



Work Session Agenda
BOARD OF ALDERMEN
CITY OF PARKVILLE, MISSOURI
August 19, 2014 – 6:00 pm
City Hall Boardroom

1. GENERAL AGENDA

- A. Final report of the market feasibility and economic impact study for the intersection of Interstate 435 and Highway 45

CITY OF PARKVILLE

Policy Report

Date: Friday, August 8, 2014

Prepared By:
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Reviewed By:
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Development Director

ISSUE:

Final report of the market feasibility and economic impact study for the intersection of Interstate 435 and Highway 45.

BACKGROUND:

In 2006, the City of Parkville responded to petitions and began the process to create two Neighborhood Improvement Districts (NIDs) on three quadrants of the intersection of I-435 and Highway 45. The Brink Meyer Road NID financed the extension of Brink-Myers Road and a related retaining wall to serve the southeast quadrant of the intersection. The Brush Creek Drainage NID extended sewer utilities to all three quadrants. Due to a variety of factors, including the recent economic recession, private development has not occurred according to the original schedule and vision. The majority of properties are now bank owned or controlled. The City issued general obligation bonds for both NIDs this summer and the first debt payments will be due in 2015.

In 2013 the Parkville Economic Development Council (EDC) appointed a task force to explore options to ignite development on the NID properties. The task force supported a concept to develop a youth sports park on the southeast quadrant as a “game changer” to generate more tourism and economic activity in the area. The EDC and City agreed to partner to conduct a feasibility study for the sports park concept. On May 20, 2014, the Board of Aldermen approved a contract with Convention, Sports, & Leisure, Inc. (CSL) of Plano, TX in conjunction with DiSalvo Development Advisors (DDA) of Dublin, OH, to perform a market feasibility and economic impact study for the proposed sports park. In addition, the consulting team was asked to determine the best alternative development option if the sports park did not prove to be feasible.

Adam Kerns of CSL and Pete DiSalvo of DDA will be in Parkville on August 19 to present the findings of the report. The study involved extensive research including stakeholder interviews, regional market characteristics, sports participation trends, utilization estimates, comparable facility reviews, and hotel/retail market analysis. In general, the report concludes that the best sports park concept is an eight-field (turf) soccer complex with supporting parking, concessions, and administrative space. However, the project is not viable under current conditions. The capital cost is estimated at \$12 - \$14 million, and there is not an identified funding source for that cost. Platte County has declined to participate financially in a sports park at this location. Most comparable facilities cited in the report had a “champion” organization or individual that led a private fundraising effort. No such person or group was identified in stakeholder interviews. Furthermore, the projected operating budget will cover day-to-day annual operations, but it is not sufficient to absorb the annual NID assessments or to support a sinking fund for ongoing maintenance.

ITEM 1A

For 08-19-14

Board of Aldermen Work Session

Even if the City could identify a funding strategy for the capital investment for the sports park, the study concluded that any retail development in the study area is ahead of the market. The neighboring residents and soccer complex attendees could support a small retail store (seasonal/specialty foods) but would not generate the spin-off economic development envisioned for the sports park concept. The study also evaluated demand for a hotel on site. While there is overall demand to support additional lodging in the Parkville market, the study site is not the appropriate location to capture that market share. Instead, the study suggests considering downtown Parkville as an alternative hotel site.

The study concluded that the best alternative near-term development is multi-family apartments that benefit from easy access to employment centers such as Fort Leavenworth and Village West. This could meet an underserved need in Parkville's housing market and generate a denser population to support future commercial/retail development. The study suggests a multi-family development with a wide range of common area amenities, such as a walking trail, exercise facility, and clubhouse, to achieve a character compatible with Parkville. Such a development could potentially support a small retail store in the near term.

BUDGET IMPACT:

There is no direct budget impact associated with this work session.

ALTERNATIVES:

1. Discuss the final report of the market feasibility and economic impact study.
2. Postpone the item.

STAFF RECOMMENDATION:

This is a work session intended to allow the Board of Aldermen to become familiar with the findings of the report. No action is recommended at this time. However, staff encourages the Board to react to the findings and, if possible, reach general consensus on direction for staff to pursue the next steps toward development. The Mayor, staff, and the Parkville Economic Development Council have had numerous discussions over the last several months with the property owners and local developers. There appears to be interest and capacity to pursue residential development on one or more of the NID properties, but public incentives will likely be requested to offset the impact of the NID assessments. Staff needs direction from the Board to defer the sports park concept for this site and pursue other development options. If so directed, staff and the EDC will work to bring back a formal development proposal(s) before the end of the year.

SUGGESTED MOTION:

As this is a work session, no motion is necessary.

POLICY:

The contractual scope of work for the feasibility study requires the consulting team to present its findings to the Board of Aldermen.

ATTACHMENTS:

1. Market Feasibility & Economic Impact Analysis for a Sports Complex and/or Commercial Development at the Intersection of I-435 and Route 45 (by reference – available online at <http://parkvillemo.gov/wp-content/uploads/2014/08/Parkville-Sports-Complex-Report-08-11-14-LOW-RES.pdf>)
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