

**City of Leawood**  
**Planning Commission Work Session**  
**February 27, 2018**  
**135<sup>th</sup> Street Implementation Plan**

**Planning Commission Members in Attendance:** Ramsey, Strauss, Hoyt, Block, Coleman, Belzer, Pateidl, and Elkins. Absent: Levitan.

**Planning Staff in Attendance:** Mark Klein, Richard Coleman, Jessica Schuller, Debbie Brenner, and Ricky Sanchez, and Patty Bennett, Legal

**Visitors in attendance:** Greg Musil; Kevin Jeffries, Leawood Economic Development Council; Maryann Stevens; Bob Regnier; and Leonard Corsi

Chairman Elkins: Welcome to our guests. We're glad you're here to join us for our work session. Since it is an informal work session, there will probably not be an opportunity for you to speak, but you're welcome to observe our proceedings.

**135<sup>th</sup> Street Implementation Plan**

Mr. Klein: We will adjourn in Council Chambers for the regular Planning Commission meeting. We would like to discern if the Planning Commission has any questions regarding the 135<sup>th</sup> Street Implementation Plan that we could answer prior to the meeting.

Chairman Elkins: Questions for staff? I would note that Commissioner Ramsey and Commissioner Strauss both served on that committee, so they may have commentary as well for your questions.

Comm. Coleman: Is this an annual process to review this?

Mr. Klein: This is for the 135<sup>th</sup> Street Community Implementation Plan. We do an annual review of the Comprehensive Plan, and you'll have one of those later on this year. This is related to the Implementation Plan and taking it forward, hopefully, for recommendation by the Planning Commission and adoption by City Council. The 135<sup>th</sup> Street Community Plan has been approved and adopted.

Mr. Coleman: Some of the commissioners weren't here when this all started. In 2014, the City Administrator asked us to look around the country and bring in a national figure to talk about Mixed Use on 135<sup>th</sup> street. We had a gentleman with a firm called Urban Green out of California. Jim Hyde is on the National Urban Land Institute Council and has been active in planning and designing Mixed Use developments around the country. He came to a joint session with the Planning Commission and City Council. He laid out a series of key features for Mixed Use land development, how it would work, and why. After that, we were asked to start to look into doing something about that. At the time,

Mid-America Regional Council (MARC) had a grant under their Sustainable Planning Program. We applied for and received the grant. We hired Design Workshop, a planning firm out of Denver, Colorado. They conducted the planning for the Community Plan that has already been approved. We applied for another grant that we received, and we hired Design Workshop again for the second phase of the Community Plan. It is called the Implementation Plan. It speaks more to the physicality of the plan. It deals a bit more with configuration of buildings, streets, landscapes, street widths, and things like that. We want to give you the opportunity to ask questions and review those questions prior to next week.

Chairman Elkins: Richard, I have a couple questions. My recollection is the 135<sup>th</sup> Street Corridor Plan, summed up in one sentence, is a strategy of Mixed Use development. Is that correct?

Mr. Coleman: That's correct. It lays out the basis of it.

Chairman Elkins: From what you just described, the work that was done by the task force was largely, if not exclusively, directed toward executing on that strategy of Mixed Use development.

Mr. Coleman: Correct; the whole plan was geared toward that. The area that we've been looking at was shown on the Comprehensive Plan as Mixed Use, so we want to get some guidelines in place for the development.

Chairman Elkins: Was there any discussion during the task force activities about the validity or vitality of that strategy?

Mr. Coleman: It has come up at various points along there because there has been not a huge amount of development down there. Mixed Use is more difficult if it is done right.

Chairman Elkins: Was there a consensus by the task force that we should continue to pursue the Mixed Use as a strategy for the 135<sup>th</sup> Street Corridor?

Mr. Coleman: I don't know that we asked everybody individually to vote on that, but the consensus was to move forward on the basis of Mixed Use.

Chairman Elkins: When we have our joint meeting in a couple weeks, is the question of Mixed Use versus non-Mixed Use still on the table, or has that ship sailed as far as staff and Governing Body are concerned?

Mr. Coleman: As far as the plan is concerned, it reinforces that. It doesn't go the other direction. It is reinforcing the Mixed Use concept.

Chairman Elkins: I get that. Is the question of the strategy still on the table, or is that not open for discussion next week?

Mr. Coleman: You can ask any question you want, but that isn't what next week's meeting is about. It is about presenting what the consultant and the task force came up with, which is the Implementation Plan in front of you.

Chairman Elkins: It sounds like a nice way of saying it is off the table and that we are at the implementation of the Mixed Use.

Mr. Coleman: That is what the Implementation Plan focuses on. It doesn't go in a different direction.

Chairman Elkins: I guess I'm asking about how broad our discussion next week can be. Is it intended that we limit ourselves to this Implementation Plan, or is revisiting the strategy a possibility?

Mr. Coleman: I think there's always a possibility, but that's not where the plan went. It didn't include an option to do a single Master Plan for the Corridor, and it didn't address zoning it whatever.

Comm. Strauss: That is something that I've been thinking about, also. I think we gave the consultant direction to develop a Mixed Use plan in this boundary, and that's what they did. For the last couple years, Commissioner Levitan has brought up the question about if this can all develop as Mixed Use. Have we ever done a market assessment? I think we just had them develop the plan, so I'm not sure if we've ever asked anyone to assess the viability of Mixed Use. Additionally, should this plan include some sort of risk assessment? What if we get five years down the road and Mixed Use in this entire area isn't the best thing for the city? What are the safety nets? Do we have flexibility in our LDO for Mixed Use to look at parcels differently? Those are some of the questions I've been thinking about, which is building on what you're saying. I wonder how that plays into the discussion.

Chairman Elkins: My sense is that the Governing Body's policy thought is that we should pursue a Mixed Use strategy. That's the basis of the first 135<sup>th</sup> Street Corridor Task Force. You have looked at implementation, and I was asking if there is room for revisiting that or not.

Comm. Ramsey: I agree wholeheartedly with Kip. Going back to what Richard said at the beginning, most of this plan is about physicality. It's the layout of what is expected as folks come in and develop in terms of the preference the city has for the type and how things get done. The real issue is part of the equation that we tend to not give a whole lot of weight to: market conditions. If we want to maintain this as Mixed Use, we may have to wait 50 years. As we've all talked about, Park Place took a significant amount of time to develop with its unique characteristics. This corridor will take a long time to complete. In the meantime, we'll probably have 15-20 business cycles that will ramp through and change the market. I've been around long enough to see the apartment market boom and bust and boom again. I suspect the same thing will happen here. The guidance that I understood was the policy that City Council wanted to look at on this was to try to do this

as a Mixed Use activity. This plan is always going to be on the table as to discuss whether Mixed Use is the preferred type of development. Whether it is or isn't, the plan still deals with all the activities and physicality development and style that we're looking for.

Comm. Pateidl: My observation takes a little different view of the exact same thing that you guys said. Keep in mind that the whole concept of Mixed Use along 135<sup>th</sup> Street Corridor actually goes back to 1996. On that original plan, which parallels the current plan we have, there was an Implementation Plan incorporated into it. In everything I've seen and read, I've never seen anything regarding a follow-up on that Implementation Plan. As I read through this, I noticed the absence of that very thing. The follow-up may be the re-evaluation of the market circumstances. It might be defining what implementation actually means. Does that mean that we, the city, are looking for a way to assist, prompt, and expedite development? If it is, implementing these plans is one thing. Is implementation of this plan focused on our ordinances, our practices, our allowances as to what we will do or won't do with respect to development along this corridor? That's another whole thing. Without a definition of implementation and how we're going to follow up on it so we don't let it go stale once it gets rolling, we're just talking in a vacuum here.

Mr. Coleman: I think it is actually addressed by both of those things. On the one hand, there is what you take from this and possibly put into the LDO. I don't know how long we've had the CID policy, but that came about from different conditions that the city saw and needed to address. Other things come up, and the policy is adjusted to try to address those things. That is what I would see long term, coming out of this and the community plan.

Comm. Pateidl: I think critical considerations are going to evolve around the problems it would cost for this kind of development and the willingness of the city to partner with private development in addressing that issue of cost. The plans for the streetscapes and things we are suggesting inside of this plan show that it is eating up a tremendous amount of expensive ground, putting in expensive streets and amenities. If that is all left on the developers' plate, they've got a real problem because the problems we have at Park Place and Prairie Fire is that the rents are so expensive that the retailers can't make it work. The more we load up on gingerbread, for lack of a better description, without participating in the cost. The plan is beautiful, but is it practical? If it's not practical, what can we do to assist in that? As we attempt to assist in that, are we taking the right steps? If we're not following up on a regular basis, we're not going to know. It will be another 20 years when we sit down and look at it with another grant. That's no way to run a railroad.

Comm. Hoyt: Did the Design Workshop people do a feasibility study as part of their design? Also, what would their guidance be on the appropriate time to do a feasibility study and/or market research?

Mr. Coleman: They didn't do a feasibility study per se. They didn't work out all the numbers. That is something we're looking at to see how it might work. There is a lot of

variance in it. Right now, as the ordinance sits, it is fairly flexible. Out of 100 acres, 70 could easily be Residential. Then there would be a pod of Commercial. The idea is that some would be more oriented toward Residential; some would be more oriented toward Office with a minimal Retail.

Comm. Hoyt: I guess it would be nice to see some different scenarios modeled and then some feedback from constituencies who would actually be the ones to decide to buy in or not buy in to see how attractive it might be.

Mr. Coleman: It would be good to run some models and see what comes out.

Comm. Strauss: It seems that if we could look out 50 years, this would be the second- or third-most dense part of the whole city behind a downtown or Plaza, which is kind of hard to believe. That is why I have reservation on 100% Mixed Use. I also remember talking about creating a sense of place to identify the difference between Leawood and Overland Park. Maybe that will show up with some of the design tools so it will look different. I'd even like to go as far as creating a district name or something that has a sense of place so that people know it as something like Park Place but a broader idea. Finally, I was always pushing for more green space that is mixed in. I know that comes at a cost, so it has to be weighed. I know we're taking advantage of natural features, but I was hoping to see additional ones. We talked about pocket parks. Maybe that is something that is part of it, but I don't see it.

Mr. Coleman: The park space would be private space that the developers develop for their development. Now, it wouldn't be public space; that is why it is not shown. There are some opportunities in the environmental part of it. There are watershed areas that come through it. With the need for stormwater management, there are good opportunities, particularly on the east end, to create detention facilities or other things that would also be amenities for development in the city to have trails, park-like areas, and water bodies. Like I was saying before, we didn't want it to be too prescriptive. We wanted to actually lay out the design with how things exactly had to be. That's on the far end. The other end is scrapping it and allowing developers to put what they want in there. It's not hard to see what would happen with that.

Comm. Pateidl: We have the Comprehensive Plan, and in general sessions, we found that it has a great deal to do with the types of development that we allow and an influence on developers who come to the city with a plan. One of the first things we do is see if it fits with the Comprehensive Plan. Will this become part and parcel of the Comprehensive Plan?

Mr. Coleman: That would be the intent because the Community Plan is part of the Comprehensive Plan, and this is an extension.

Comm. Pateidl: We need to be very careful about what we do in here because we're going to send some very specific messages to potential developers as they look at the city based on what we have. It lacks things like market changes, market studies, and options

in the balance of that. It can be kind of scary, and we shoot ourselves in the foot before we even get started. I would hope that this could be a consideration separate from the Comprehensive Plan; at least, that would be a recommendation I would make if it is possible to do that inside of the legal structure of our ordinance for that reason.

Chairman Elkins: Are there questions for staff or for our representatives on the task force?

*Commissioner Levitan joined the meeting*

Comm. Levitan: Obviously, I'm going to bring a big bucket of cold water like I always do to this discussion. I'm blunt. You know where I stand on this. Mixed Use development in the City of Leawood with a common area of maintenance has taxes, insurance, marketing, and fees are higher than the biggest rent that the landlord is getting for retail. I continue to see this day after day. Retail in Mixed Use doesn't work. We're not dense enough. We can't handle it. Prairie Fire continues to struggle. There's a reason why Phase 2 isn't even under construction in one of the best markets we've had in a long time. Developers are having a time trying to find out how to finance this, even with incentives. Retail developers in town are gravitating toward other uses, including one who is investing primarily in Multi-Family and Industrial. Retail is not where it is at right now. The report has a lot of pretty pictures, and I deal with pretty pictures all day long. It is always the dream scenario. It looks great. I don't think that stretch of 135<sup>th</sup> is better than any other place in the city. To Kip's point, there is nothing unique about it. Even narrowing the streets and having a mix of uses won't change what that area is. I know this is the guiding principle for the city for the next 20-30 years. The city will wait for the right developer to come along, but I think we may miss out on other opportunities to develop. We don't need a whole row of car dealerships, but I think we're being short-sighted. I look at these economics all day long, and Mixed Use just doesn't work. Lenders don't want to lend on it. Retailers don't want to be in it. We're still a city of convenience. We want to be able to pull up to the door and walk in like at Town Center. Office users want to be in that area, but they don't necessarily need to be in it. I struggle with this. In the meeting next week, I don't want to be one that says that this is a great plan because I don't agree with it, and I don't think it's reasonable. I think it puts an undue burden on the landowners and developers to try to make this work when I don't see equity behind these projects.

Chairman Elkins: Thank you. Are there other questions for staff? We're set for next Monday night.

Mr. Coleman: It is Monday, March 5<sup>th</sup>, 6:00 PM in the Oak Room.

*MEETING ADJOURNED*