or recently zoned for industrial uses, discuss whether industrial development outside of the airport property is a necessary designation in this plan area in order to meet the "Horizon 2020" goal of expanding the industrial inventory.*

Horizon 2020, Chapter 7 Industrial and Employment designates the area south and west of the airport as a future Industrial and Employment area. That assumption was used in developing the Northeast Sector Plan. There is also a strategy in Chapter 7 to secure 20,000 new jobs in Douglas County by 2020. Further, Horizon 2020, Chapter 12 Economic Development states: *"Within the next few years, the City and County Commissions shall identify and designate at least 1,000 acres of land for industrial expansion of the next 25 years."*

Recent sector planning has designated approximately 1,426 acres of future industrial areas. Those plans and the approximate industrial acreages are:

- 6th & K-10/West of K-10 224 acres
- Farmland Industries Redevelopment Plan 293 acres
- K-10 & Farmer's Turnpike Plan 671 acres
- Southeast Area Plan 238 acres

The designation of industrial in this area is necessary if providing choices for future industrial development is a priority. This industrial area benefits from being near I-70 and also being near the airport. Certain industrial users may choose to locate near the airport because they value those key location traits over those that are present for other potential industrial sites.

It's been stated previously in this document that costs to develop may or may not be extraordinary. Class I and II soils are of high value for several reasons; however, the designated industrial land area accounts for only approximately 6% of the Class I and II soils in Grant Township.

If identifying significantly more land for industrial purposes and providing choices for industrial development around the community are priorities then it is necessary to designate land near the airport for industrial development. However, considering the stormwater challenges, presence of Class I and II soils and the presumed infrastructure costs, perhaps the question is how much land for industrial should be provided around the airport?

4. Discuss whether or not the area southwest of the airport currently designated Industrial is a true future multi-modal transportation area. Consider the growth and intensity of uses at the airport as well as how realistic it is that rail can be extended to the industrially designated area southwest of the airport. Discuss whether rail and airport transportation modes are valid reasons to support industrial designations on the property southwest of the airport.

The transportation modes available for the area include highway (via I-70 and Highways 24/40/59), air (via the airport) and rail (via a possible future spur connection).

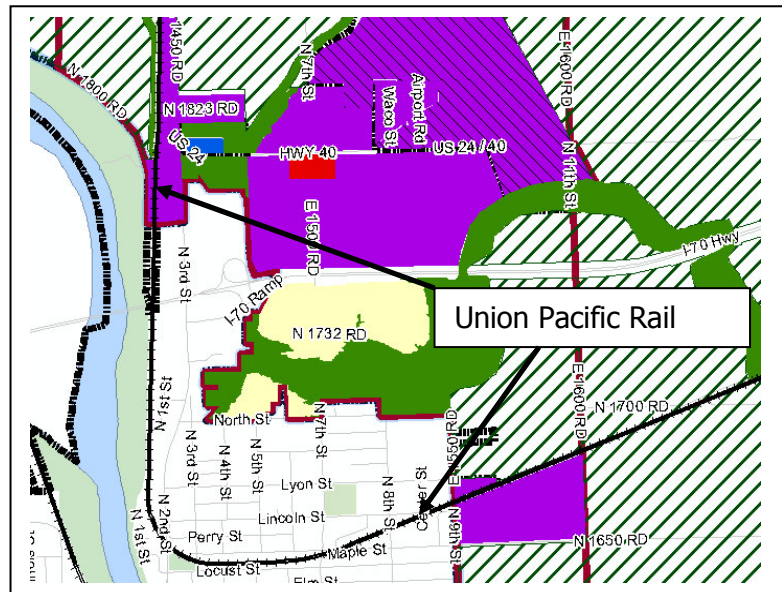
Commuter traffic is currently driving the demand of the airport. Large-scale freight shipping isn't on the immediate horizon for the airport. The airport may not support a large cargo shipping operation in the future, but that isn't the only way an airport can support industrial/employment related development. The airport currently supports helicopters and airplanes up to business jets as modes of transportation. Those modes of air transportation can be used to support businesses that locate at or near the airport.

For instance, a diesel mechanic currently uses the airport to fly to different areas to make engine repairs. Further, a business that produces items that can be shipped via the current modes available at the airport may find the area attractive to locate.

Executives of companies may also want to locate their businesses near the airport to take advantage of commuting to and from Lawrence via airplane.

A rail spur to serve the area is possible. Union Pacific owns track west of the area along Hwy. 24/59 and south of the area in North Lawrence.

While a connection from the south is likely to be much too prohibitive, it is perhaps more possible to connect a spur to the rail west of the area. That rail line is a major route so any spur off of it would require a significant amount of infrastructure in order to keep the trains running while constructing the spur. The spur itself also would require two switches, a highway crossing and the



necessary track and would cost millions of dollars to execute. While a rail connection is possible to the west, it may likely prove to be too cost prohibitive.

Interstate access alone has been a reasonable justification to date to locate industrial in this area.

Staff finding: Highway, and to some extent air, are valid transportation modes to support industrial uses in the area. Rail is possible, but is more likely to be too costly to be considered a viable mode to solely justify industrial development in the area.

5. *Discuss more thoroughly the impact of developing to the proposed land use designations in the area and the recommendations of the North Lawrence Drainage Study. Consider how the Federal Aviation Administration's circular regarding waterfowl around the airport impacts the recommendations of the drainage study that may result in retaining/detaining stormwater in the area around the airport. Consider the potential future of regulations regarding development in levee protected areas.*

As discussed previously, the future land use assumption used for the North Lawrence Drainage Study is different than the future land use of the Northeast Sector Plan. The North Lawrence Drainage Study was developed with an assumption of considerably more urbanized development than what is proposed by the Northeast Sector Plan. The stormwater improvements needed for the development area proposed by the Northeast Sector Plan likely aren't as significant or as costly as those assumed by the North Lawrence Drainage Study.

Stormwater can be managed in ways that can limit the impact of potential waterfowl issues for the airport. The use of detention ponds, rather than retention ponds, which will hold water during storm events for a short period time and then quickly release that water, may be appropriate. There is also the option to direct the stormwater underground. Another method is to move the stormwater through the area as the rain event is occurring so that it keeps moving and doesn't pond.

The City has embarked on a process to create a Wildlife Hazard Assessment Study for the airport. The study is meant to identify potential wildlife hazards and propose improvements to mitigate those hazards. A consultant is currently working on the study and should complete it in 2012.

A large portion of the planning area is designated "Zone X Protected by Levee". Zone X is not currently regulated nor is flood insurance required. There may come a time in the future when the National Flood Insurance Program (NFIP) will be changed to include a flood insurance requirement for "Zone X Protected by Levee" properties.

The NFIP is due for reauthorization in 2011. There were dueling reauthorization bills in Congress this past federal legislative session. One bill included a provision for a flood insurance requirement in Zone X. The other included an insurance requirement and a requirement for regulations for Zone X. It remains to be seen what form the re-authorization takes however. If only the option for flood insurance in Zone X is adopted, that may, in turn, spur changes to state and local floodplain regulations that may bring about local regulation of Zone X.

However, when, and if, that may occur and to what form the regulations may take is not clear at this time.

Reducing the industrial designated area south and west of the airport to approximately 125 acres was discussed in Section 3. Designating approximately 125 acres south and west of the airport as industrial instead of approximately 300 acres as designated in the Northeast Sector Plan would reduce the impact to the airport and reduce stormwater issues.

Staff Finding: The above factors do not appear to preclude development in the area; however, any reduction to the designated industrial area south and west of the airport would reduce the impact regarding waterfowl around the airport.

City Commission Direction

1. Soil Conserving Agri-Industry.

Certain City Commissioners wanted to revisit the term “Soil Conserving Agri-Industry” since the term is used in the Industrial future land use category to determine if greater clarification would benefit the plan. The Planning Commission discussed three options related to the Soil-Conserving Agri-Industry future land use category. There was the definition from the 3rd draft along with two other options that were developed by planning staff. The Planning Commission approved Option 1 below, which the City Commission desires to be reviewed to determine if it provides enough clarity for future use. Those three options are presented below:

The description from the 3rd draft:

3.2.1.4 Soil Conserving Agri-Industry

The intent of the Soil Conserving Agri-Industry category is to allow for soil conserving agriculture-related businesses that conserve and use the Class 1 and 2 Soils in the area and that take advantage of Highway 24/40 and I-70 for materials transportation. Soil conserving agri-industry business is a term with its basis found in Horizon 2020 Chapter 7 – Industrial and Employment-Related Land Use. This Plan seeks to better describe the intent of this classification. The distinction between the Soil Conserving Agri-Industry classification and Industrial/Employment classification is the component of protecting and/or using existing high-quality agricultural land either through agricultural use or preservation for future agricultural use.

Protection of the soils through agriculture use or preservation can be implemented in different ways and the community should be open to creative ways that development projects could utilize this classification. Projects that could meet the value of this classification include, but are not limited to, the following: crop research, local food production, or small amounts of conventional industrial with large percentages of the soil protected or used for agriculture. The Agri-Industry Use may or may not urbanize. This use is identified south of Highway 24/40 and also should be included at Midland Junction when a nodal plan is developed for that area.

Intensity: Medium-High

Zoning Districts: Douglas County – I-1 (Limited Industrial District) and I-2 Light Industrial District; Lawrence – IBP (Industrial and Business Park District) IL (Limited Industrial District), IG (General Industrial District), PD (Planned Development Overlay)

Primary Uses: Soil-conserving agri-businesses

Option #1 from Staff (Planning Commission approved option):

Delete the Soil Conserving Agri-Industry category and change the area south of Highway 24/40 designated as such to the Industrial category. Add language to the Industrial category encouraging soil conserving agri-industry businesses to locate in areas with Class I and II soils. This reflects more directly the policies of Chapter 7 in *Horizon 2020*.

~~3.2.1.4 Soil Conserving Agri-Industry~~

~~The intent of the Soil Conserving Agri-Industry Use category is to allow for soil conserving agriculture related industrial uses businesses that conserve and use the Class 1 and 2 Soils in the area and that take advantage of Highway 24/40 and I-70 for materials transportation. Soil conserving agri-industry business is a term with its basis found in Horizon 2020 Chapter 7 Industrial and Employment Related Land Use. This Plan seeks to better describe the intent of this classification. The distinction between the Soil Conserving Agri-Industry classification and Industrial/Employment classifications is the component of protecting and/or using existing high quality agricultural land either through agricultural use or preservation for future agricultural use.~~

~~Protection of the soils through agriculture use or preservation can be implemented in different ways and the community should be open to creative ways that development projects could utilize this classification. Projects that could meet the value of this classification include, but are not limited to, the following: crop research, local food production, or small amounts of conventional industrial with large percentages of the soil protected or used for agriculture. The Agri-Industry Use may or may not urbanize. This use is identified south of Highway 24/40 and also should be included at Midland Junction when a nodal plan is developed for that area.~~

~~Intensity: Medium High~~

~~Zoning Districts: Douglas County I-1 (Limited Industrial District) and I-2 Light Industrial District; Lawrence IBP (Industrial and Business Park District) IL (Limited Industrial District), IG (General Industrial District), PD (Planned Development Overlay)~~

~~Primary Uses: Soil conserving agri-businesses~~

3.2.1.84 Industrial

The intent of the Industrial Use category is to allow for moderate to high-impact uses including large scale or specialized industrial uses that utilize Highway 24/40 and I-70 for materials transportation. This category includes existing industrial developments in the area. This category also includes land at the airport dedicated to aviation related development. Land west of the airport and north of Highway 24/40 and south of Highway 24/40 is also ~~designated~~ classified as industrial. Soil conserving agri-industry businesses that will protect the quality of existing high quality agricultural land either through agricultural use or preservation for future agricultural use should be encouraged to locate in areas with Class I and II soils. The industrial ~~use classification~~ category is expected to urbanize.

Intensity: Medium-High

Zoning Districts: Lawrence – IBP (Industrial and Business Park District) IL (Limited Industrial District), IG (General Industrial District), PD (Planned Development Overlay)

Primary Uses: Aviation-related uses, utility facilities, building maintenance services, fleet storage, business support services, construction sales and service, industrial facilities, wholesale, distribution, and storage, research services, manufacturing and production limited and technology, soil-conserving agri-businesses

Option #2 from Staff:

Retain the Soil Conserving Agri-Industry category. Add language to the description that creates specific ratio to protect Class 1 and 2 soils when developing in that category.

3.2.1.4 Soil Conserving Agri-Industry

~~The intent of the Soil Conserving Agri-Industry Use category is to allow for soil conserving agriculture-related industrial uses but permit other, more conventional industrial uses, as long as a high percentage of a development's Class I and II soils land area is protected. businesses that conserve and use the Class 1 and 2 Soils in the area and that take advantage of Highway 24/40 and I-70 for materials transportation.~~

Soil conserving agri-industry business is a term with its basis found in Horizon 2020 Chapter 7 – Industrial and Employment-Related Land Use. This Plan seeks to better describe the intent of this classification. The distinction between the Soil Conserving Agri-Industry classification and Industrial/Employment classifications is the component of protecting and/or using existing high-quality agricultural land either through agricultural use or preservation for future agricultural use.

Protection of the soils through agriculture use or preservation can be implemented in different ways and the community should be open to creative ways that development projects could utilize this classification. ~~Projects that could meet the value of this classification include, but are not limited to, the following: crop research, local food production, or small amounts of conventional industrial with large percentages of the soil protected or used for agriculture.~~ Projects must set aside, protect, or use a minimum of 50% of the Class I and II soils on the property being developed for agriculture use. This protection must take the form of a conservation easement or some other legal instrument mandating perpetual protection. The Soil Conserving Agri-Industry Use may or may not urbanize. This use is identified south of Highway 24/40 and also should be included at Midland Junction when a nodal plan is developed for that area.

Intensity: Medium-High

Zoning Districts: Douglas County – I-1 (Limited Industrial District) and I-2 Light Industrial District; Lawrence – IBP (Industrial and Business Park

District) IL (Limited Industrial District), IG (General Industrial District), PD (Planned Development Overlay)

Primary Uses: Soil-conserving agri-businesses, aviation-related uses, utility facilities, building maintenance services, fleet storage, business support services, construction sales and service, industrial facilities, wholesale, distribution, and storage, research services, manufacturing and production limited and technology

Staff Finding: Staff does not have a specific finding to provide for this item. Consider the direction provided from the City Commission.

2. There were also City Commission concerns about losing Class I & II soils.

It was discussed in Question #3 of the County Commission questions to consider reducing the industrially designated area west and south of the airport from the approximately 300 acres proposed by the Northeast Sector Plan to 125 acres. This would reduce the percentage of potentially developed Grant Township Class I & II soils from approximately 6% to approximate 2.5%.

Staff finding: Consider reducing the area designated as Industrial south and west of the airport in the Northeast Sector Plan from the current approximate 300 acres to approximately 125 acres.