



2016 Multi-Dwelling Inventory Report  
City of Lawrence, Kansas  
Planning & Development Services



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## Overview

Since 2000, the City of Lawrence’s population has grown 20.7%, from 80,508 to an [estimated](#) 97,193 people in 2015. As Lawrence has grown, an increase in residential, commercial and industrial development has followed. Over time, various studies have been conducted, including the [Residential Lot Inventory](#) and [Retail Market Report](#) to help provide a snapshot based on the real estate/land use market, specifically reviewing inventory (supply) and annual permits issued (market demand). This report encapsulates a different residential segment, specifically the multi-dwelling/apartment segment.

A “Multi-Dwelling Structure” is defined in the [Land Development Code](#) as, “A Structure that contains three (3) or more Dwelling Units that share common walls or floor/ceilings with one (1) or more units. The land underneath the Structure is not divided into separate Lots. A Multi-Dwelling includes Structures commonly called garden apartments, apartments and condominiums.” (§ 20-1734(5))

Household Living: Multi-Dwelling Structure			
Intensity	Residential Zoning	Non-Residential Zoning	Mixed Use Zoning
Low	RM12	CN2	MU
	RM15	CS	
	RM24	CC	
	RM32	CD*	
	PRD		
High	PUD		

*\*Downtown Commercial Zoning*

For the purposes of this study, staff isolated undeveloped properties within Lawrence that are within one of the zoning districts that permit multi-dwelling structures, calculated the potential development area, and applied an average number of units permitted within a 10-year average. For reasons noted in this report, the Downtown area has been studied separately but is included in the total potential for multi-dwelling development.

## Assumptions

Because properties will be developed with a variety of densities, patterns, and architectural styles, and many of the potential developments covered within this study have not been determined at this time, certain general assumptions have to be made.

As many of the areas zoned for multi-dwelling structures have not been platted or approved under a development plan, staff first assumed a 20% deduction from the land mass to account for required items such as easements, rights-of-way, and other portions of the site that would be constructed to allow for further residential development. Also assumed is the U.S. Census Bureau assumption that of the planned units, 98% of total units are actually completed. This accounts for alterations and deviations that occur between the land approval process and the physical construction of the buildings.

Unit density for projects was based on the 10-year annual average of units permitted. Due to the unique code standards of Downtown Lawrence (uncapped density, taller building heights, and no requirement to supply parking), developments in this area were separated from other multi-dwelling developments.

To account for market and spatial development patterns, staff derived an average dwelling unit per acre calculation for Lawrence, and one specifically for Downtown Lawrence. Based upon the permitted number of units listed by a property’s annual rental license, staff was able to determine Lawrence’s average density is 18 dwelling units per acre for multi-dwelling structures, excluding Downtown Lawrence. An identical calculation for Downtown found 79 dwelling units per acre.

It should also be noted that the development within the CD zoning district, which is uniquely created for Downtown Lawrence, is a finite category with limited potential for expansion. It is natural to assume that the area within the CD zoning is spatially limited in development potential due to the policies and protections that have been adopted to ensure the longevity and character of Massachusetts Street and the surrounding district. The land calculations for this segment of the inventory study are based on updated information from the 2012 [Downtown Redevelopment Issues & Opportunities Report](#), which includes both privately owned lots and the City’s surface parking lots.

However, there are certain economic realities that cannot be accounted for by this study. These include product choice by consumers, market location demand, unique and specific site characteristics, owner desire, and market constriction.

## Permitting Trends

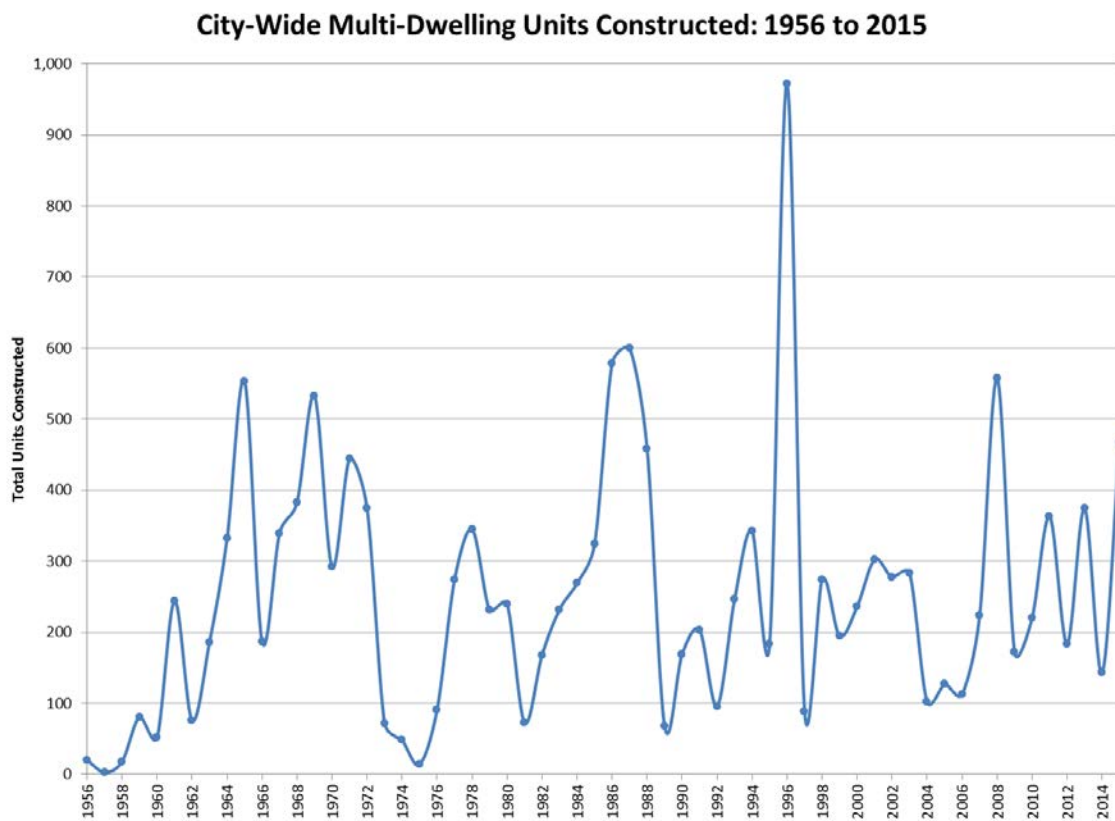
In recent years, Lawrence has seen some oscillations in the building permits for multi-dwelling structures. Within the last 10 years, the construction of these units has been cyclical, with a recent trend to developing units within the Downtown Commercial (CD Zoning) district. Analysis of the overall trend in the number of units annually constructed within the city has increased since 2011.

Due to the unique characteristics of Downtown Lawrence’s CD base zoning district, and other spatial considerations such as available land acreages and height

Year	Multi-Dwelling Zoning Units Permitted	CD Zoning Units Permitted
2005	98	29
2006	113	-
2007	223	-
2008	557	-
2009	172	-
2010	165	55
2011	363	-
2012	184	-
2013	370	4
2014	29	114
2015	412	55
<b>Average</b>	<b>244</b>	<b>23</b>

allowances, this report separates the CD zoning district from the other Multi-Dwelling zoning districts to present a more accurate development estimate for base zoning districts that allow multi-dwelling development in the community.

The districts outside of Downtown which permit multi-dwelling developments are largely similar in their general requirements, conditions, and other factors that would be applicable under both the market and Land Development Code. For that reason, the remaining districts are grouped and calculated at the same density estimate of number of dwelling units per acre.



### Multi-Dwelling Zoning

When evaluating such an oscillating trend, using a 10-year average helps mitigate large fluctuations in the number of permitted units. The average number of dwelling units constructed annually since 2005 has been 244 units per year.

## CD Zoning

Unlike the other zoning districts in this study which have seen construction activity in every year, the CD district has not seen a consistent construction trend over the last decade. While all the larger-scale, multi-dwelling development has occurred within the last 10 years, there have also been periods of no development. When accounting for the historic trend in the CD districts, the average number of dwelling units constructed annually since 2005 has been 23 units per year.

## **Supply**

As noted previously, unlike the Residential Lot Inventory, multi-dwelling structures do not tend to be subdivided into individual lots for each building. Because of this trait, it can be difficult to anticipate the full development extent that exists for each property as they develop. Therefore, certain spatial and development assumptions are made when striving for an accurate estimate.

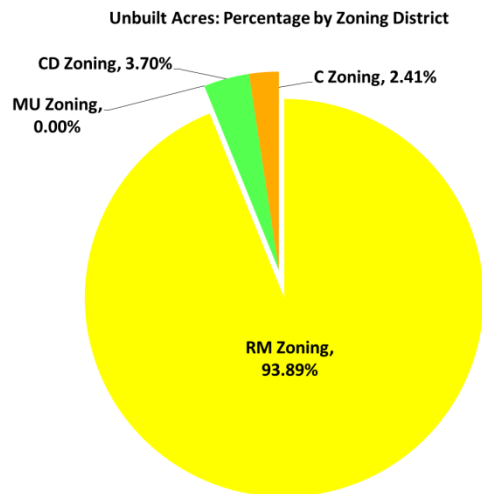
To allow for the creation of this estimate, the amount of undeveloped land that is zoned to permit multi-dwelling construction is accounted for in this study. While varying degrees of density are permitted under each base zoning district by the Land Development Code, an average number of units per acre for multi-dwelling developments is used to account for the spatial variations and market preferences seen throughout the city.

When the two distinct markets, Multi-Dwelling and CD Zonings, are combined, there is an estimated potential for 5,932 units to be developed currently within Lawrence city limits.

## Multi-Dwelling Zoning

Using data from the City of Lawrence's geographic information system, there is an estimated 287.74 acres of land presently zoned that would permit multi-dwelling structures by right.

Estimated Supply by Zoning Category	
Zoning District	Est. Potential Units
RM Zoning	4,949
MU Zoning	0
Commercial Zoning	127
CD Zoning	856
<b>Total</b>	<b>5,932</b>



Using the average density of units for multi-dwelling structures throughout the 10 base zoning districts (18 dwelling units per acre); this could accommodate an estimated 5,076 units.

### CD Zoning

Similarly, there is an estimated 11.06 acres of land, including private land and publically owned surface parking, which are presently undeveloped. Using the average density of units for multi-dwelling structures in this district (79 dwelling units per acre), Downtown could accommodate an estimated 856 units.

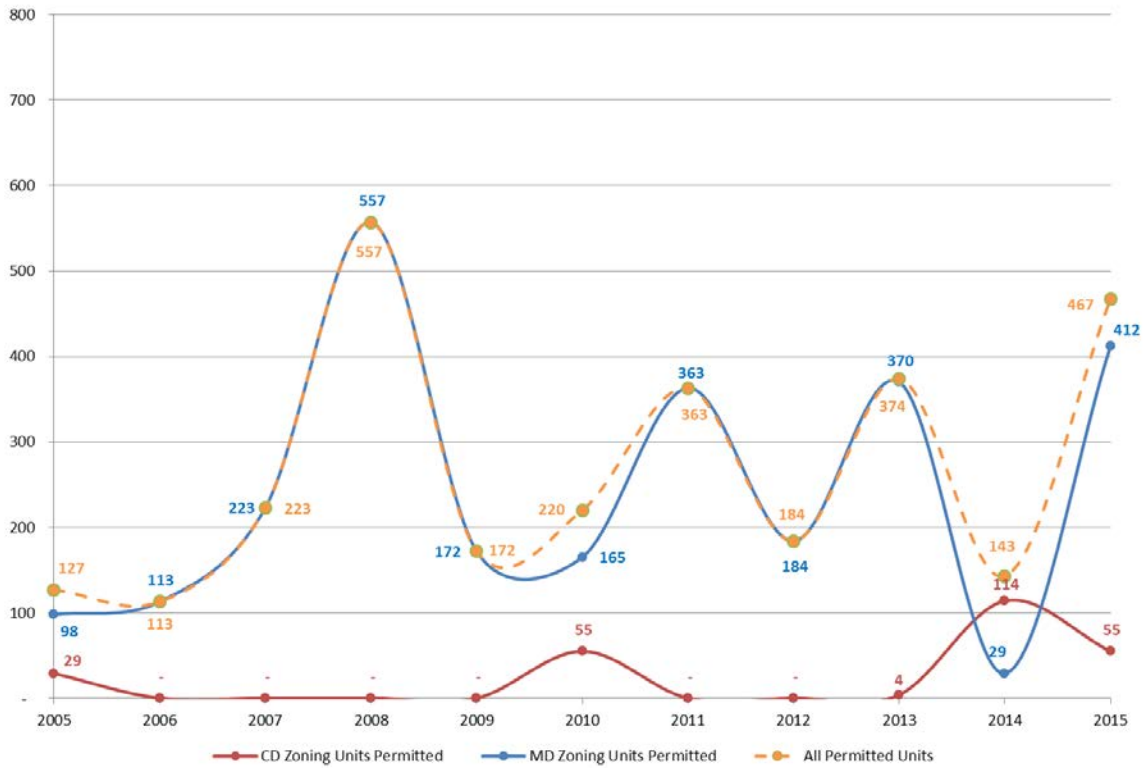
### **Demand**

To measure construction demand, reviewing the average annual number of permits issued over a 10-year period helps provide a measure to annually track this aspect of the market. Similarly to the supply portion, the demand portion is best accounted for in the two separate avenues: CD zoning separately, and then all other multi-dwelling zoning districts combined. Determining the frequency of units constructed annually is a means to show the relative level of demand for this housing product in the community.

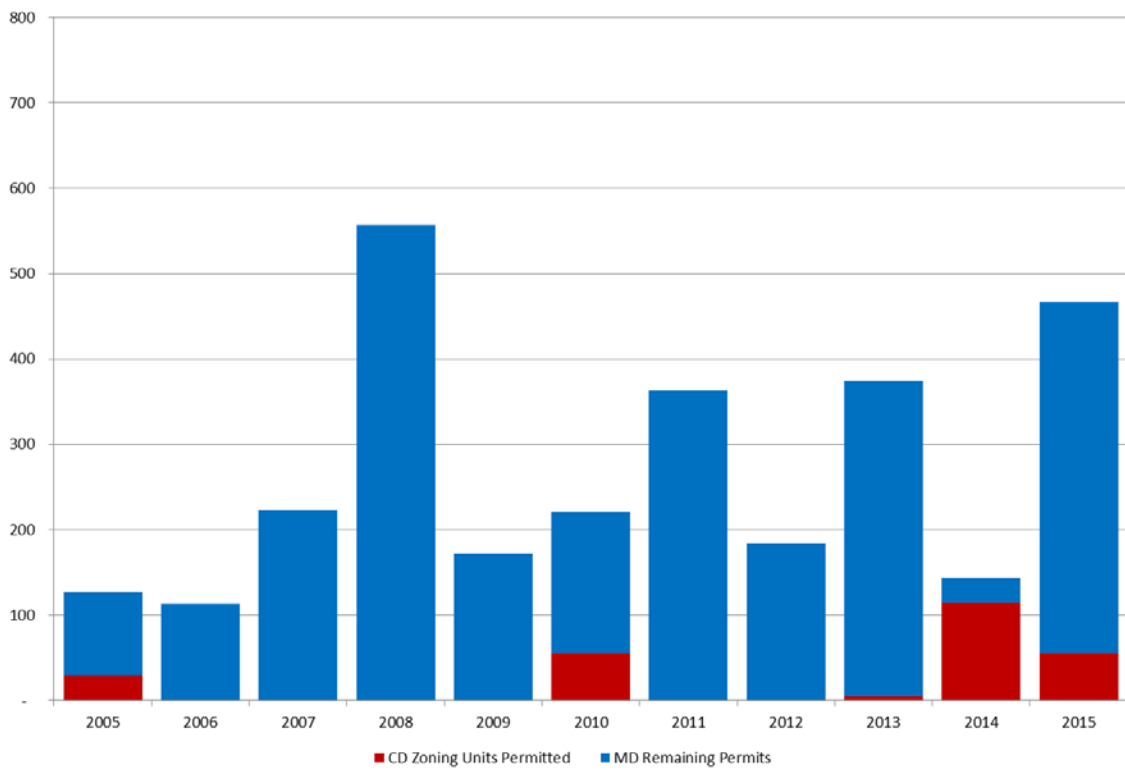
Demand can be estimated by using the number of building permits, and the average number of units constructed per permit, issued annually within each segment of the Lawrence market. Therefore, this study will assume that the density of recently permitted projects provides a realistic construction preference, reflecting both existing market conditions and consumer expectations in density, amenities and parking.

City-wide, there are approximately 18 projects permitted annually, totaling 268 units. However, because the number of units constructed per acre differs greatly between Downtown Lawrence and other locations zoned for multiple dwelling units, these factors again have to be separated to accurately account for the whole market.

### Multi-Dwelling Building Permits: Permitted Dwelling Units



### Dwelling Units Permitted by Zoning District





## Multi-Dwelling Zoning

Using a 10-year average of permits issued throughout Lawrence, except Downtown, there is an average of 18 projects annually, constructing on average 244 units.

## CD Zoning

As with multi-dwelling permit measurements, the CD zoning district has a different set of standards compared with the RM Districts. Over the course of the last 10 years, 5 permits have been issued annually containing an average of 23 units per permit.

## **Estimated Inventory**

Accounting for the two unique multi-dwelling development markets in the community requires taking into consideration the annual issuance rate for each district at their unique density rates. Using the 10-year average number of units constructed per acre for each district, there is an estimated 22 years of inventory presently within the Lawrence city limits.

<b>Multi-Dwelling Estimated Inventory</b>				
	<b>RM Zoning</b>	<b>MU Zoning</b>	<b>C Zoning</b>	<b>CD Zoning</b>
Total Acres	1,761.25	7.18	1,257.11	83.72
Undeveloped Acres	350.69	-	8.99	13.82
Spatial Deductions <i>(20%)</i>	280.55	-	7.19	11.06
<b>Average Dwelling Units/Acre</b>		<b>18</b>		<b>79</b>
Potential Unit Capacity	4,949	-	127	856
<b>Total Unit Capacity</b>		<b>5,076</b>		<b>856</b>
Annual Units Permitted		244		23
<b>Supply: Years Remaining</b>		<b>20.79</b>		<b>36.64</b>

The calculation for the estimated potential years remaining are based on a calculation of Land Available minus a 20% spatial deduction to account for various items such as easements, right-of-way dedications, and other site constraints that are present in development. Once this calculation is complete, each amount of land is then multiplied by the average dwelling units per acre that are present within each district in Lawrence. This creates a Potential Unit Capacity for both the Multi-Dwelling Zoning as well as the CD Zoning Districts. Using a 10-year average of number of units permitted, which includes both districts to account for simultaneous construction in both, the number of potential units is divided by the Combined Annual Permit Ratio, which creates the Supply Years Remaining calculation.

## Pending Projects

Lawrence has some projects that have received various levels of approval, but have not been completed to occupy yet. Together, these “in-progress” projects total approximately 147.65 acres of land, containing 1,446 additional units.

Pending Summary				
	Projects	Units	Acres	Average Dwelling Units/Acre
<b>Under Construction</b>	<b>4</b>	<b>407</b>	<b>26.07</b>	<b>81.46</b>
<i>RM Zoning</i>	2	238	25.00	9.10
<i>CD Zoning</i>	2	169	1.07	153.82
<i>MU Zoning</i>	-	-	-	-
<b>Approved, Not Constructed</b>	<b>3</b>	<b>1,039</b>	<b>121.58</b>	<b>9.15</b>
<i>RM Zoning</i>	2	889	108.35	8.05
<i>CD Zoning</i>	1	150	13.23	11.34
<i>MU Zoning</i>	-	-	-	-

At present, there are a number of projects that have been permitted and that are presently under construction.

Projects: Under Construction				
Name	Units	Acres	Dwelling Units/Acre	Year Permitted
<b>888 New Hampshire</b>	114	0.67	170.15	2014
<b>Americare</b>	66	10.70	6.17	2014
<b>Pachamama's</b>	55	0.40	137.50	2015
<b>West End</b>	172	14.30	12.03	2016

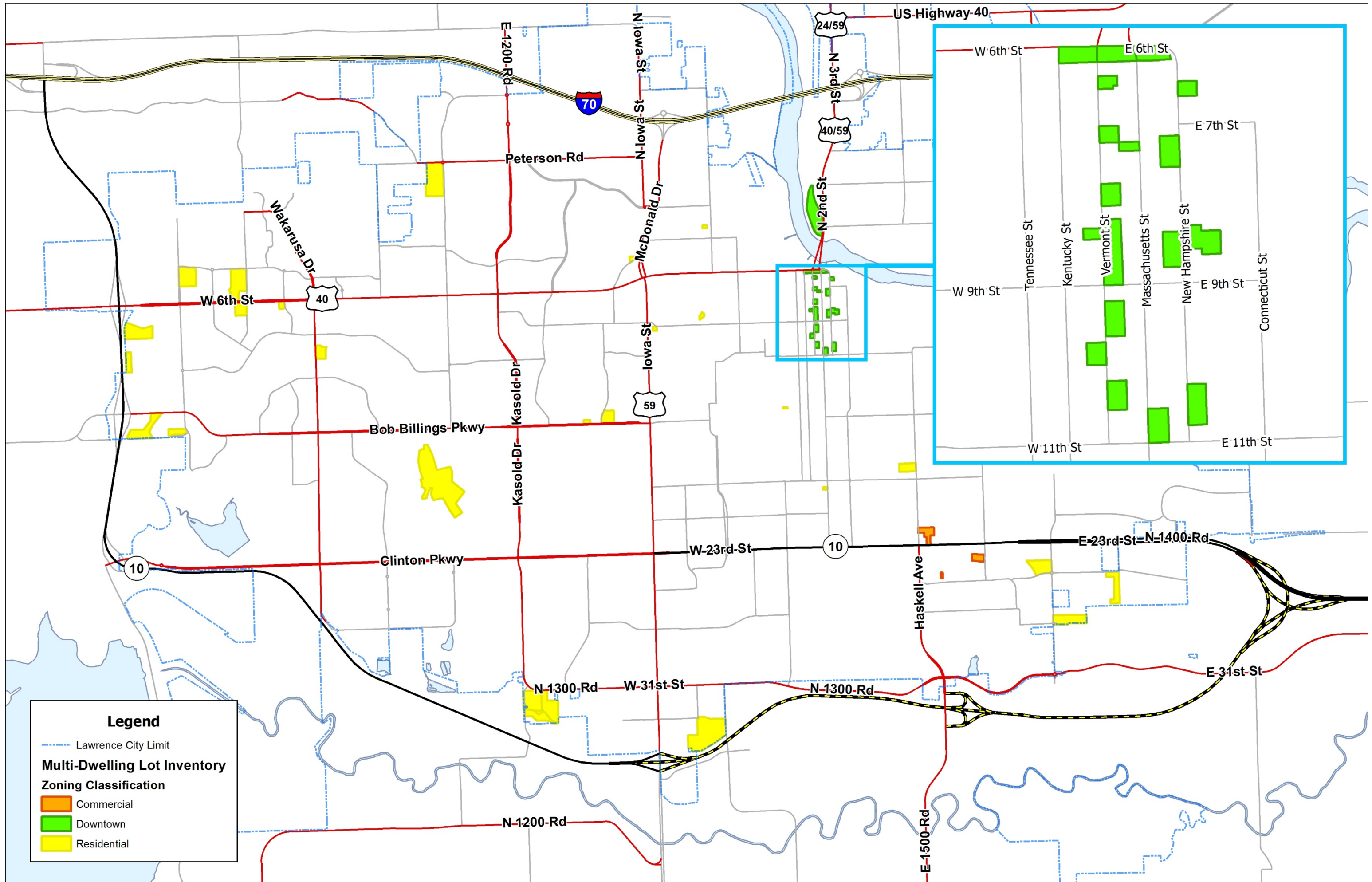
Also, there are other projects that have been proposed and approved at some level, but have not obtained building permits.

<b>Projects: Approved, Not Constructed</b>				
<b>Name</b>	<b>Units</b>	<b>Acres</b>	<b>Dwelling Units/Acre</b>	<b>Year Permitted</b>
<b>Links</b>	597	57.90	10.31	-
<b>Alvamar</b>	292	50.45	5.79	-
<b>North Lawrence</b>	150	13.23	11.34	-

## **Conclusions**

On the supply side, the City of Lawrence contains approximately 298.8 net acres of land with zoning that could accommodate multi-dwelling structures. Based on the two permitting and density trends for Downtown Lawrence and the larger whole of the city, this could accommodate an additional 5,932 dwelling units.

On the demand side, Lawrence's 10-Year permitting average for Downtown Lawrence is 23 units per permit, and 244 per permit throughout the remainder of the city. Using 2015 data to represent current market conditions, the supply for multi-dwelling zoned land is estimated to last approximately 22.17 years.



**Legend**

- Lawrence City Limit
- Multi-Dwelling Lot Inventory**
- Zoning Classification**
- Commercial
- Downtown
- Residential

