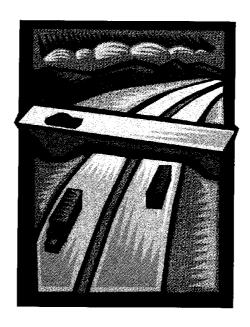


City of Lawrence, Kansas

ECONOMIC DEVELOPMENT PROJECT



FISCAL YEAR 2009

PROJECT:

Franklin Road extension and East Hills Business Park access road connection to K-10 New Access Road and Traffic Signal Improvements

July 2005

SUBMITTED BY: The City of Lawrence, Kansas

Through the Lawrence/Douglas County Metropolitan Planning Organization (MPO)

ECONOMIC DEVELOPMENT PROJECT

FISCAL YEAR 2009

East Hills Business Park roadway connection to K-10 at Franklin Road New Access Road and Signalization

Submitted by:





The City of Lawrence Public Works Department

and the

Lawrence-Douglas County Metropolitan Planning Office

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DEPARTMENT OF TRANSPORTATION DEB MILLER, SECRETARY

KATHLEEN SEBELIUS, GOVERNOR

ROSEMARY M. INGRAM, CHIEF

May 26, 2005

SUBJECT: ECONOMIC DEVELOPMENT PROJECTS - FISCAL YEAR 2009

The Kansas Department of Transportation is announcing the continuation of its Economic Development Program. This is a program of highway and bridge construction that is intended to enhance the economic development of the state of Kansas. Projects will be selected for the fiscal year 2009 program from the applications received from this announcement.

ELIGIBILITY - Any prospective highway and bridge construction project which may be considered to have the potential to enhance significantly the income, employment, sales receipts, and land values of the surrounding area may be considered for construction funds from the Kansas Department of Transportation's Economic Development Fund. Funding may cover all or part of rights-of-way purchase, utility adjustments, preliminary engineering for plan development, construction costs, construction engineering, or any combination of the above. Governmental bodies within urbanized areas (populations greater than 50,000) should also submit copies of their applications to their Metropolitan Planning Organizations (MPO's). Projects are not eligible for multi-year funding under this program.

PROJECT IDENTIFICATION - Any local unit of government or state agency may present a proposal to the Bureau of Program Management for consideration for economic development funding. Proposals must include:

<u>LOCATION</u> - The project location should be described on the application form and illustrated on an attached map. A map showing impacted businesses and/or future business sites should also be included.

(over)

<u>DESCRIPTION</u> - The type of work anticipated for the proposed improvement should be described on the application form in as much detail as possible.

<u>PROJECT COSTS</u> - All proposed project scopes and cost estimates must meet current state design standards for the type of improvement requested. Local funds spent previous to the project's approval can be included ONLY as Local Support and shown on line 4 of the "Economic Significance Factors" attachment. The cost estimate shown on the application should include ONLY those costs that are anticipated to complete the project. A copy of the estimate computations should be submitted along with the application. A sample estimate sheet is attached to assist in making the cost estimate.

<u>ECONOMIC SIGNIFICANCE</u> - The attachment to the application form concerning the economic significance and viability of the project should be completed. Jobs to be created or saved and new economic opportunity coming from the project are all significant items in determining the priority of economic development projects.

PARTICIPATION - Local units of government must provide <u>at least 25 percent</u> of the total project cost, as shown on the application. Local participation is considered to be a key item for project selection. A maximum of \$2,000,000 may be requested as the state's share.

The local unit of government will be responsible for plan preparation. All projects involving traffic signals, existing or proposed, will be required to have a completed traffic study during the design process to verify that the warrants of signalization are met. KDOT will review the developed plans for compliance with the department's procedures and requirements.

Eligible costs may include preliminary engineering, utilities, rights-of-way, construction, and construction engineering. KDOT will assist in determining the associated costs that receive the state's participation. KDOT's preliminary engineering and construction engineering expenses, for plan review and project construction, will be included in the final project cost.

PROCEDURE - Prior to submission of applications, review of the proposed projects with the KDOT District or Area Engineer is encouraged. After submission of the application, the Bureau of Program and Project Management will review the proposed project scope and estimate. All projects will then be assembled in a single package and presented to the Highway Advisory Commission by the Division of Planning and Development. Staff from the Kansas Department of Transportation and the Kansas Department of Commerce will assist the Highway Advisory Commission by evaluating the project in terms of the criteria for economic development potential. The Highway Advisory Commission will recommend a set of projects to the Secretary of Transportation. Personnel from the Division of Planning and Development will serve as principal staff to the Highway Advisory Commission for this program.

APPLICATION REQUIREMENTS - The application package should all be on 8 $\frac{1}{2}$ X 11 paper. Please submit the original plus one copy.

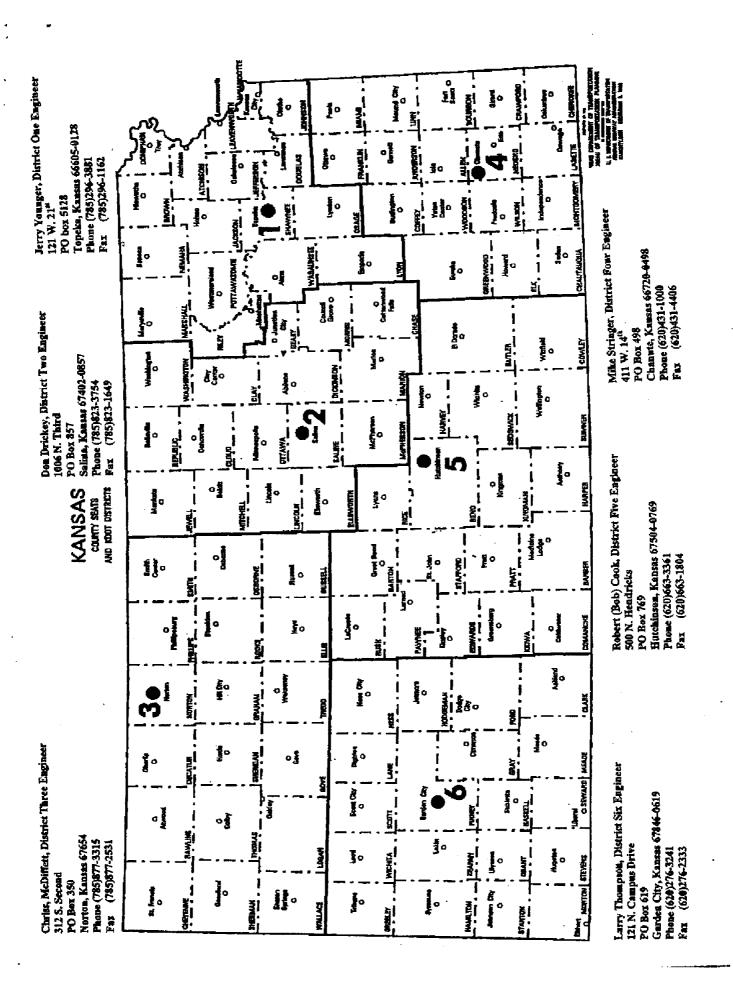
TIME AND CYCLE - Proposals for the fiscal year 2009 program must be submitted to the Kansas Department of Transportation and postmarked by August 1, 2005. Electronic submissions will **not** be accepted at this time. We anticipate the Secretary will announce the approved projects before the end of the calendar year. A schedule will be developed to advance the project to a timely bid letting. The local unit of government's share of the project cost will be due at the time of the bid letting.

CONTACT PERSON - If further information is needed to complete the application package, please contact Melinda Desch, Program Management Engineer at (785) 296-3526, FAX (785) 368-6664, e-mail: melinda@ksdot.org. This program information is also available on KDOT's web site at www.ksdot.org.

ECONOMIC DEVELOPMENT PROJECTS

Economic Significance Factors

- 1. Show the project on a map or aerial photograph and describe the land area of immediate economic development that will be directly affected by the proposed project.
- 2. Provide an inventory of the business firms established in the affected area. The businesses should be listed by name, along with the date each started business at that site, the number of employees, and a single sentence description of the role they fulfill. For example: Dillons, established in 1984, hires 250, is a food supermarket.
- 3. Provide documentation of commitments to expand business now located in development area and commitments to locate new businesses in the area. Each commitment should be in the form of a letter from an officer of the firm committed to expand or locate in the area. The letter should briefly describe the business venture the firm will undertake, provide a timetable, give the number of jobs to be created within the next two years and explain specifically how the proposed highway project would enhance the firm's prospects for success. New businesses should mention if they are start-up or expansion/branch business or existing businesses relocated from other areas of the community.
- 4. Local Support: Cite the funds already expended toward the proposed project and in-kind work done. Is the project eligible for any other sources of funding (Federal-Aid funds, Department of Commerce funds, private sector funding?)
- 5. Summarize in narrative form the anticipated effect of the proposed improvement on the economic development of the community and State. Concentrate on specifics and avoid generalities. These comments should come from the elected body of the governmental unit making the request and may be supplemented by statements from the area Chamber of Commerce, economic development organization or similar groups.

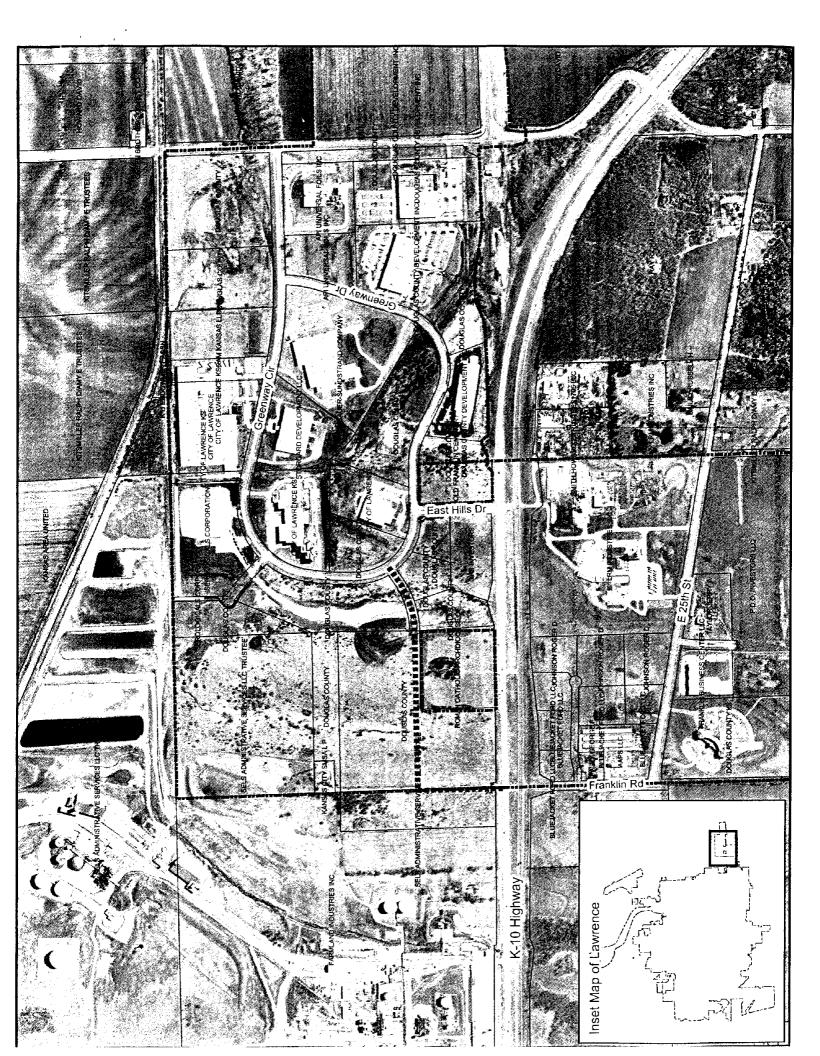


PROJECT LOCATION

The City of Lawrence's application for economic development funds for FY 2009 is for construction of an extension of Franklin Road north of K-10, an access road to East Hills Business Park, and signalization of the Franklin Road & K-10 intersection. The project location is approximately one-half mile west of the existing at-grade intersection of Highway K-10 and East Hills Drive.

This roadway construction and intersection improvement will improve traffic flow and reduce the risk of traffic accidents in an area of Lawrence that is experiencing dramatic commercial, industrial, and residential growth. The existing intersection at K-10 & East Hills Drive provides the primary access into the East Hills Business Park. However the location of the existing access point has experienced noted safety problems due to sight distance problems, high speeds, and high volumes of side road slow-moving heavy vehicles entering the freeway. The proposed improvements would provide safer access into the industrial park, would provide safe and efficient access into the redeveloping Farmland Property north of K-10, and to the proposed commercial developments under consideration immediately south of K-10 at Franklin Road. The existing accident-plagued access at East Hills Drive will be closed with the provision of the safer access provided by the project. The project will help to insure that the intersection operates efficiently and safely while nurturing economic development in the area.

Horizon 2020, the Comprehensive Plan for the City of Lawrence and Unincorporated Douglas County, shows that this area will be a long-term industrial and employment center. The existing development of this area and near-term development prospects support this concept.



PROJECT DESCRIPTION

PROJECT DESCRIPTION	
The project would include the installation of a traffic signal at K-10 and Franklin Road, the construction of Franklin Road north of K-10, then east to the East Hills Business Park.	

OVERVIEW

East 23rd Street/Kansas Highway 10 was originally a rural highway that served the farm to market transportation needs of Douglas County. Today East 23rd Street serves as the primary eastern gateway for Lawrence, providing access to communities to the east. *Horizon 2020* predicts that the existing uses will be maintained and new growth to the south will be a mix of primarily residential, and industrial uses.

Due to environmental constrains of the peripheral land (i.e. the 100 yr. Flood Plan) it is expected that East 23rd Street will remain the principal gateway into East Lawrence and that the immediate economic area and its surroundings will continue to develop with industrial uses until all suitable land is developed.

Within the last several years, numerous light industrial developments have opened within the immediate economic area. The Lawrence Chamber of Commerce reports that there are several new prospects for industrial development in the surrounding area. All of these would benefit from the proposed project. In addition to new businesses, many of the existing businesses are planning or have recently undergone further expansion. Many of these businesses work in shifts, causing traffic delays and safety problems at peak times. The demand placed upon the existing intersection has continued to and will continue to grow, acerbating the existing safety issues at that location. The project improvements are needed to improve safety issues at the current location, maintain effective levels of service on K-10, and provide additional access to developing commercial and industrial developments.

FUTURE BUILD-OUT ANALYSIS

Horizon 2020 provides a guide for future land use decisions within the community. The city has strategically set aside a large area of land on the east side of the city for industrial development. The industrial area is accessible from K-10 as well as the proposed South Lawrence Trafficway (SLT) and a future connection to U.S. 24/59 to the north. The Planning Commission and City Commission adopted the Future Land Use Plan on May 22, 1996 and January 28, 1997 respectively.

At the heart of this industrial area are the East Hills Business Park and the Franklin Business Park. The East Hills Business Park has approximately 213.8 buildable acres of which 52.3 acres have been developed to date. An additional 88 acres was added to both the business park and the City of Lawrence on the east side of Noria Road. The Chamber of Commerce also indicates that as many as 4,700 new jobs could be added to the 1,550 people currently employed in the park. It is reasonable to expect that at the complete build-out of the East Hills Business Park alone, the traffic demand on the subject intersection should quadruple over current levels.

Lawrence Transit has indicated that due to the high speed of westbound K-10 traffic, inadequate sight distance, and documented safety problem at East Hills Dr., they have had to re-route their busses further east to Noria Road, then north to access East Hills Business Park. This routing makes it difficult to serve the industrial park, plus Noria road too is an unsafe intersection. Transit service to the industrial and commercial areas north and south of K-10 would benefit greatly from intersection improvements and signalization at K-10 and Franklin Road.

The recently completed K-10 Transportation Study indicates that current average daily traffic on K-10 near East Hills is approximately 28,000 vehicles per day (vpd) and is projected to increase to over 60,000 vpd by 2030. This traffic growth, coupled with increased development in the industrial areas adjacent to K-10, plus Lawrence's continued residential growth in the area will likely result in severe traffic problems, i.e. congestion, increased crashes, and inability of side road traffic to access K-10.

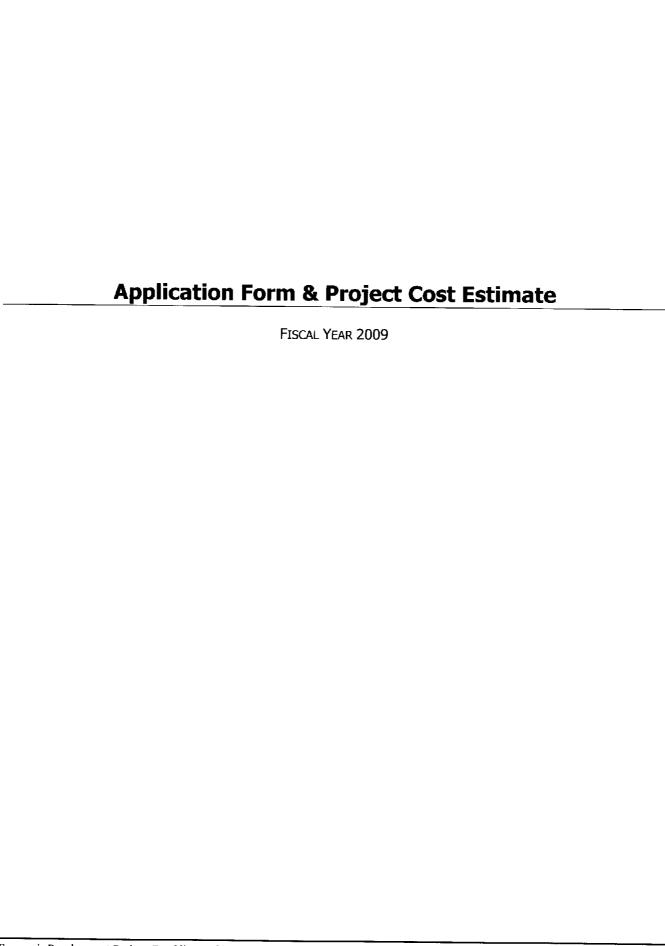
The Franklin Business Park, which is immediately south of East 23rd Street and The East Hills Business Park, is also anticipating growth. LRM Industries has recently constructed a concrete plant in addition to their current asphalt plant operations. This expansion of operations is created additional 30 jobs. Located next to the LRM plant is the recently opened Douglas County Jail. It serves as the primary incarceration facility for the county and will need safe access onto K-10 for the transportation of prisoners.

To the west of East Hills Business Park, the former Farmland Industries property provides 148 acres of industrial land and has been proposed for redevelopment. Current access to this site via at-grade access points on K-10 could be closed and safer access provided from Franklin Road.

The proposed Fairfield Farms East development, located at the southwest quadrant of K-10 and Franklin Road would also benefit from improvements to the K-10 & Franklin road intersection. This mixed-use development proposes approximately 86,500 square feet of business park, over 130,000 square feet of commercial uses, as well as 126 single family residences, 268 apartment units, and 198 townhomes. Several other large-scale commercial and residential developments are proposed to be developed in the near future in the immediate area of K-10 & Franklin Road. The proposed improvements would improve safety and provide improved access to the area.

CONCLUSION

The existing intersection at K-10 and East Hills Drive has continued to increase in demand with a commensurate increase in crashes. Due to the speed of through traffic on K-10, the crashes invariably tend to be severe. Closure of the East Hills Drive intersection and its replacement with the improvements provided by this project, i.e. K10 & Franklin Road signalization, Franklin Road extension, and an East Hills access road, will improve safety, provide improved access into the business park, provide convenient and safe access to the Farmland Properties site immediately west of Franklin Road and north of K-10, and will improve safety and access for developing areas south of K-10 adjacent to Franklin Road. These improvements will improve traffic flow and reduce the risk of traffic accidents. More over, approval of this application for improvements will provide a safer more efficient circulation of traffic upon which the immediate economic area can grow.



ECONOMIC DEVELOPMENT PROJECT APPLICATION FORM FISCAL YEAR 2009

DATE: July 1, 2005

Ditt. <u>Outy</u> 1, 2005							
REQUESTOR: City of La	wrence	v					
CITY (if involved): Lawrence		COUNTY:	Douglas				
HIGHWAY ROUTE: K-10		LENGTH:	2,550 feet				
PROJECT LOCATION: Franklin Road at K-10							
PROJECT DESCRIPTION: Construction of Franklin Road north of K-10 and extend to							
the east to Lawrence Indus	strial Park/East H	ills Business	Park (Greenway Circle).				
		. <u>.</u>					
COST ESTIMATE:	Current 2005 Cost		•				
Construction Cost:	\$ 1,580,976	Chi	arles F. Soules, P.E.				
Right of Way Cost:	<u>s</u>		(Applicant's Contact Person)				
Utility Adjustment Cost:	<u>\$</u>	Di:	rector of Public Works				
Preliminary. Engineering (10%):	\$ 150,000		(Title)				
Constr. Engineering (15%):	\$ 237,000	6	E. 6th Street, P.O. Box 708				
2005 TOTAL PROJECT COST:	\$ 1,967,976	_ La	wrence, KS 66044 (Mailing Address)				
Inflation Factor	X 1.225	cs	oules@ci.lawrence.ks.us				
2009 TOTAL PROJECT COST:	\$ 2,410,770		(U-Mail Address)				
TOTAL REQUESTED FROM STATE:	<u>\$</u> 1,808,078	(7	85) 832–3124 (Phone Number)				

BALANCE (*LOCAL COST):

Has this project been reviewed by the KDOT District or Area Engineer? (x) yes () no

602,692

Send Request to: Melinda Desch, P.E.

KDOT - Bureau of Program and Project Management

(Applicant's Signature)

Eisenhower State Office Building 700 SW Harrison - 2nd Floor Tower Topeka, Kansas 66603-3754

^{*}Local cost will be a minimum of 25% of the total project cost.

Estimate

Project Location

Franklin Road and K-10

Roadway Width

Franklin Road - 48 feet

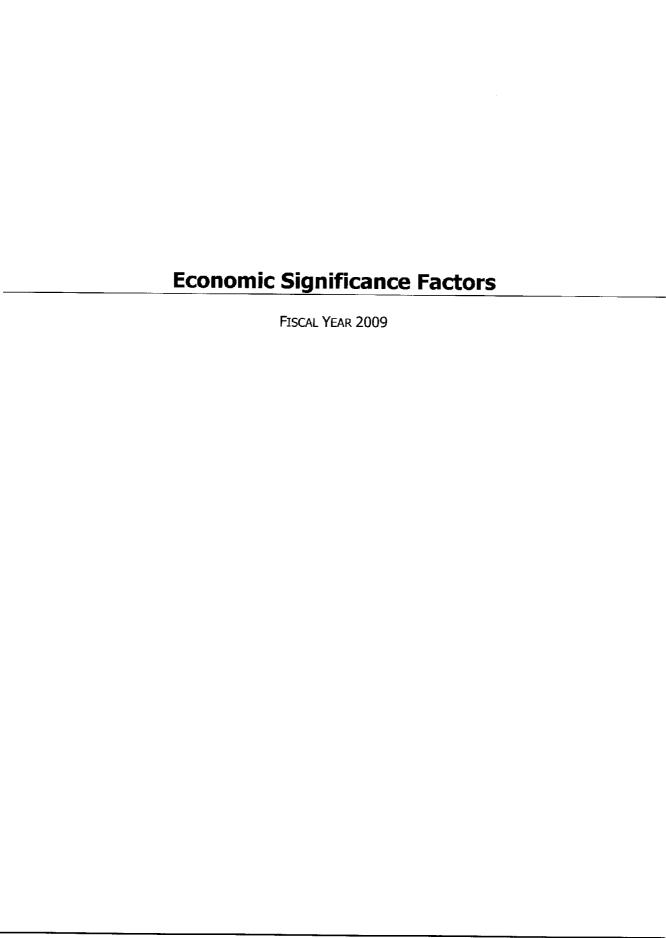
Surfacing Type & Thickness 12" Asphalt

Estimate By

Charles F. Soules, P.E.

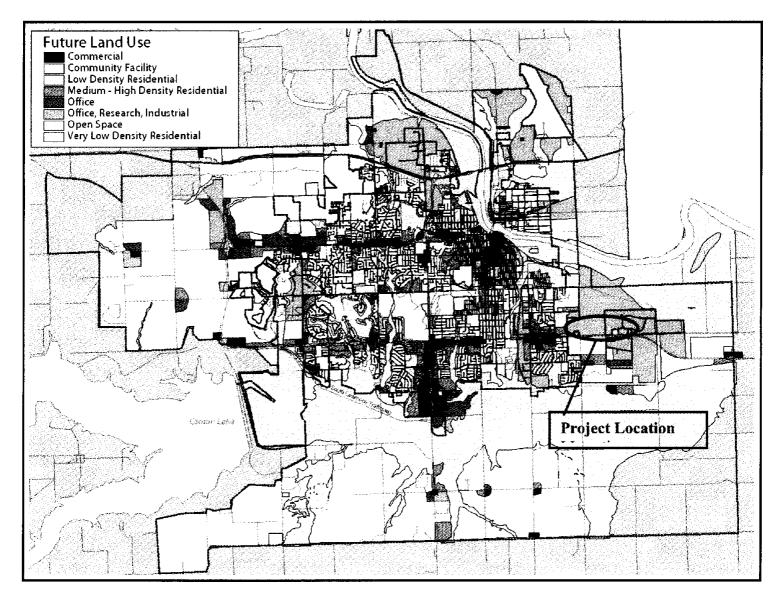
Date __July 1, 2005

ITEM	QUANTITY	UNIT	UNIT PRICE	ANACHINIT
Clearing and Grubbing	1	L.S.	\$ 20,000.00	\$ 20,000,00
Common Excavation	3,700	C.Y.	10.00	\$ 20,000.00 37,000.00
Common Exc. (Contractor Furnished)		 		1
Rock Excavation	100	C.Y.	40.00	4,000.00
Compaction of Earthwork		}	 	·
Entrance Pipe				
Crossroad Pipe				
End Sections				
Storm Sewer _ 30"	2,000	L.F.	85.00	170,000.00
nlets	10	EACH	2,500.00	
Slope Drains				25,000.00
Steel Plate Guard Fence	·			
ield Office & Lab	1	L.S.	5,000.00	5,000.00
Mobilization (10%)	1	L.S.	100,000.00	100,000.00
Contractor Staking (2%)	1	L.S.	25,000.00	
Seeding & Erosion Control	1	L.S.	10,000.00	25,000.00
Pavement Marking	. 1	L.S.	25,000.00	10,000.00 25,000.00
Curb & Gutter	5,100	L.F.	27.00	137,700.00
Concrete Pavement			27.00	1377703.00
ortland Cement Treated Base				
ime Treated Subgrade (Fly Ash)	2,773	C.Y.	12.00	33,276.00
lilling				
atching				· · · · · · · · · · · · · · · · · · ·
ituminous Surfacing 12" Asphalt	12,200.00	TON	45.00	549,000.00
CB Extensions				
raffic Control (4%)	1	L.S.	50,000.00	50,000.00
ther				•
raffic Signal	1	L.S.	250,000.00	250,000.00
				
				······································
		S	ubtotal	1,440,976,00
	P		ontingencies	140,000.00
· -	<u> </u>		otal	1,580,976.00



ECONOMIC SIGNIFICANCE FACTORS

1. Show the project on a map or aerial photograph and describe the land area of immediate economic development that will directly be affected by the proposed project.



The immediate economic development area includes approximately 243 acres on the northeast side of K-10 & Franklin Road (East Hills Business Park), approximately 160 acres on southeast side of K-10 & Franklin Road (Franklin Business Park and surrounding area), approximately 148 acres on northwest side of K-10 & Franklin Road (Farmland Industries), and approximately 70 acres on southwest side of K-10 & Franklin Road (Fairfield Farms East Addition).

2. Provide an inventory of the business firms established in the affected area. The businesses should be listed by name; along with the date each started business at that site, the number of employees, and a single sentence description of the role they fulfill. For example: Dillon's, established 1984, hires 250, is a food supermarket.

Establishe	ed Business Firms	vicinity K-10 at	Franklin Road
			economic area as outlined in the enclosed map (See
Name	Date Established	# of Employees	Service Provided
Amarr Garage Doors	1989	521	Manufactures garage door components
Pearson Government Solutions (NCS)	1997	1,540	Information services
Kinedyne Corporation	1990	84	Manufactures cargo restraining systems
LRM Industries	1993		Manufactures asphalt, concrete, aggregates
Douglas County Jail	1999		Incarceration Center
API Foils	1994	83	Manufactures hot stamping foils for printing industry
Progress Vanguard	1999	^7	Locomotive axle & wheel set refurbishing
Prosoco, Inc.	1999	80	Chemical Manufacturing
Sauer-Danfloss	1998		Manufacturer of hydrostatic transmissions & pumps
American Eagle Outfitters*	TBA	2004	Clothing Manufacturer/Distributor
Serilogicals Inc.	2002	40	Biotech manufacturing
Total		3,056	

^{*} Proposed Development

3. Provide documentation of commitments to expand businesses now located in the development area and commitments to locate new businesses in the area. Each commitment should be in the form from an officer of the firm committed to expand or locate in the area. The letter should briefly describe the business venture the firm will undertake, provide a timetable, give the number of jobs to be created within the next two years and explain specifically how the proposed highway project would enhance the firm's prospects for success. New businesses should mention if they are start-up or expansion /branch businesses or existing businesses relocated from other areas of the community.

The East Hills and Franklin Industrial Parks have fueled much of the industrial growth for the City of Lawrence over the last ten years. Although several parcels remain vacant in both industrial parks, this area is nearing build out, although businesses have been and will continue expansions. Traffic volumes have been increasing steadily on 23rd St./K-10 and are projected to continue to increase substantially making the safety of this area particularly crucial. High traffic volumes and high speeds combined with large numbers of heavy vehicles raise additional safety issues and are contributing factors in the high number of very severe crashes in this area.

National firms, such as National Computer Systems have either completed or are

planning multi-million dollar investments in the East Hills Business Park. The American Eagle Outfitters Warehouse and Distribution Center proposed for 88 acres immediately east of the existing East Hills Business Park includes the investment of over \$35 million dollars to the Lawrence community and 300 jobs within the first 3 years. That figure is set to grow to 425 within 5 years. National Computer Systems recently completed work on their second office building at East Hills and 1100 employees. Sauer-Danfoss, the Amarr Garage Door Group, and LRM all have planned expansions underway, totaling over \$39,000,000 and 250 additional jobs. This commitment of local and national firms to the business park and adjacent commercial and industrial area in the Lawrence community strengthen the need of governing agencies to assist in providing safe and efficient access to businesses and industries.

4. Local Support: Cite the funds already expended toward the proposed project and in-kind work done. Is the project eligible for any other sources of funding (Federal-Aid funds, Department of Commerce funds, private sector funding)?

The City will work cooperatively with Douglas County to obtain right-of-way needed for this project. The City will also provide the engineering design (PE) and 25% of the construction and construction engineering costs.

In September 2002, the Lawrence/Douglas County MPO completed and adopted the 23rd Street Corridor Study, which took a comprehensive look at the access needs of the 23rd St./K-10 corridor. The study and its recommendations were subsequently received by the Douglas County Commission and adopted by the Lawrence City Commission. Transportation 2025, the adopted regional long-range transportation plan echoed the recommendations from 23rd St. Corridor Study concerning the K-10/East Hills/Franklin Rd. area and the recently completed K-10 Transportation Study, that included MPO financial participation and staff time, also includes a similar design configuration.

5. Summarize in narrative form the anticipated effect of the proposed improvements on the economic development of the community and State. Concentrate on specifics and avoid generalities. These comments should come from the elected body of the governmental unit making the request and may be supplemented by statements from the area Chamber of Commerce, economic development organization or similar groups

The East Hills Business Park is one of two major planned industrial parks within the City of Lawrence. As such, it serves as an employment nucleus for over 3000 Lawrence and regional residents. To sustain the vitality of the business park and adjacent developing commercial and industrial areas, and maintain the competitive edge that has allowed Lawrence and the State of Kansas to attract international firms such as Sauer-Danfoss, local and state governments must work in tandem to ensure that proper incentives are given or maintained for businesses. The most elementary of these is to guarantee the safe commute and effective access to centers of employment for shippers, customers and employees.

Concerns over improvements to this area are not new. Many of the existing businesses that have given their time and investment to the Lawrence community have expressed great discontent at the failure to complete improvements to this area as well as apprehension over the ongoing safety issues that exist and that are growing steadily worse as both development and traffic volumes increase.

Failure to provide an alternate main access into the East Hills Business Park and to improve the K-10 & Franklin Road intersection will leave vehicular traffic continuing to use the unsafe intersection at East Hills Drive. Further, as the Farmland Industry site redevelopment takes place, all access will continue to be from the existing unsafe multiple access points along K-10, rather than from a safer access point off of Franklin Road. Approval of this application for the construction of an East Hills access road and Franklin road extension and accompanying intersection safety improvements at K-10 will enable a safer, more efficient circulation of traffic for both the State highway System and the local street system and will provide an immediate economic benefit to the area.