

Minutes

The City Council of the City of Leawood, Kansas, met for a Special Call Meeting, 4800 Town Center Drive, at 6:00 P.M., on Monday, November 4, 2019. Mayor Peggy Dunn presided.

Councilmembers Present: James Azeltine, Jim Rawlings, Julie Cain, Andrew Osman, Debra Filla, Mary Larson, Lisa Harrison and Chuck Sipple

Councilmembers Absent: None

Staff present: Scott Lambers, City Administrator Patty Bennett, City Attorney
Debra Harper, City Clerk Cindy Jacobus, Assistant City Clerk
Kelly Varner, Future City Clerk

Others Present: Leawood Chamber of Commerce
Kevin Jeffries, President, Chief Executive Officer and Director of Economic Development
Doug Spear, Chair, Board of Directors
Amy Tysseling, Chair Elect, Board of Directors
Monty Spradling, Past Chair, Board of Directors
Georgina Greenyer, Director of Communications

Review Chamber of Commerce’s Annual Economic Plan

Mayor Dunn opened the Work Session and reminded a Governing Body Executive Session would begin after the Work Session adjourned at approximately 6:45 P.M. She thanked attendees and introductions with affiliation and role were made.

Mr. Lambers stated the meeting’s purpose was for Mr. Jeffries to review what had transpired in the past calendar year and provide any insight into the future. As previously discussed, if all is satisfactory after tonight’s meeting, a Governing Body agenda item would be brought forth to authorize an appropriation for the City’s annual funding of the Chamber Economic Development Council [EDC] from \$118,500 to \$125,000 in 2020.

Mr. Jeffries thanked the Governing Body, Mr. Lambers and Department Heads for all their assistance. Ms. Greenyer oversees the publication of the “Look to Leawood” magazine and assists the EDC. She has a planning background and is a resident of Ward Four, but cannot vote as she is not a U.S. citizen. Mr. Spears is in his second term on the Board and recently moved to Leawood Ward Two. Ms. Tysseling is the Chief Financial Officer of DEMDACO, resides in Ward Four and is an unopposed candidate in the upcoming election for the Blue Valley School Board. Mr. Spradling resides in Ward Two, has worked for UMB for many years and will be EDC Chair next year.

Mr. Jeffries stated many important things have happened in the past five years, including development of a great working partnership with City Staff and providing value by supplementing the efforts of the City, landowners and developers, as well as being a liaison with businesses and external agencies. Businesses are starting to recognize the Chamber as a good point of first contact and that the City welcomes businesses. Just this morning he received an inquiry from a business wanting to relocate from Olathe to a property thought to be in Leawood, but unfortunately the College Boulevard address was in Overland Park. The caller was interested in tax abatements and he was referred to Ms. Beth Johnson of the Overland Park Chamber of Commerce.

Redevelopment and rejuvenation of aging retail centers such as Ranch Mart and Leawood Plaza has been approved by the Governing Body. New businesses are moving into Leawood Plaza area and although the drug store left the center, other Leawood drug stores have picked up the business. The Barstow Campus in the former grocery store is moving forward. Mr. Jeffries stated that as EDC Director he gets to help Barstow tell others about their unique idea and how this will be an asset for the entire community. Ranch Mart is expected to move forward by Spring 2020 or before. The City is fortunate to have and desire quality retail centers in areas that will stand the test of time similar to the Crestwood Shops and Brookside, in Kansas City, Missouri.

On the residential front, 70% of Leawood's current housing stock is valued under \$625,000, yet nearly 100% of new builds in the market are above that price. Neighborhoods are seeing an influx of younger residents, but those vacating/downsizing empty-nesters are leaving Leawood. Housing to retain these residents needs to be addressed, and if the City agrees, the Chamber is willing to work with the City on this challenge.

The "Look to Leawood" magazine, which celebrates what Leawood is all about, is proving to be an interesting publication, which helps with business recruiting. About 10,000 copies are printed and distributed, including requests for copies from residents of nearby cities. Ms. Greenyer and other writers contribute articles. All five of the Chamber staff live in or close-by Leawood to the south. The edition featuring volunteers was mentioned by a local clergyman as part of service, which was some great publicity. The edition on volunteers was an idea brought forth by Mayor Dunn and Mr. Lambers. A possible future edition may feature Mr. Lambers.

Looking forward to 2020, the Element Hotel, a Cornerstone property, is projected to open in March. This hotel may serve as a conference location for COR and others in the southern part of the City. Lee Physical Therapy is to open in the first part of the year in a building being built by Bukaty on State Line Road. Bukaty Company continues to further invest in the City for the long-term. RFP360 is growing and moved from Kansas City, Missouri, to the 8700 Building on State Line Road in the vacated Centriq office. Eighteen Corporation, a rental real estate investment/management company operating throughout the U.S., moved into the former 801 Fish location in Park Place. Aloft Hotel changed ownership and its name to Aloft Leawood-Overland Park, remains a W-Line hotel and will keep some people here. Guests may erroneously believe the hotel is located in Overland Park. The Tortoise Building is under construction.

In regard to Nodal Development, Mr. Jeffries is working with Mr. Lambers on real estate analysis, and he has also spoken with Councilmembers Jim Rawlings and Andrew Osman about 135th Street development. The corridor from Mission Road to State Line Road could contain 1 Million sq. ft. of residential development and still meet mixed-use guidelines. In-fill development and a clear definition of mixed-use is needed. Mixed-use definition can vary by community. For example, mixed-use might be considered a combination of single-family and multi-family development, or just office and retail. These definitions of mixed-used are not as comprehensive as Leawood's. There has been talk about possible development further east, leaning towards residential.

Mr. Jeffries stated at the last Governing Board meeting, citizens commented about the lack of patio homes. Leawood, as well as Overland Park and Lenexa, do not have many maintenance-provided homes priced below \$500,000, just priced above \$500,000. Developers will continue to focus their attention on this need and lower price point. A turn towards slightly smaller lot sizes to achieve the needed price point, while maintaining quality, amenities and connectivity, may be needed. Brookside in Kansas City, Missouri, was a well-planned and has withstood the test of time.

Mr. Jeffries offered to answer any questions and inquired about City priorities.

Mayor Dunn noted Prevail Wealth Strategies and Retirement Planning Group listed on Page 1 of the report are located on 135th Street, and she asked for the name of the development(s). Mr. Jeffries stated both of these companies are located in Plaza Pointe. He did not know the development name for AgForce Transportation Services on College Boulevard in the former iModules Building. AgForce is a successful, growing business. Office people say that \$250 per sq. ft. for employees is a rule of thumb. The number of Aperture Health employees is unknown as it has been difficult to contact them. Overall, an interesting mix of businesses have been locating in Leawood; wealth management is popular.

Mayor Dunn referred to comments about Ranch Mart and Leawood Plaza redevelopment, stating this would be at the top of her list, urging continued push for progress; dirt has yet to be moved. Then EDC needs to be involved in any vacancy or open space. She stated another EDC has just recruited Cactus Grill to locate to BluHawk in Overland Park, and she hoped this would not result in closure of Cactus Grill in Camelot Court.

Councilmember Filla stated she would be presenting a report on Community Gardens and "Agrihoods", which are dense housing communities of smaller homes surrounding green space use, at tonight's Council meeting. The green space is not a golf course, but used for trails and large shared gardens. She offered to provide the information to Mr. Jeffries, to share with others, as appropriate.

Councilmember Rawlings inquired if opening of the Element Hotel would cause other businesses to gravitate to the area. Mr. Jeffries stated that would depend on hotel services. It is anticipated the hotel may not have a restaurant, offering only a complimentary or low-cost breakfast. If the hotel does not have full-meal service on-site, this might benefit area restaurants such as Talk of the Town, BRGR, Gaslight Grill and Bonefish Grill. If breakfast is available, that might be prohibitive to a restaurant that serves breakfast. Mr. Jeffries could not recall exact details about the hotel meal service or if the hotel was an extended-stay property, as the project has been in process for five years.

Councilmember Cain expressed concern the Leawood Plaza redevelopment is stalled, based on funds to be raised in the distant future. Mr. Jeffries acknowledged Councilmember Cain's concerns, stating the plaza has been bought and now contains dry cleaning, insurance and home decorating businesses.

Councilmember Osman confirmed to Mayor Dunn that Barstow School had recently received a generous \$1.5 Million donation that spurred numerous additional donations in the past month for the new Barstow Campus. Barstow's goal is \$18 Million and they could finance the project, but Barstow prefers not to take on debt. A certain amount of funding will come from the school.

Mr. Jeffries stated Barstow is interested in grade schools and is speaking with the Blue Valley School district in regard to partnership. Ms. Tysseling stated the Chamber had partnered with the Olathe School District, but Olathe needed space for their own career and technical programming. The Chamber now partners with Johnson County Community College. She stated as part of a bond issue, Blue Valley Southwest is building a new Fire Station that will have some classroom space. Mr. Jeffries stated the Leawood Stage Company has been speaking with Barstow in regard to use of the "black box theatre" that is to be part of the Barstow Campus.

Councilmember Cain shared she has received comments, primarily from out-of-state real estate clients potentially locating to the City, that Leawood is noticeably very beautiful. Although she is pro-development, the City needs to take care of what we have. Leawood Plaza has had black store fronts for some time and Ranch Mart looks bad. Mr. Jeffries stated there are several possibilities in the pipeline that may assist. Bulldozers have been seen for sewer line re-route and burial of power lines along Mission Road has provided a much improved appearance.

Councilmember Cain praised the Healthcare Resort of Leawood at 143rd Street and Nall, stating from personal experience the City is very lucky to have such a top-notch facility. The facility was built to be 100% skilled nursing in semi-private rooms, but could not fill the skilled beds and the upstairs was converted to large, private long-term care rooms which are covered by Medicaid. This is the only metro facility to have Medicaid-approved private long-term care rooms. Capacity of the facility is unknown. She stated having a son recently move to Leawood and a parent placed in long-term care shows that Leawood can provide a continuum of living. Ms. Greenyer stated the facility has earned a five-star rating on nursing care, and the facility could be a possible future "Look to Leawood" magazine article. Mr. Jeffries stated the facility is the only Leawood-based rehab facility.

Councilmember Rawlings asked what the Council could do to assist the Chamber and foster future development. Mr. Jeffries stated having continued open conversation is crucial. Great progress has been made towards evolved partnerships. Having a few more Councilmembers rotate as two-year members of the EDC will continue to be beneficial. Mayor Dunn suggested publicizing City awards.

Mr. Jeffries questioned how the EDC and City can work with developers to deliver truly affordable retirement homes, with the quality Leawood is known for. Some residents have expressed concern that smaller lots would negatively impact their property values. He suggested that perhaps roofing requirements need to be examined and the same roofing allowed on residential homes, but allowed on attached villas. This could potentially save \$10,000 to \$15,000 per unit. Mr. Jeffries stated City Staff has done an excellent job, giving the example of recent ordinance revision that provides for approved revision of the overall development signage plan when tenant signage is approved.

Mr. Jeffries confirmed to Councilmember Harrison the EDC takes 50% of his time and 20% of Ms. Greenyer's time for research and stats. Ms. Greenyer's has urban planning experience the United Kingdom where need must be shown. This has been helpful with nodes in the 135th Street Corridor, but the City may not easily be able to evaluate potential development in this manner. Councilmember Filla stated planning in Taiwan is similar; farmland is sacred.

Councilmember Azeltine stated it would be beneficial for the Chamber to bring forth ideas throughout the year, coordinating through Mr. Lambers.

Mayor Dunn thanked Mr. Jeffries and the Chamber Board for their attendance. She stated there will be continued informal dialogue throughout the year. Mr. Jeffries stated he appreciated the opportunity and that as a resident he is vested in forward movement in a positive direction.

Mayor Dunn wished Ms. Tysseling good luck with the election tomorrow.

A motion to recess into executive session for 30 minutes to discuss preliminary matters pertaining to the acquisition of property and for consultation with the City Attorney, which would be deemed privileged in the attorney-client relationship, all pursuant to the Acquisition of Property exception, K.S.A. 75-4319(b)(6) and the attorney client exception, K.S.A. 75-4319(b)(2), with the open meeting to resume in the Main Conference Room at 7:15 P.M., was made by Councilmember Filla; seconded by Councilmember Rawlings. The motion was approved with a unanimous vote of 8-0.

ADJOURN

The open meeting resumed at 7:15 P.M. and was adjourned.

Debra Harper, CMC, City Clerk

Cindy Jacobus, Assistant City Clerk