

**City of Leawood**  
**Planning Commission Work Session**  
**2016 Update to the City of Leawood Comprehensive Plan**  
**April 12, 2016**

**In attendance:**

**Commissioners:** Jim Pateidl, Mike Levitan, Bill Ramsey, Len Williams, David Coleman, Marc Elkins, Wayne Walden and Liz Hoyt.

**Staff Members:** Mark Klein, Richard Coleman, Michelle Kriks, Patty Bennett

**Absent:** Kip Strauss

**2016 Leawood Comprehensive Plan**

Mr. Klein: The Comprehensive Plan is broken up into two sections. One is possible map amendments to the plan. We have three of those. We actually did quite a few of them last year. Additionally, we have updated portions of the plan that have new population numbers.

We'll start with the map amendments. One is 89<sup>th</sup> Street and State Line Road. It is a change from Medium Density Residential to Office to Mixed Use. There are opportunities along State Line for Mixed Use. One of the property owners has expressed interest in a Mixed Use development. In addition to that, we have W. 136<sup>th</sup> Street and State Line Road, which is directly north of the apartments along Kenneth Road, adjacent to State Line. We also have 137<sup>th</sup> Street between Nall and Briar with the alignment of the hike/bike trail. The trail now shifts north, and we would like to change it to match existing conditions.

Comm. Levitan: Is the area at 89<sup>th</sup> and State Line Road MX-D [Mixed-Use]?

Mr. Klein: Currently, it is split between the Medium Density and Office. We would like to change it to MX-D.

Comm. Ramsey: Would it be a redevelopment?

Mr. Coleman: Yes; some people have shown interest in a Mixed-Use Development with structured parking, housing, some retail and office.

Comm. Pateidl: That is directly across the street from Ward Parkway, right?

Mr. Klein: Yes.

Comm. Ramsey: You can't even see the one building from State Line.

Mr. Klein: That is correct, and they recently expanded their parking a few years ago.

Comm. Levitan: I see that as a challenging MX-D site, by the way. It's probably more of a Multi. A lot of people have looked at it over the years for senior housing.

Mr. Klein: We've seen some interest in that. This would not preclude assisted and independent living, as they would be allowed with a Special Use Permit.

Comm. Levitan: If somebody wanted to redevelop the parking lot, it would require the mix of uses.

Mr. Klein: That is correct.

Mr. Coleman: If someone wanted to build a retirement living community, it could be done with a Special Use Permit.

Comm. Levitan: They could not do multi-family under MX-D.

Mr. Coleman: They couldn't just do an apartment complex there, no.

Comm. Elkins: Help me with some of the basic principles here. The fact that we change it on the plan does not effectively change the zoning.

Mr. Coleman: No, it doesn't change the zoning.

Comm. Elkins: What is accomplished by changing it?

Mr. Coleman: The benefit is that we're trying to align future land uses in the Comprehensive Plan with what the goal would be for the property long term. We were trying to get a little bit ahead of the curve because people had come to us with office designation and expressed interest in Mixed-Use. We could say that we're going to ignore the Comprehensive Plan and approve it and let them rezone it, but it is more sound if the rezoning follows the Comprehensive Plan.

Comm. Ramsey: This is just our goal for what we want.

Comm. Elkins: That is where I'm heading. What percentage of our inventory of undeveloped land is currently either zoned or planned for Mixed Use? Frankly, it seems that Mixed Use has been a goal for a long time, and we haven't been as successful as we would like in getting there. I understand that adding this to the inventory of Mixed Use is the right thing to do, but I'm curious how much we will have in our inventory in our Comprehensive Plan.

Mr. Coleman: The largest is 135<sup>th</sup> Street.

Comm. Elkins: It is the whole corridor, right?

Mr. Coleman: It is most of the corridor. Then we have Park Place, Mission Farms and Parkway Plaza. Those are the three existing Mixed Use developments. We were fine leaving this as Office and Medium Density Residential, but we had someone who expressed interest in Mixed Use. We thought it would be good to show it so there is not an issue with them coming in and proposing it. There would be an issue if we didn't change it and they proposed it.

Comm. Elkins: What would that issue be?

Mr. Coleman: The issue would be that you are going against your own Comprehensive Plan.

Comm. Elkins: It is within our jurisdiction.

Mr. Coleman: Yes, but you don't normally want to do that because it is something like land shown as Residential, and someone comes in and wants to build a commercial building on the property that backs up to other residential uses. Then we use that as a basis in our Comprehensive Plan to say that it is not what we had planned. It is always best if you can go along with your Comprehensive Plan. It is better to change it and then move forward than to go against it.

Comm. Levitan: My concern is people with interest may not be able to ultimately pull it off and drive the chains to this. I've spent a lot of time looking at this, and the highest and best use is either senior or multi because of the sensitivity to the neighbors with a huge setback.

Mr. Coleman: We know that the northern parking lot has been evaluated often as a retirement community. Changing the Comprehensive Plan will not preclude them from doing that.

Comm. Levitan: That is fine. If I owned that land, it would be disconcerting that all of a sudden, everything is MX-D and the formulas must be met for it, and MX-D hasn't proven to be the best.

Mr. Coleman: If they came in with an office project, it probably would be an issue because it doesn't require a Special Use Permit for the office, and it doesn't follow the Comprehensive Plan.

Comm. Pateidl: With Medium Density Residential, I presume it is all on the north end. If we say we're now going to change it to Mixed Use, aren't we doing exactly what you said you don't want to do? If it's Mixed-Use and they want to put a parking garage or some mercantile on the north end next to the Residential, are we sending mixed signals?

Mr. Coleman: We still have the zoning regulations for Mixed Use, and we still have the ability to make recommendations about how things are built and where they're placed. Next to the Residential wouldn't be the optimum place for the office portion of the development; it would probably be where the office is right now.

Comm. Pateidl: If someone came in with a Mixed Use plan and the zoning stays exactly how it is, we could say that we'll create the change in zoning, and the only conflict we have is because we're going against what we're calling our Comprehensive Plan. Is that right?

Mr. Coleman: We are trying to align the Comprehensive Plan with potential future projects.

Comm. Pateidl: But if we don't change it, it doesn't eliminate the potential.

Comm. Ramsey: If you do this too many times, though, it creates a slippery slope because one guy says that we adjusted the Comprehensive Plan for someone else, so we should do it for him, too. I've listened to this over the years, and it can be changed any time. We have the authority to recommend to the Governing Body to change it. It just makes it cleaner and takes away that argument. If we say that we see it changing because of the nature of the neighborhood and potential for the market, we can justify it.

Comm. Pateidl: What concerns me is we are interested I doing this because someone would maybe like to consider a Mixed Use development. But if he doesn't, now, we're under the Mixed Use guidelines, and we have a 20% Residential requirement. I'm not sure how the build-out of the Residential of the old Leawood Country Club is going, but I don't think it's exactly selling.

Comm. Levitan: It's not.

Comm. Pateidl: My point is that it's not the hottest place in the world for Residential, and so if he changes his mind, now, we're going to look at changing it back for someone else. How many times do you want to change it based on someone's speculation? That slope goes both ways. Mixed Use has a component of something that we've seen to be difficult in that area, though it would most likely be rental property.

Comm. Levitan: I would just like to avoid having all the remaining undeveloped parcels in the city with a Mixed Use designation because I hear people talking about it. I wasn't in favor of the 135<sup>th</sup> Street plan. It's a difficult hurdle to hit.

Comm. Ramsey: You mean the Mixed Use. I agree with that. All due respect to the planning officials, I don't know how we're going to hit the targets we have there at 135<sup>th</sup>.

Comm. Levitan: The idea of Mixed Use is great in theory. Making it a reality is difficult. You have to find the retail to pay the higher rents, and you have to find the office users who want to be near those retail uses. Park Place works to a certain extent, but I think they struggle on the retail side. It's the office that is driving that development. The retail is not doing well. I know some developers that have all pulled out of 135<sup>th</sup> Street. One was looking at a Mixed Use plan for Villaggio. It wasn't smart, but they realized they couldn't make it work financially. That is my only fear with being in North Johnson County and creating more hurdles for the developers.

Chairman Williams: Is it only the parking lot area that will be Mixed Use?

Mr. Coleman: It is everything around that.

Chairman Williams: In that regard, have you factored into the formula the existing office uses?

Mr. Coleman: You could if you incorporated them into the project.

Chairman Williams: Would that mean that a single developer would have to control those properties?

Mr. Coleman: There would have to be an agreement among the property owners. They would have to buy in to the plan if they retained ownership.

Chairman Williams: That doesn't necessarily mean they are doing anything or investing any money to see that the land gets developed by whatever component meets the zoning.

Mr. Coleman: It would depend on the component. It could be that the area north or south of 89<sup>th</sup> Street is demolished and rebuilt with a higher density. It doesn't have to be the entire tract; it could be a portion of it.

Mr. Klein: The next area is 136<sup>th</sup> Street and State Line Road near Target on the Missouri side. There is Residential with Leawood Falls. This is currently zoned Medium Density Residential. We would like to propose to change it to High Density Residential, which would allow more multi-family and a little higher density, which would match in that area. Currently, the Medium Density Residential doesn't allow apartment buildings, but it seems to be what a lot of people in the community want now. This area seems to make sense for that type of development. There are some significant hurdles to consider with the site, but it looks like a good fit.

Comm. Levitan: Is there any requirement of retail with that?

Mr. Klein: No, it would just be Residential.

Comm. Elkins: Is the proposal on the aerial photograph for the entire area?

Mr. Klein: It is for everything that is the green area.

Comm. Elkins: This is south of the interior.

Mr. Klein: Correct.

Comm. Levitan: Is there a pending application for this site?

Mr. Klein: There is not, but there are people who have been interested in the site.

Mr. Coleman: Over the past year, we have had 2-3 different people come in and have shown interest. Most of them have wanted to build apartments. I think a couple of them didn't think the numbers worked with the lower density. It is on a slope.

Comm. Pateidl: Are the apartments on the south side of the project are subsidized rental?

Mr. Klein: I think at one point, they were.

Comm. Pateidl: If we change this to High Density, is there any way we can preclude subsidized housing in there?

Ms. Bennett: No; right now, virtually any apartment can be subsidized. It's a matter of the formula used to do it. It is not the same as government housing. There is no way to prohibit subsidized housing.

Comm. Ramsey: You're talking Section 8.

Comm. Pateidl: Well, no, there was a program called 236, and it was subsidized housing. Frankly, in the early days of that complex, we had some issues as far as crime. I'm just asking if there is a way to shelter ourselves from that exposure in the future other than not making it High Density.

Mr. Coleman: Well, it could be Medium Density.

Comm. Ramsey: Technically, Park Place could be subsidized.

Mr. Coleman: I don't see that as an issue. I see it more as an issue of developing a triangular piece of land on a slope, which is difficult to develop. The way it is situated lends itself more to High Density.

Comm. Pateidl: The cost of ground there is substantially less than the cost of ground at Park Place.

Mr. Coleman: What would probably go there is 3- or 4-story apartments.

Mr. Klein: The next topic is more of a housekeeping item. Right now, the hike/bike trail's actual alignment is different than what is shown on the map. We would like to correct that. The next issue has to do more with the demographics and changes that have occurred with the City of Leawood. We are using the American Community Survey as one of the key resources.

Ms. Kricks: According to American Community Survey, they are showing that Leawood has a population currently of 32,842. That is an increase of 3.06% from the 2010 Census. They lag a couple years behind in getting that information compiled, which is why we're not quite up to 2015. Last year, when we did the update, we had 2013 numbers, so we will fill in until we get the 2020 Census information. The overview shows how, since 1950, we have had significant, exponential growth, and now we're starting to level off over the last 15 years. I imagine once we get the 135<sup>th</sup> Street Community Plan in action, we will have some more rooftops within the area and an uptick in population.

Next is the race and ethnicity composition within Leawood. In a nutshell, from the 2013 American Community Survey, the minority population has actually declined slightly within the City of Leawood. It's approximately a 4% decline. Those identified as a single race of white in 2000 was previously 92.3%, and that number has increased to 94%. The graphic shows Leawood, Johnson County and Kansas and how we trend according to the county and state.

Another graph is our household composition. The graphic shows our population at the Decintennial Census, the number of households and then the average persons per household. From 1970, there is growth that we discussed. The number of households increases as well. The average persons per household is decreasing, though. This follows the national trend.

Comm. Elkins: Going back to the diversity chart, how does our trend compare to Johnson County's.

Ms. Kriks: Leawood increased from 92.3% to 94%, and Johnson County increased from 86% to 89%. The State of Kansas increased from 83.8% to 88.2%. The minority population is decreasing across the board.

Comm. Elkins: Our trend is about the same as the county and the state.

Ms. Kriks: Correct.

Comm. Elkins: Although, if I'm looking at that right, the African-American percentage has dropped 1.4%, but Johnson County has gone up 1.5% or so.

Ms. Kriks: Correct, and it has increased for the state as well by about 1.3%.

Comm. Elkins: We track with the Caucasian, but with African-American, we are less than the county and state. Thank you.

Ms. Kriks: Rent value versus home value in Leawood tracks back to 1990. From 2010 to 2014, the median home prices rose from \$384,600 to \$388,100. However, rental values have decreased in that same time period from \$1,404 to \$1,161. In 2013, it was also declining from the 2010 numbers as well.

Chairman Williams: The trend in the area, from what has been published in The Star, is that rents are going up.

Ms. Kriks: Mark and I were puzzling over that a bit.

Mr. Klein: I think this might be a bit of a lag. It will most likely pick up in the future years.

Comm. Elkins: If I'm reading this right, from our last update in 2011, the owner-occupied was \$388,400, so it has dropped \$300 from 2011 to 2014.

Comm. Pateidl: Are we beginning to see an influence of a bigger inventory of rental property in Johnson County in general?

Mr. Klein: The numbers are from 2014, so the rents are actually starting to rise. I don't know that it has actually reached a point where the saturation is causing rents to go down.

Comm. Pateidl: Mission Farms, for example, has the Overland Park side, and they did a lot of lowball deals to entice people to move in, so now it will climb back up. There is a lot of market influence on this that is over and above the normal flow.

Comm. Elkins: The 2011 data point is \$1,850 for renter-occupied.

Mr. Coleman: This also includes rental homes, I think. Rental homes have gone up. There is a bigger inventory of rental homes in the city than there used to be, so it may drive the price point down. It is not just apartments.

Ms. Kriks: We have a bigger stock, so with the larger stock, we will see a decline.

Mr. Coleman: We have more homes that are now rented than we did previously.

Chairman Williams: We have seen an uptick in our own neighborhood, and yet rental prices are not in line. They make my mortgage look cheap.

Mr. Coleman: I don't know because all the new apartments are expensive. They are all above this price point.

Ms. Kriks: The next area of discussion is employment by occupation for individuals 16 and over. The largest sector at a little over 58% includes healthcare, education and social assistance. Then, professional, scientific, management and administration are next. Last are finance, insurance and real estate. Those three sectors are a little over 58% of the entire workforce of the City of Leawood. The numbers changed slightly from 2013 from 57.5% in those three sectors.

Comm. Elkins: Professional has gone down, though.

Ms. Kriks: From 2013, it was 19.4%, so it went up just a little bit. Then, we have a table for Approved Commercial Development with Floor Area. Over the past year, we had the approval of Restoration Hardware, which increased the square footage at Town Center Plaza to 735,050 square feet. Then, Centennial Park had two approvals: Heartland Services Building at 23,200 and then a little over 50,000 square feet for Bi-State Beverage. That increased the floor area for Centennial Park to 253,731. The overall development floor area within Leawood is over 6 million square feet. This is based on final approvals. We had Midwest Orthopedic get preliminary approval, but they have not come back in for final, so the numbers are not added in to Plaza Point at this time.

Mr. Klein: That is the overview we have with regard to the Comprehensive Plan. This will come to you in the May meeting, and we will provide a copy. It will reflect what is here, but would like your input

Chairman Williams: You're just talking about what you presented today as far as changes to the Comprehensive Plan?

Mr. Klein: Yes; and the demographic information will be updated in some of the other charts as well.

Chairman Williams: For planning purposes, what does this information do for us? What does it do for your department?

Mr. Klein: As far as the demographic information, it allows the city to see where the trends are coming. What is happening with our population? Michelle indicated we are leveling out with our population. We have an opportunity to continue to grow, especially if we add MX-D, with new residential units available. It might also be another opportunity for ethnicity as well.

Chairman Williams: The chart for employment is interesting, but do you factor in to any of the demographic numbers the retirement population of the city? I would think it is increasing, and from a planning perspective,

the demographics for an aging population have more of an impact than what people are doing for a living except for the fact that it relates to the income level for the working population.

Mr. Klein: We'll update the numbers with regard to the age. You're right; the baby boomers obviously are aging. The millennials are coming in as a larger segment. With regard to the workforce, you definitely are going to see more people heading toward retirement.

Ms. Kriks: We have pulled numbers, and we are starting to see that increase from 2013 to 2014 in the retirement age group and the elderly age group as well as a decrease in the career age group. The school age category is steady, as is the 0-5-year-old group.

Mr. Klein: We are actually seeing more inquiries and application with regard to independent and assisted living.

Chairman Williams: Or even low-maintenance housing developments.

Comm. Elkins: To Len's point, the way the Census Bureau works on this particular pie chart, where does a retired person fit in? Is the total population here? Let's say, for instance, I was a retired insurance executive. Would I show up in this chart as an insurance executive?

Ms. Kriks: You wouldn't show up at all because the census information will have employment information, and if you are retired, it doesn't fall within the categories listed here.

Comm. Elkins: I know in our plan, the only age chart we have is age distribution purely by retirement age, which is a little different than truly retired. Are those numbers available as far as someone who declares himself to be retired?

Mr. Klein: I would have to double-check.

Comm. Ramsey: This really doesn't help show the impact of the growth of the retirement community as far as services and growth of retirement communities. In my neighborhood alone, in the past year, there have been 3-4 that have moved out of their homes, downsized or have gone into retirement communities. There's an element there that we're not picking up on.

Comm. Pateid: It will be interesting to see how the fill goes at 143<sup>rd</sup> and Nall. I suspect it will be quick. The other one at 151<sup>st</sup> and Nall will be even more interesting. Mark, it seems to me after all of this, I don't think anybody has any comments or objections. You have three proposals, and No. 2 and No. 3 just make sense. No. 1 could be revisited. Do you want to do that?

Mr. Klein: We've heard a number of comments with regard to concerns.

Comm. Pateid: I'll just summarize my feelings. If there is potential for change in the environment, change in the realities of the economics, I would be much more comfortable in saying that we changed to Mixed Use because it was more in line with our overall plan in the first place rather than change it to Mixed Use and then to have to change it back to something else, which then, I think we really are getting into a slippery slope, provided that we also find a way to encourage developers to bring proposals in for something other than Office and Medium Density. It shows we are open to propositions. My feeling is if we're going to make a change, make it to the positive rather than sliding back and doing something negative.

Chairman Williams: That's a good point. I think whatever change we make should be done to help promote the developer and that land. It's not doing us any good economically or visually to have it be an empty parking lot. We should foster development on that property.

Comm. Pateidl: I take what Mike says to heart. It is hard to develop, hard to finance and hard to get excited over it. It is a tough place to want to do a development anyway, so making it any harder is not progressing, I don't think.

Mr. Klein: I do understand because we have the use percentages. As Richard said, developers would still have the ability to change it. Most of the people who have talked to us on that piece have been talking about independent and assisted living. The neighborhood to the north is fairly active if there are rumors of anything going on. I know that even if it was Mixed Use, the chances of it being Office or Retail right up against that property line are probably slim. Mixed Use provides an opportunity to transition as well. When we looked at this piece, part of the reason is that we already have a buffer that works both for Commercial and Mixed Use. Then, the topography changes and the parking lot has an underpass that goes to Ward Parkway. I know a couple of developers have seen that as an asset because of a pedestrian access that crosses the busy street. I definitely understand because we have heard concerns as well.

Mr. Levitan: Access to the site is encumbered because it has to go through the other properties' parking lots.

Mr. Klein: That is a hurdle as well. The topography might actually aid as far as lending itself to a structured parking or something like that.

Chairman Williams: How big is that parking lot?

Comm. Levitan: 13,000 or 14,000.

Mr. Klein: I would say around 10,000 or in that vicinity.

Chairman Williams: Anything else?

Mr. Klein: I think that's it.

*MEETING ADJOURNED*