

Minutes

The City Council of the City of Leawood, Kansas, met for a Work Session Meeting at City Hall, 4800 Town Center Drive, at 6:00 P.M., on Monday, November 5, 2012. Mayor Peggy Dunn presided.

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

Staff present: Scott Lambers, City Administrator
Joe Johnson, Public Works Director
Mark Klein, Planning Official
Chris Claxton, P & R Director
Deb Harper, City Clerk

Patty Bennett, City Attorney
Richard Coleman, Comm. Dev. Director
Dawn Long, Finance Director
Kim Curran, Recreation Supt.

Others Present: John Petersen, Esq., Polsinelli Shughart
Bob Regnier, General Partner, Ranchmart North LLC
Otto Westerfield, JOCO Management, Director of Real Estate
Michael Zanders

1. Continued discussion on Review of Community Improvement Development [CID] Application for Ranchmart

- a. Interest costs
- b. Status of McDonald's restaurant in CID application
- c. Discussion of time frames for Phases II and III

Welcome by the Mayor

Mayor Dunn called the meeting to order at 6:03 P.M. Introductions were made by those present.

Scott Lambers said at the last meeting the applicant stated their desire to have interest costs considered for reimbursement. Because this was 'pay-as-you-go' it was not anticipated bonds would be issued and thus allowance for interest costs was not placed in the policy. Mr. Lambers suggested interest costs not be considered and recommends the City's current CID and TDD policy reflect this position. Councilmember Filla stated perhaps thought could be given to allow recognition of the interest costs when considering the percentages. It was the consensus of the Council that the interest costs not be considered as an approved cost.

Mr. Petersen advised this is still a work in progress and hopefully will be completed in 30-45 days. McDonalds has a potential interest to be included in the CID project. They are on a long-term ground lease, which carries some restrictions as to what the property owner can require. Early discussions have revealed updating the drive up facilities similar to what they did at Camelot Court at 119th & Roe. The shopping center owner would need to provide more ground area, and is willing

to consider this to assist in modernizing this facility. They would work on the street perimeter on the corner, the sidewalk along the complete perimeter, and perhaps an iconic feature at the corner of 95 & Mission.

Mr. Petersen stated they will no longer make a distinction between Ranchmart North and Ranchmart South. Mr. Regnier is considering bringing back a new branding concept for Ranchmart, such as Ranchmart Shopping District or Ranchmart at 95th to do away with the Ranchmart north and Ranchmart south names.

They will attempt to tie this shopping district with the one located on the south side by using some common features. They will not look identical, however the streetscape will look very similar with the same wall concepts, same landscaping and wrought iron concepts and perhaps soften down the first concepts that were presented and what currently exists on the south side.

The phasing time frames are still being worked on. Market viability is a component in the phasing and will present this at the next meeting.

At the Mayor's request, a column on the estimated budget cost work sheet has been added that reflect CID eligible costs. These numbers are subject to change.

In regards to the interest costs being prohibited, Mr. Petersen stated even on a pay as you go or bonding project, dollars will be spent to improve the project, if present day dollars [approximately \$6 Million] are spent in 2014, without the ability to factor the present value of that money, by the time you get that money back after 18 years, you would only realize about 50% or \$3 Million. Although this money is considered soft costs, this is real money and real dollars that are being used.

Mr. Petersen confirmed with Councilmember Rasmussen that when this is presented as a Revised Final Plan, to the Planning Commission for consideration, all components and criteria will reflect all upgrades with the current LDO requirements. Prior to the Planning Commission's filing deadline of December 19th, all the applications for all of these proposals will be able to be viewed, including all the landscaping, parking lot improvements and building improvements. They will get as close as they can to the design guidelines. Hopefully, the CID will be heard for final consideration at a January 7th work session. Mr. Petersen also confirmed they would contact Kansas City Power & Light [LCP&L] to get a cost estimate on the burying of power lines and/or relocating some poles.

Mayor Dunn stated she would prefer to wait and consider Councilmember Filla's comment regarding the interest costs when considering the percentages until the January 7th work session, when the cost estimates are more defined.

Both Councilmembers Bussing and Azeltine expressed their concern that the Council is meeting and discussing specific attributes and design criteria on the project prior to going to the Planning Commission.

Mr. Lambers stated these meetings are necessary to determine what meets criteria on a financial level to cost and size it and what is going to be approved under the CID policy before it can move forward to the Planning Commission level. Requiring the applicant to spend a large amount of money to present their Final Plan through the planning process and to the Planning Commission without assurances of approving the CID application is unfair to the applicant.

2. Review Fee Policy; Proposed 2013 Fee Schedule; and participation levels & revenues for the Parks and Recreation Department

Councilmember Cain questioned the soccer league fees, as other leagues and cities fees are higher. Chris Claxton stated the expenses are a determining factor in the fee amount and expense amounts vary greatly such as number of games, cost of uniforms, etc.

Councilmember Bussing asked if the shelter fee could be reduced for Leawood residents. Ms. Claxton stated there is a cost factor such as maintenance costs involved in the fee structure, but will review the shelter fees.

Ms. Claxton and Ms. Curran confirmed with Councilmember Rezac that determination of fees for any revenue generated program require consideration of expenses such as utilities or pool cleaning chemicals, and any costs apart from the actual park maintenance expenses. Each program is zero based, then expenses are added, and then they back into their minimums and maximums.

Ms. Curran confirmed with Councilmember Rezac that the Amphitheatre, the Lodge and the Community Center fees all have the same 4 categories for consistency [resident, non-resident, civic and commercial/business].

Chris Claxton stated the Park and Recreation Board can revisit the resident rates for shelters and forward the information to Council.

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

Deb Harper, City Clerk