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SPRINGFIELD, MISSOURI

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Developers seek rezoning for 500-acre building site

Economic impact could be \$66 million annually.

Developers who see opportunity for a major upscale retail, dining, office and residential project in southeast Springfield have set about winning over area residents so they can rezone about 500 acres north of U.S. 60 on U.S. 65.

The project is being proposed by 60/65 Partnership LLC, which will work to attract a large national developer with the resources and experience to build the project, real estate developer Robert B. Murray III said at a press conference Tuesday.

Construction cost of the entire, finished project could total \$400 million, he said, and generate \$200 million in labor revenue for local contractors over the period of the development. The total economic impact of the development could be near \$66 million per year, he said.

The 60/65 Partnership hopes to break ground within three years and complete the project in 10 years, based on the assumption the economy turns around, he said.

A project of this scale would bring retail stores that are found only in larger cities, while capturing the shopping and dining dollars of the 6 million cars per year that pass the site on their way to Branson, Murray said. More than 120,000 cars pass the site daily.

"It's a complete untapped market driving past there," he said.

It would pump in property tax dollars, he said -- \$4 million to \$7 million annually versus the \$3,000 annually the undeveloped 500 acres generates now. It could generate \$11 million in city sales tax, millions in labor revenue and thousands of direct and indirect jobs.

But planners first need the proper zoning in place to snag the developer's commitment, Murray said. And architect and land planner Geoffrey Butler said they know they will face area residents who oppose adding more retail development there.

The site is partially in the city and county and is zoned residential-single family and agricultural. The property is mostly vacant with a few residences on it.

All of the property would be annexed into the city as part of the development work, Murray said.

Public meeting

Planners sent letters to landowners and residents this week, and have invited them to a meeting from 4:30 to 6:30 p.m. Tuesday at Sequoia Elementary School, said Butler.

The planned development zoning they're seeking allows for a design that provides buffers and protects adjacent properties, he said. The proposal calls for "stepped-down" development the closer it gets to existing residential development on the west side of 65. The zoning also requires that the development provide connections to the public roadway system surrounding the property, Butler said.



Architect Geoffrey H. Butler talks about the proposed development in southeast Springfield on Tuesday during a news conference at Springfield Chamber of Commerce. (Steve J.P. Liang / News-Leader)

Possible benefits

In a nod to Springfield's massive funding issues due to the police-fire pension fund shortfall, real estate developer Robert B. Murray III outlined possible benefits:

- Cost of infrastructure -- interchange, streets, roads and utilities -- is projected to be about \$63 million.
- Construction cost of all the development is expected to be \$400 million.
- Assuming that a modest 40 percent of the cost of construction is labor, planners are projecting that construction of the infrastructure and the buildings will generate \$200 million of labor revenue to the community over 10 years.
- Appraised value of the development at completion is expected to exceed \$442 million, which could generate \$7.9 million per year of property tax, he said.
- Assuming that every 1,000 square feet of commercial development represents 1 1/2 new jobs, the commercial development potentially would generate 3,285 direct and indirect jobs.
- Assuming a modest \$275 per square foot of retail sales, the gross sales for the development would be \$412 million per year, which generates over \$27 million per year of state, county and local sales tax revenue. "Eleven million dollars of that is local sales tax," Murray emphasized.

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Without the rezoning in place, it won't be possible to attract a joint-venture partner to do the project, Murray said.

"If we wait to rezone when the economy is healthy, we will have missed our window to do the two to three years of background work necessary to time this project correctly," Murray said.

Highway access

Crucial to the project was an agreement with the Missouri Department of Transportation to allow an interchange access from 65, Murray said.

The timing is right, he said, because it would coincide with MoDOT's upcoming plans to widen 65 from four to six lanes with anticipated economic stimulus money. That project is expected to be complete in about two years.

Butler outlined connector roads that would also be built to provide better non-highway access. It would include:

- A connection east to Farm Road 170 to provide access to Rogersville
- A connection west across Mentor Road and down to Lone Pine
- A connection north to Murphy Road, which provides access to Battlefield.

"Historically the last 10 years there's been a lot of interest in trying to develop this property," Murray said, but they backed off because there was no highway access to the site.

Now the planners have access in one of the worst economic periods, he said, but it gives them time to do the background work and get the area rezoned so when the economy turns around they will be ready.

The developers hope to bring the rezoning proposals before the city Planning & Zoning Board in March, and proceed to Springfield City Council by April or May.

Compared with other trade areas similar to Springfield, he said, "our market will support another 1,500,000 square feet of new retail tenants." "Based on many meetings with national developers and tenants, this is the only tract of ground in Springfield that has the traffic count, demographics and potential infrastructure to attract new upscale tenants to our market," Murray said.

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-- Robert B. Murray III, real estate developer



What's proposed

With zoning in place, real estate developer Robert B. Murray III said a 500-acre development would flank both sides of U.S. 65, and include:

- 1,490,283 square feet of meandering retail development. By comparison, Battlefield Mall is about 1.1 million on 80 acres, Murray said.
- 283,576 square feet of multiple office buildings. By comparison, Hammons Tower in downtown Springfield is 245,000 square feet.
- 300 rooms of hotel development
- 174 units of multi-family housing
- 289 senior living units
- 71 single-family homes.
- Green space for possible trail or golf course.