

Minutes

The City Council of the City of Leawood, Kansas, met for a Special Call Meeting at City Hall, 4800 Town Center Drive, at 6:00 P.M., on Monday, March 19, 2012. Mayor Peggy Dunn presided.

Councilmembers present: Debra Filla, Gary Bussing, Lou Rasmussen, Jim Rawlings, Julie Cain, James Azeltine and Carrie Rezac

Councilmembers absent: Councilmember Andrew Osman

Staff present: Scott Lambers, City Administrator
Dawn Long, Finance Director
Joe Johnson, Public Works Director
Richard Coleman, Comm. Dev. Director
Patty Bennett, City Attorney
Mark Klein, Planning Official
Deb Harper, City Clerk
Pam Gregory, Assistant City Clerk

Others Present: Jeffrey Alpert, Park Place Developers
Melanie Mann, Park Place Developers
Glenn Kurtz, Lanier Parking Solutions
Richard Muller, Caymus Real Estate
David Harrison, Caymus Real Estate

**Discussion of Parking Garage ‘C’ located at Park Place,
Town Center Drive and Nall Avenue**

Mayor Dunn called the meeting to order at 6:05 P.M. Introductions were made by those present.

Opening Remarks – City Administrator Scott Lambers

This discussion is in regards to what extent structured parking is necessary for the Park Place Development with its limited amount of acreage. They have included their own study indicating a certain number of spaces be required. City staff will present their position on this and have retained its own consultant indicating a different amount. The City’s ordinances require an even higher amount of parking be required. Both parties agree they do not want to create an over-abundance of parking; however, they want to ensure this project is adequately served.

Presentation – Community Development Director Richard Coleman

Park Place is a Mixed Use District [MXD] and is allowed a deviation for parking based upon a study they submitted to the City. If approved, this would give them a reduction in parking. The applicant obtained its own study from Lanier Parking Solutions showing a reduction to 1,653 spaces overall; however, City staff was uncomfortable with this total and asked Lanier to further break it down.

Their revised studies showed 1,729 spaces breaking down the retail, restaurants and hotel parking, and have made adjustments to the recommended Urban Land Institutes [ULI] numbers. Carl Walker, the City's consultant, reviewed the studies and recommended 2,105 spaces. The current ordinance is based upon square footage requiring a minimum of 2,192 spaces and maximum of 2,555. The difference in the Lanier study and the Walker recommendation is a little less than 400 spaces. If they adjust the hotel parking based on the number of rooms as opposed to square footage, it would be 1 space per room and could be adjusted to 1,863 spaces. If 2 levels were added to Garage 'C' they would gain approximately 180 spaces.

Jeffrey Alpert, Park Place Developers, stated they have a provision in their lease with AMC that does not allow them to construct the garage taller than their building. The garage and AMC buildings are almost exactly the same height. Mr. Lambers replied the developer's private agreement has no legal controlling authority over the City. They are not precluded by that agreement.

Mr. Coleman confirmed Garage 'B' was constructed with foundations sufficient to add 2 levels, which would gain 180 spaces.

Mr. Alpert stated adequate parking is extremely important to them and realize the project won't be successful without it; however, it is extremely expensive at \$15,000-\$20,000 per space so they don't want to add beyond what is necessary. Parking is monitored on a regular basis. It is important that they satisfy all of the requirements to eliminate contingencies in their lease. This includes getting all of the approvals from the City. Another option for parking would be to construct Garage 'D', which would be located east of Garage 'B'.

Analysis Presentation – Jeffrey Alpert, Park Place Developers

They divided the site into north and south sections. Garage 'A' and Garage 'C' are located on the north section and have 55,260 square feet of retail, 32,744 feet of restaurant and 229,715 feet of office use; totaling just under 318,000 square feet. Per the current MXD zoning, the parking requirement at 3 spaces per 1,000 square feet would be 953 spaces. There are 567 spaces available in Garage 'A'; Garage 'C' is designed for 571, and there are 32 spaces available for street parking; totaling 1,170. Based on this analysis, the net available for the hotels would be 217 [1,170 – 953 requirement = 217]. Some of the spaces in Garage 'A' and 'Garage 'C' have restricted parking. Street parking should be available with a 30-minute turnover; however, some of these spaces are reserved with signage specific to a certain tenant. The Aloft Hotel has 156 rooms with 83,285 square feet and 30 employees; the proposed Element Hotel is designed for 125 rooms with 85,000 square feet and 24 employees; totaling 281 rooms with 168,285 square feet and 54 employees. Per the MXD requirement, this would require 505 spaces. With the majority of the hotel guests parking at night and office personnel parking during the day, it compliments their shared parking arrangement. Overlap parking was taken into consideration and they came up with a shared parking solution of 1 space per 3 rooms plus ½ space per employee; totaling 111 for the 2 hotels.

The south section of the site will have 38,990 square feet of retail, 33,115 feet of restaurant and 137,300 feet of office use; totaling 209,405 square feet. Per the MXD requirement, this would require 628 spaces. There are 417 spaces available in Garage 'B', plus 77 spaces on the street, under Building F2, the Generali Building and behind the Aloft Hotel; totaling 494.

Based on this analysis, they are short 134 spaces. There are also some restricted parking spaces in Garage 'B'; however, all of their restricted spaces have signage specific for office parking only from 7:00 A.M. to 5:00 P.M.

Mr. Coleman noted over 300 seasonal outdoor restaurant seats are unaccounted for in any of their studies. Mr. Alpert replied customers would be a long distance away from the majority of the restaurants if they park in Garage 'C'.

Councilmember Azeltine asked if the Lanier study took the number of restricted spaces into consideration. Glenn Kurtz, Lanier Parking Solutions, replied they compared the total number of square footage on the site to the actual demand at peak times, which resulted to slightly less than the MXD requirement. Of the overall spaces, 30% are restricted at some point during the day. Employees are given stickers for their vehicles to encourage them to park in those certain areas. They have an employee that works the entire site daily to ensure maximum parking efficiency. Actual usage on the site is 2.75 spaces per 1,000 square feet, not including the hotel. Residential is not included in their analysis because each residential unit will have its own parking. Residential visitor parking is estimated at .19% per unit based upon ULI data. Mr. Lambers thought visitor parking was going to be incorporated into the other parking facilities. Mr. Alpert clarified parking for the 3 residential buildings that have been approved have 2 spaces per unit. This is in compliance with the City's ordinance. Past experience indicates usage of 1.3 - 1.5 spaces per unit. There is also street parking between the Axis Loft Building and 2 of the residential buildings that is not included in these numbers.

Mr. Kurtz confirmed they were proposing 3 spaces per 1,000 square feet for retail, restaurant and office use, plus the additional hotel demand; totaling 1,729.

Mr. Alpert stated with the south section coming up short and the north section in excess, the end result from their analysis is 28 spaces short. As they continue to build-out the project, this estimate could be different. They will continually monitor the situation and provide options for additional parking that will work well with the site. These options could include 2 additional levels to Garage 'B' or constructing a 4th Parking Garage – Garage 'D'. This garage would be 4 levels; totaling 320 spaces. If they construct 2 additional levels to Garage 'B', it may need to be closed for 90-120 days and they may need to provide a shuttle service.

Mr. Coleman noted the applicant had agreed to the additional stipulation that was provided in his memo. Mayor Dunn read that stipulation into the record:

“Prior to development plan approval of the next building within the Park Place Development, the applicant shall provide additional parking sufficient to meet the parking demand for the overall development as determined by a parking study completed by a consultant obtained by the City of Leawood and paid for by the applicant/owner.”

Councilmember Azeltine asked if they would be requesting financing for the additional parking. Mr. Alpert replied they had not yet determined this and would be restricted by their revenue streams at that point.

Mr. Lambers stated with the modeling forecasting estimates, a variable either way can have an impact in the future. The analysis indicates they are being very conservative with the hotel and office spaces. AMC may not always be at this location and parking demand could increase. He was concerned their utilization had been understated and proposed that Garage 'C' be redesigned like Garage 'B' to accommodate an additional 2 levels. This can be incorporated as part of their approval process. He recommended that the over-sizing of the design and structural costs be incorporated into a new TDD. After they have paid off the obligation of the existing TDD for the Aloft Hotel, which is on a Pay-As-You-Go [PAYG] basis with Transient Guest Tax [TGT] and TDD sales tax, they can then payoff these over-sizing costs. The developer will front the costs and the City will reimburse them; however, the additional parking may sit and not be needed for a while. In the future, should the over-sizing be required, then the money the City put into it would be applied to their other obligations. Mr. Alpert agreed to this stipulation; however, with the condition they would not be required to construct the 2 additional levels while their lease with AMC remains in effect for the next 12.5 years. Mr. Lambers concurred, provided they include a stipulation to require that Garage 'D' be evaluated if there is insufficient parking after the lease expires.

Councilmember Rasmussen preferred they give the developer the flexibility to construct 2 additional levels in Garage 'B', as opposed to constructing Garage 'D'. He agreed with the redesign of Garage 'C' to accommodate an additional 2 levels for future need.

Mr. Lambers clarified the additional parking options are as follows:

- 1) Construct 2 additional levels to Garage 'B'
- 2) Construct Garage 'D'
- 3) Construct 2 additional levels to Garage 'C'

Mr. Alpert confirmed Garage 'A' is 6 levels; Garage 'B' is 5 levels and Garage 'C' is 5 levels. The Lanier study was based upon the City's MXD zoning requirement. The recommendation by the City's consultant was based upon ULI data and a review of the Lanier study.

Mayor Dunn confirmed they would be considering 2 additional stipulations on this agenda item at the Governing Body meeting this evening; the one she read into the record and one Mr. Lambers will prepare.

David Harrison, Caymus Real Estate, stated when considering commodity office space, they prefer 4 - 4.5 spaces per 1,000 square feet. Boutique and high-end office tenants such as the ones at Park Place are not high density users; therefore, they are comfortable with 3 spaces per 1,000 square feet. AMC did an extensive growth study over the term of their lease and were very comfortable with the daytime use of 3 spaces per 1,000 square feet plus 1 space per hotel room.

There being no further business, the work session was adjourned at 7:25 P.M.

Pam Gregory, Recording Assistant City Clerk