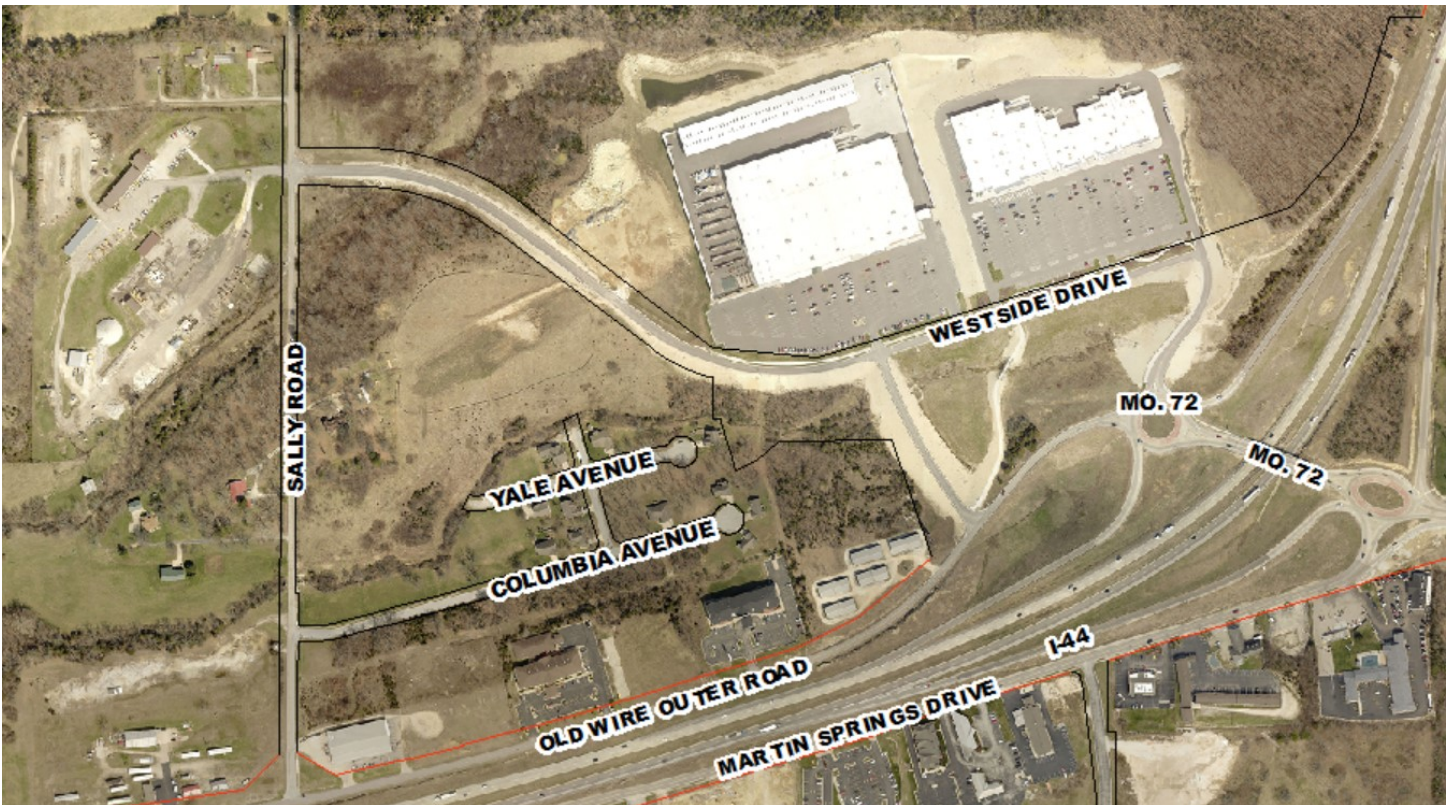


# Westside Drive

## Land Use Study



Prepared by:

Rolla Community Development Department

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## Rolla West Master Plan, 2006



The Rolla West Master Plan outlined potential development patterns for the western areas of Rolla along I-44. Considerable development has occurred since the plan was adopted in 2006. Most notably, the Westside Marketplace development and a portion of Westside Drive was constructed. In addition, the intersection with I-44, Hwy 72/Kingshighway, Old Wire Road, and Martin Springs Drive was improved with two roundabouts. The Hwy 72 extension project also created a higher capacity connection from the core of the city to I-44. However, these changes have resulted in some departures from the Rolla West Master Plan.

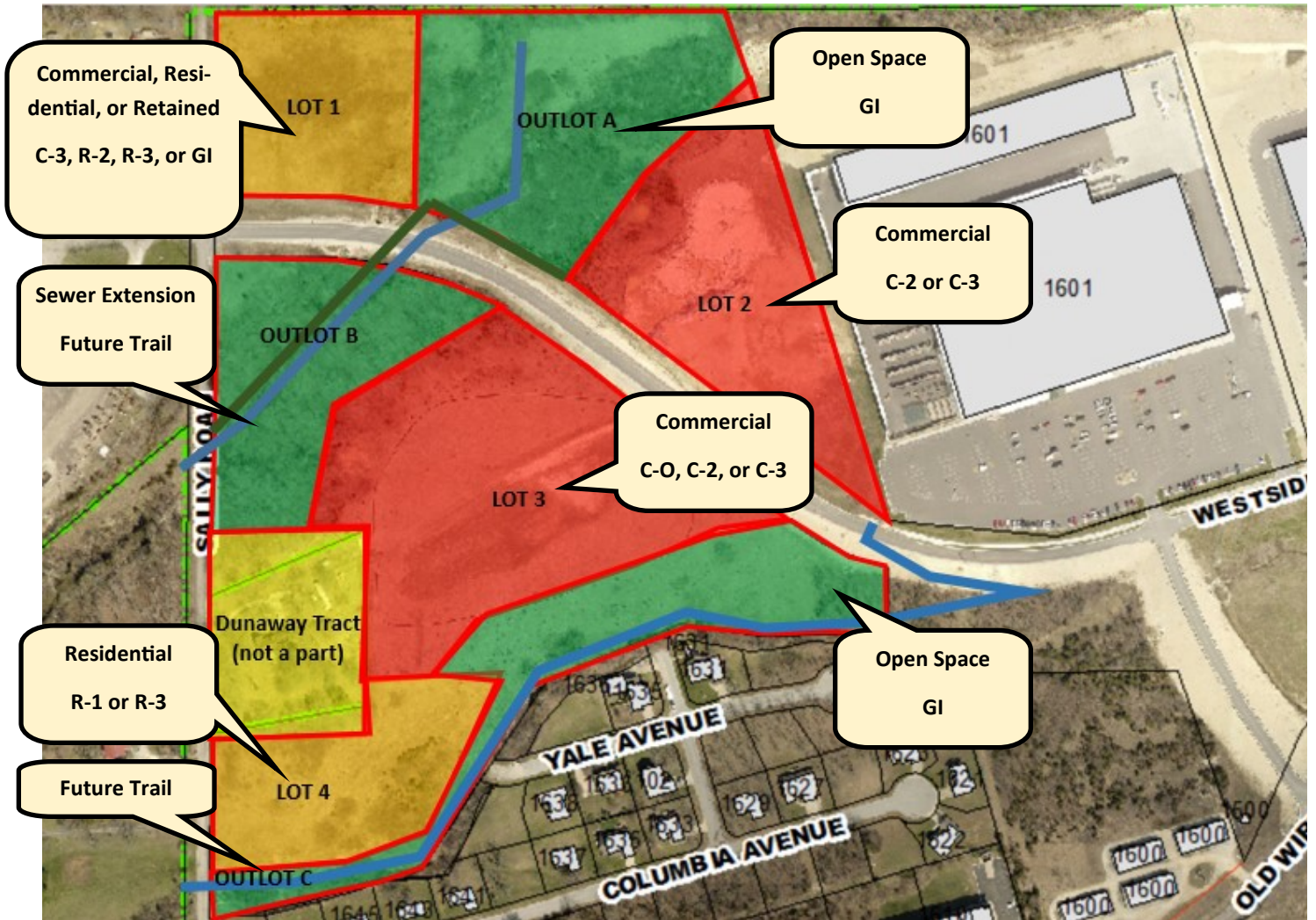
The city was granted 34.5 acres of property in 2017, when the Westside Marketplace project was developed. The leftover land has development potential, but topography and lack of visibility limits options. This Westside Drive Study is intended to help decide how to subdivide and zone properties west of the Westside Marketplace development and plan for future development and to consider the extension of Westside Drive west from Sally Road to Gaddy Road.

The City has a few options for disposing of the property. **Option 1** would retain much of the current configuration of Westside Drive and allow for areas for commercial development, residential lots and/or multi-family development, and retain some less developable areas for city use and open space. **Option 1** does allow for some commercial uses, but the limited visibility would likely eliminate higher value uses.

**Option 2** would require shifting Westside Drive to the south, but could allow for a major retail development roughly similar in size and impact of the Forum Plaza development. The upfront cost are higher, but the ability to have one large parcel (not divided by a road) would allow for additional types of development, including higher value uses and more retail uses.

**Option 3** would be to simply list the property for sale, as-is.

## Option I - Subdivide existing property

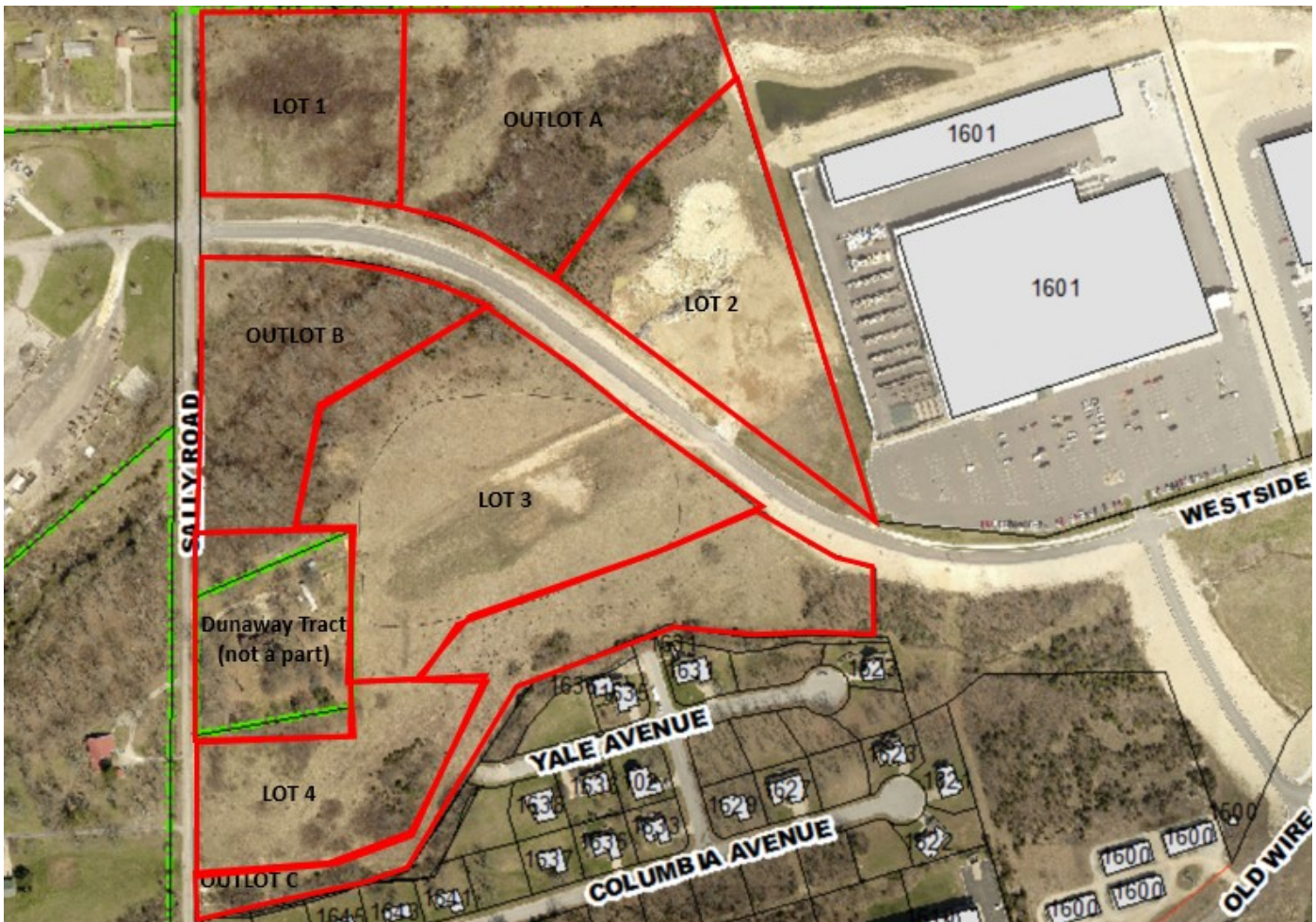


**Option I** would create 4 lots. The total combined potential value of the lots is \$610-735k. The option would allow for future trails and park or open space. Lots 1 and 4 could be retained for future city needs, such as future a fire station location, additional park space, etc. and for the possible relocation if Westside Drive, if needed.

The property would have to be subdivided (platted) to create the four lots. Some areas would need to be rezoned. The zoning could impact the potential property values. The cost of zoning and platting is estimated at \$2-6k. The sewer would need to be extended at a total cost of \$22-31k. Thus, the total proceeds from the sale of the lots would be estimated at **\$573-711k**, less brokerage fees, ect.

Sales tax revenue could be up to \$100k/year, depending on how Lots 2 and 3 are developed. The city would have the ability to limit the potential commercial developments to uses that would produce retail sales, if desired. Property taxes would also increase if the properties are sold and developed. The City receives 0.7649% of the taxable value of properties. If the properties were developed to have a \$2 million taxable value, the city would receive an additional \$15,300 per year in property taxes. The property does not currently generate any sales or property tax revenue today. Other taxing jurisdictions (Phelps County, Rolla Public Schools, etc.) would also collect considerably more tax revenue if the property is developed.

## Option I — Lot Descriptions



**Lot 1:** 3.5 +/- acres total. 3 acres are developable. Potential for commercial, duplex, or multi-family development—or, lot could be retained by city for future city uses. Potential value is \$30-\$45k. Sewer would need to be extended to property. Cost to extend is \$12-16k.

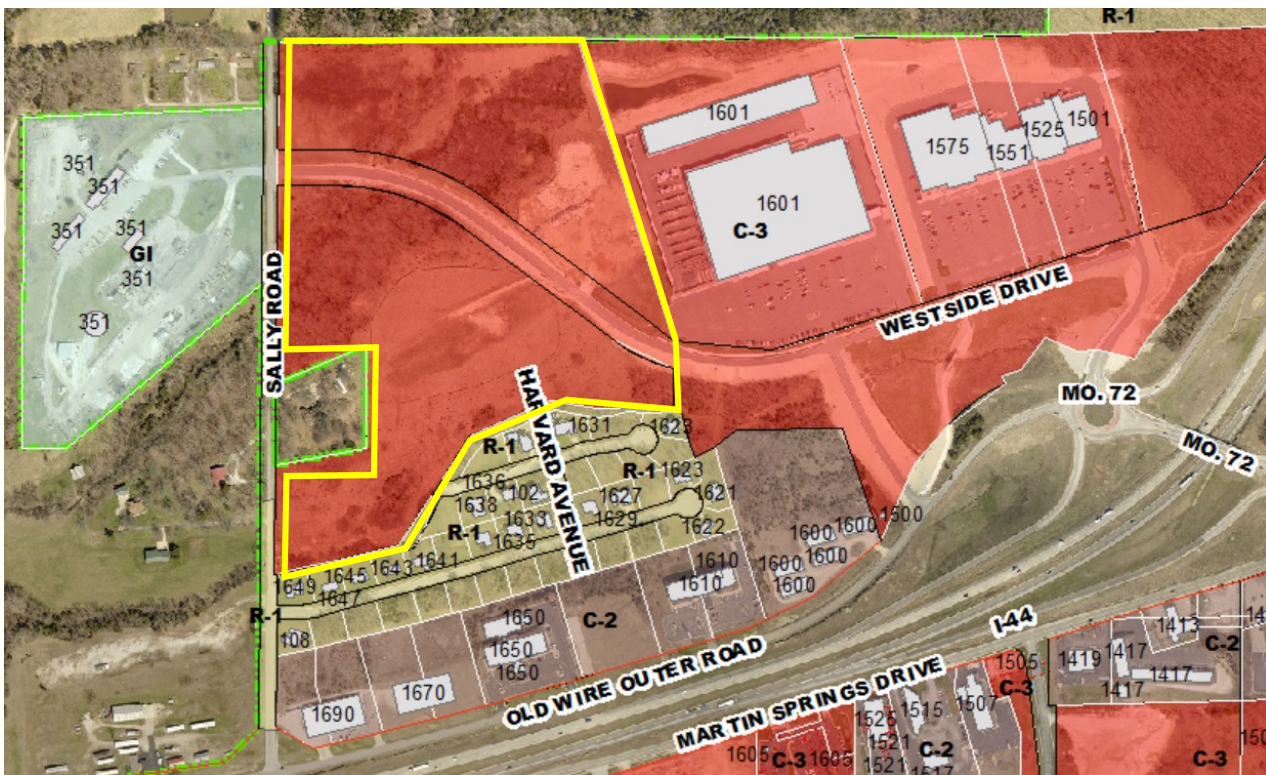
**Lot 2:** 5.3 +/- acres total. 3.5 acres developable. Potential for commercial development. Proximity to Westside Marketplace increases value per acre. Lot could be viable for some types of commercial uses such as farm supply, building supply, discount stores, hotel, office, research, or storage uses. Potential valued is \$275-325k. Sewer would need to be extended to serve the lot. Cost to extend is \$10-15k.

**Lot 3:** 8.5 +/- acres total. 6 acres developable. Potential for commercial development. Less visibility decreases the value per acre. Lot could be useable for some types of retail, office, or institutional uses. Valued at \$275-325k.

**Lot 4:** 3.7 +/- acres total. Potential for single-family, duplex, or multi-family development. An option of extending Yale Ave to Sally Rd was also explored. The costs of road, sewer, and water extension exceeded the value of the potential lots. Development would be viable as one large lot with primary access from Sally Rd. Potential valued is \$30-45k. The property may also be retained to facilitate the relocation of Westside Drive if needed in the future.

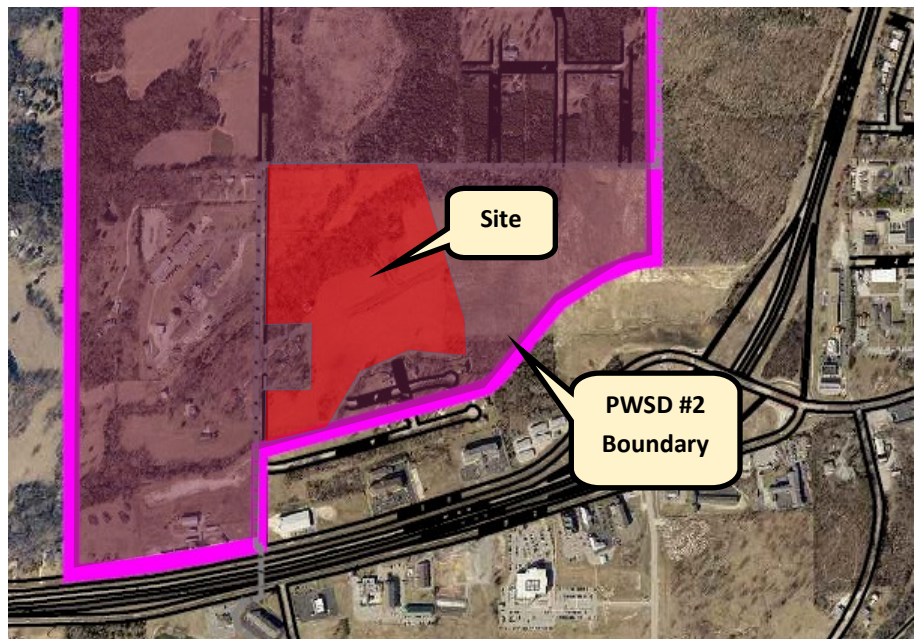
**Outlots A, B, and C:** Areas with steep slopes and floodplain would be retained by the city. The retained areas could preserve the natural area and allow for future trails, a small park, and parking for a trailhead.

## Option I— Zoning and Utility Access

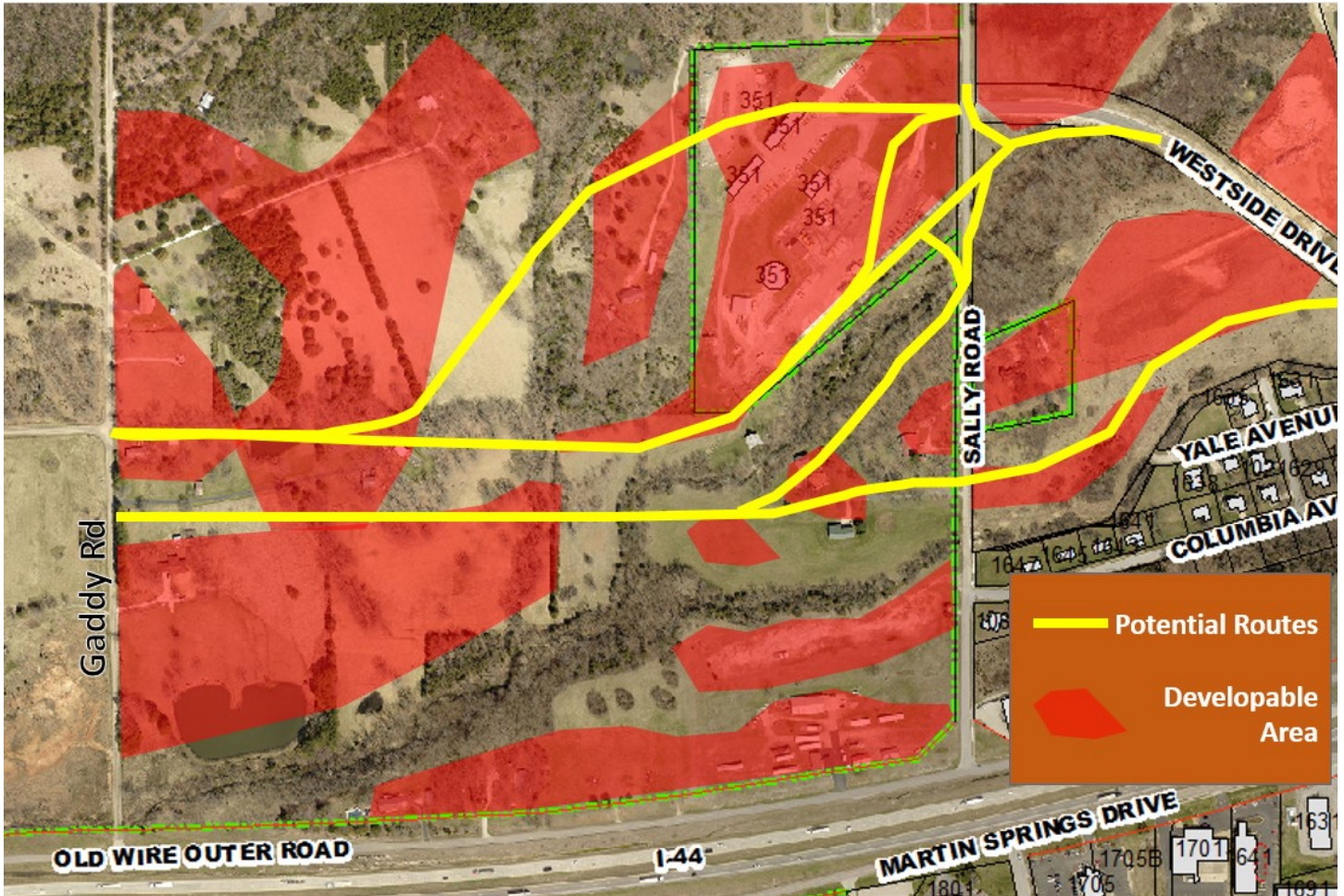


The property is currently zoned C-3, Highway Commercial. The C-3 zone allows for most commercial, office, and retail uses. Lots 1 and 4 could be re-zoned for residential uses.

The property is located within the PWSD #2 Service area for water service. PWSD #2 charges 40-50% more for the water service than RMU. A frontage fee of approximately \$14k would apply for Lot 4. This cost would reduce the land value of the property. The fee should not apply to any other properties.



## Potential routes for Westside Drive extension to Gaddy Rd

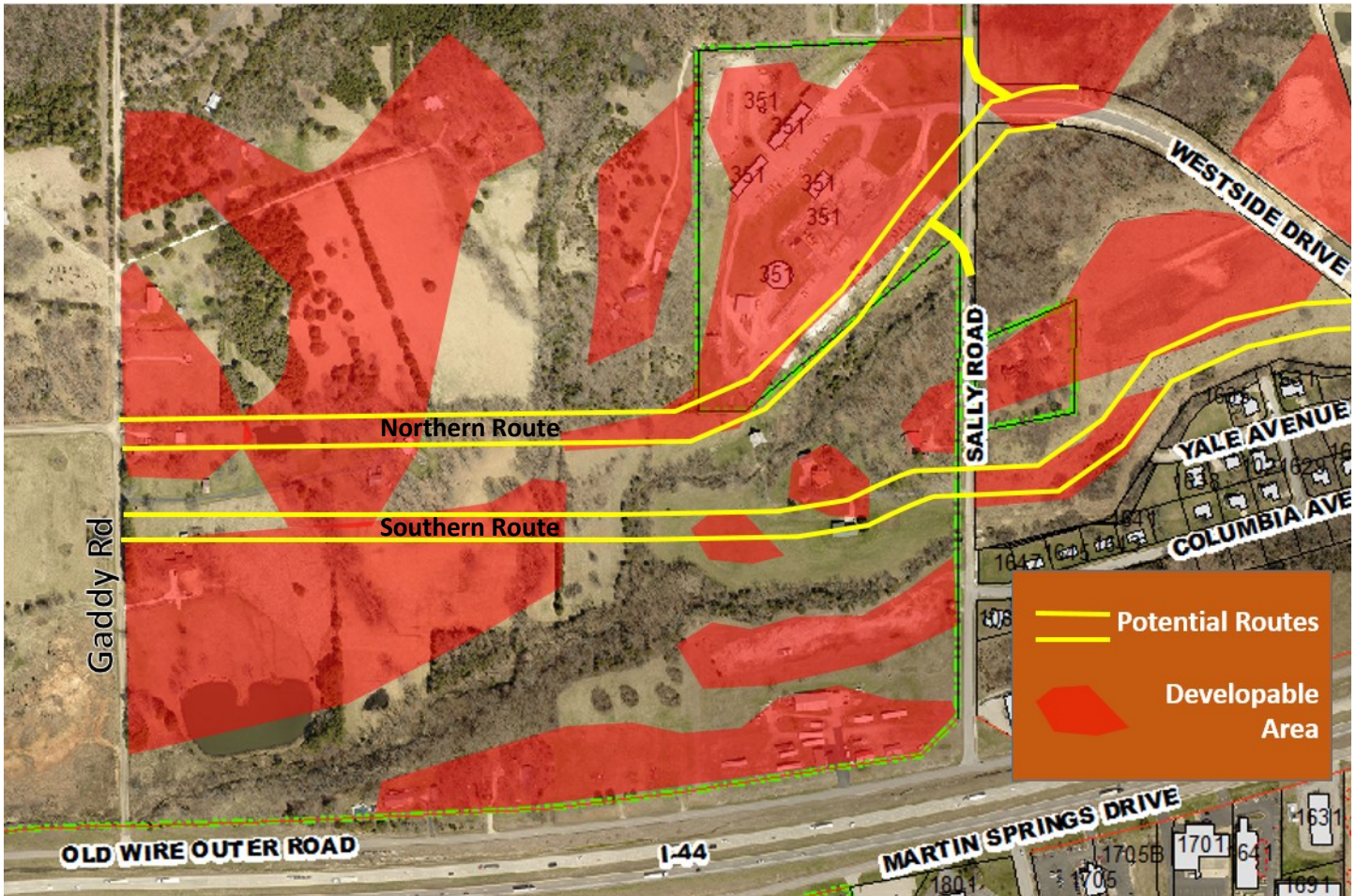


**Option I** is the most feasible development plan if the alignment of Westside Drive is in the most ideal location. Westside Drive is planned to someday connect between Sally Rd and Gaddy Rd. Westside Drive would allow for additional areas to be developed once a planned interchange with I-44/Gaddy Rd is constructed. The interchange would also be integral to the future possible Hwy 63 bypass. Westside Drive could also be extended northeast along I-44 to State Hwy E to serve as an alternative corridor to connect areas north of I-44.

Several alternatives for alignments for Westside Drive were plotted. The topography and floodplains were considered. Steep slopes and floodplain limits the potential areas for commercial development. Areas that are more suitable for development are shown in red.

The route that Westside Drive uses between Sally Rd and Gaddy Rd could impact how the areas east and west of Sally Rd are designed. Westside Drive could be extended from the current terminus at Sally Rd across or adjacent to the MoDOT property. Alternatively, Westside Drive could be completely relocated to take a more southerly route. The potential alignments were then pared down to the two best options.

## Preferred Alternatives for Westside Drive extension to Gaddy Rd

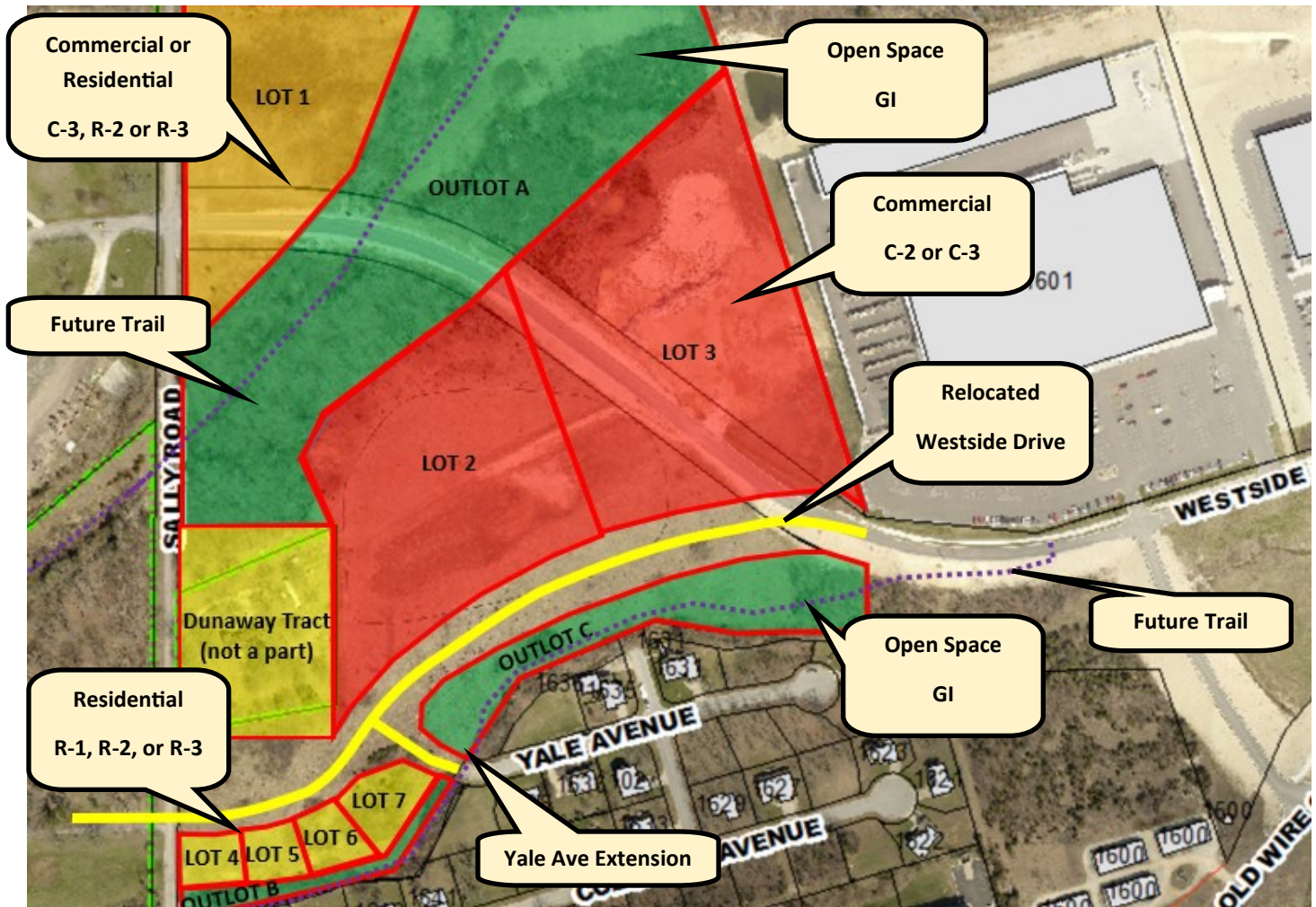


The northern route would be aligned adjacent to a creek and avoid most disturbance on the MoDOT property and connect to Gaddy Rd. This route would preserve most of the existing Westside Drive and would allow for the development design in **Option I**. Sally Road may also need to be realigned and/or raised in elevation to create safer intersections.

The southern route would require much of the existing Westside Drive be relocated. The new route would travel along the edge of a ridge through the city-owned property and connect to Sally Rd near the top of a hill. The road would also continue to Gaddy Rd.

Relocating Westside Drive would allow for the creation of a larger and more visible commercial lots adjacent to the Westside Marketplace development. The lots should be more attractive for retail development. The increased development potential may offset the cost of relocating the road.

## Option 2 - Relocating Westside Drive



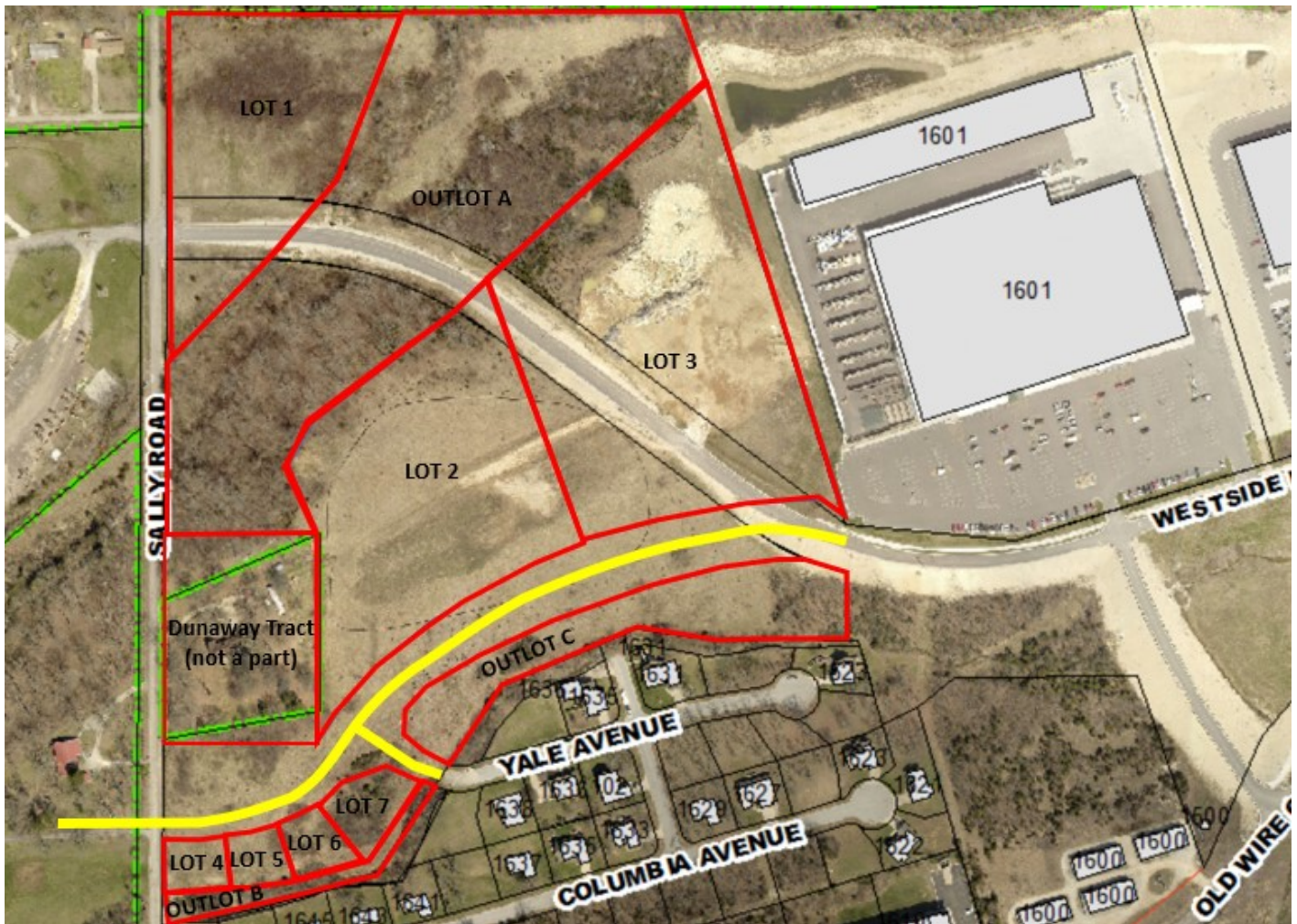
**Option 2** would allow for up to four commercial lots. As one large lot, however, the lot could be potentially used for a major shopping center or a big box retail store. The dimensions would allow for something on the scale of the Forum Plaza shopping center—which supports a grocery store, bank, and a retail strip center. The property could also be subdivided to create up to four lots for individual retail developments. If Westside Drive is relocated and the property is properly graded and prepared, the lot should have decent visibility and access to warrant higher-intensity retail development.

The commercial lots could have a potential value of \$800k and upwards of \$950k. However, the proceeds would be reduced due to the cost of relocating the road and constructing a waterline and some sewer extensions. The residential lots along the relocated Westside Drive would have a potential value of \$100-180k, depending on the zoning. The net proceeds from the sale after construction costs, not including any brokerage fees or costs for land grading, should be **\$270k on the low end, and up to \$560k on the higher end.**

**Option 2** would have significant up-front costs of \$620-665k and would yield \$151-330k less from land sale proceeds than **Option 1**. However, **Option 2** also has the potential to yield greater sales taxes, with more opportunity for prime retail space. Compared to **Option 1**, an \$20k-\$300k in additional sales taxes could be received per year, depending on the use. Property tax revenues should also be a bit higher at approximately \$22,000 per year at full development.



## Option 2 — Lot Descriptions



**Lot 1:** 4 acres +/- total. 3.8 acres developable. Potential for commercial or single-family, duplex, or multi-family development. Potential value is \$35-\$50k. A short sewer extension would be needed. The cost should be \$18-20k. The cost for water main extension may be around \$23k.

**Lot 2 and 3:** 17 acres +/- total. 13 acres developable. Potential for commercial retail development. Could be subdivided to create up to four lots for multiple smaller retail stores or may have potential for larger retail uses such as a grocery store, retail strip center, or big-box retailer. Potential value is between \$800k and \$950k. Lot may need some grading work to be more saleable. Westside Drive would have to be relocated. The cost to relocate the road and a waterline would be \$600-645k.

**Lots 4-7:** 1.7 acres +/- total. Potential for single-family, duplex, or multi-family residential lots. The lots would each be around 15,000 sq. ft. The potential value of the lots would be \$25-45k per lot, depending on the zoning. The total potential value is \$100-180k.

**Outlot A, B, and C:** Areas with steep slopes and floodplain could be retained by the city. The retained areas could preserve the natural area and allow for a future trails and a small park and parking for the trail. The property has little development value.

This option would also require that UTW Westside Marketplace, LLC deed the area where Westside Drive is today, as the area is leased to the City today. Easements and rights-of-way would need to be established to allow for all utilities.

## Option 3—Selling the property as-is

The property was essentially given to the city at no cost. Any proceeds from the sale would be a benefit for the city. **Option 3** is to simply list the property for sale. The city would have the ability to choose who to sell the property to and at what price. The value of the property may depend on what a developer were to propose.

If the property were to be sold for a developer to redevelop the site and relocate Westside Drive and construct all utilities, the property may not have any up-front value, but would still have potential for increased future revenue from additional sales taxes.

If the property were to be sold to a developer who wished to utilize the existing infrastructure, the property may have an estimated value of up to \$430k, less brokerage fees.

The city could also consider advertising a request for proposals to allow for a timely review of potential buyers and their proposals to select the best option. Otherwise, the property may have to be marketed for sale and each potential buyer vetted over a few years until a buyer is selected.

## Summary

After reviewing the adopted Rolla West Master Plan and considering the impacts of topography and existing development, **Option 2** would likely result in a greater long-term financial impact to the city. **Option 2** also has more risk and upfront costs.

If **Option 2** is seriously considered, additional study will be needed to determine the potential costs of road and utility construction. If **Option 2** is found to be feasible, work to relocate Westside Drive could begin. The commercial lot(s) could be graded to be mostly flat to help with salability. The work could be done by city crews or hired out.

The city also may have the option of entering into a lease agreement for the commercial lot(s). A long-term lease would provide a long-term income stream in addition to the sales taxes collected at the site. The potential for a lease agreement could help to attract more potential businesses for the site, as it would reduce their up-front development costs.

**Option 1** would be much easier and quicker to get ready for sale. If **Option 1** is chosen, the rezoning and subdivision process can begin quickly. Sewer would need to be extended before the some of the lots could be sold or developed.

**Option 3** would not require any up-front expenses. The property could be listed for sale very quickly. The property would likely sell for less than the other options and could take a longer time to sell, especially to maximize the proceeds.