

# Farmers' Market Pavilion Site

Downtown  
Overland Park, Kansas

## Redevelopment Proposal

Prepared For:

**OVERLAND PARK**

K A N S A S

ABOVE AND BEYOND. BY DESIGN.



**BLOCK**

REAL ESTATE SERVICES, LLC

October 29, 2021



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October 29, 2021

Kate Gunja  
Assistant City Manager  
8500 Santa Fe Drive  
Overland Park, KS 66212

RE: Proposal for the Redevelopment of The Overland Park Farmers' Market

Dear Ms. Gunja:

Thank you for the opportunity to present the following Proposal for the redevelopment of the Overland Park Farmers' Market, a signature, historic asset that has long been a defining feature of Downtown Overland Park.

Our team, Block Real Estate Services, LLC [BRES], is pleased to present the following detailed package for **Clock Tower Market**, an urban mixed-use entertainment, retail, and residential development serving as the permanent home for the Overland Park Farmers' Market. Attached you will find a review of the development team and its qualifications, a summary of our experience in ground up and historic redevelopment across the country, firm qualifications, the proposed redevelopment concept along with its core inspirations, timelines, and comprehensive development terms.

BRES has completed numerous developments and historic renovations totaling more than \$4.0 billion (including more than \$500 million in Overland Park) through creative and successful partnerships with communities across the United States. BRES, a traditionally long-term owner, currently has over 43 million square feet of commercial real estate under ownership and management including 10,203 multifamily units. Our firm has proven experience achieving the modern-day, highest-and-best-use of historic assets in need of repositioning and strategic capital investment. BRES has completed multiple, creative redevelopments with an emphasis on historic renovations and P3 Public/Private Partnerships. We envision a similar partnership here between BRES and the City of Overland Park, with both entities acting as co-developers on the project. BRES is uniquely qualified to navigate every element of the redevelopment process, including engaging the right architects, engineers, and consultants, defining the best financial structure, working through the building design, engaging community stakeholders to form the right partnerships, obtaining the necessary entitlements (including TIF and CID financing), and providing the capital and oversight to bring each venture through to the finish line. Our team would be happy to provide references from each city in which we have completed redevelopment projects that are featured throughout this proposal package.

We are very impressed with the vision and effort put forth by the City of Overland Park in pursuing the enhancement of the Farmers' Market. Our team is motivated and excited to begin working together with your team and the community to determine the best way to maximize this local landmark to its full potential.

Please feel free to reach out at any time via my contact information below, we look forward to future discussions.

Sincerely,

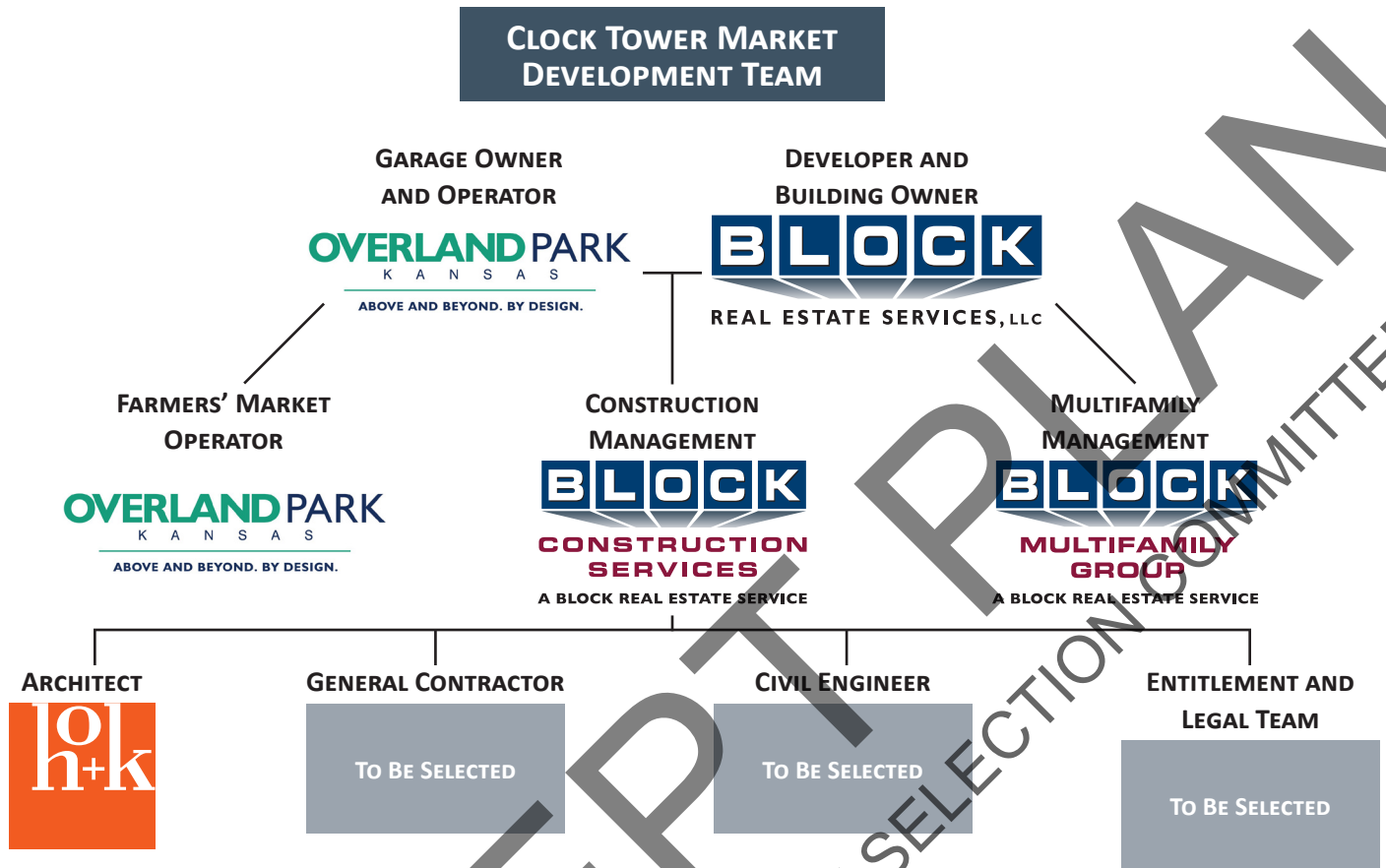


Stephen J. Block  
Principal  
Block Real Estate Services, LLC

CC: Bill Ebel  
Jack Messer  
Aaron M. Mesmer  
Max Wasserstrom

## B - DEVELOPMENT TEAM

The team assembled by Block Real Estate Services, LLC is well suited for this project. The companies along with the individual members of the organizations who will be directly involved in the redevelopment of the Overland Park Farmers' Market to Clock Tower Market are detailed below and on the following pages.



### Roles

#### Block Real Estate Services, LLC

- Oversee the design and construction of Clock Tower Market, including the market area, podium garage, four-story parking garage, and the mixed-use residential/retail building.
- Provide the necessary capital for the Mixed Use Building.
- Ownership, management, and maintenance of the Mixed Use Building.
- BRES will allow retailers and residents in the Mixed Use Building to have the first right to lease parking stalls in the podium garage.

#### City of Overland Park, Kansas

- Participate in the design and construction of Clock Tower Market, including the market area, podium garage, and four-story parking garage.
- Provide the necessary capital for the market area, podium garage, and four-story parking garage.
- Approve entitlements, including the creation of the TIF and CID Districts and EDRB.
- Ownership, management, and maintenance of the Farmers' Market area (including permanent vendor stalls), podium garage, and four-story parking garage.
- Management of Farmers' Market vendors and programming of events during non-market hours.
- The City will enter into a long-term lease for the first-floor retail component of the mixed-use building for the operation of a year-round store selling farmers' fresh produce and goods.

#### HOK

- Design of all aspects of Clock Tower Market including the market area, residential component, and parking structures.



## B - DEVELOPMENT TEAM: BRES OVERLAND PARK DEVELOPMENTS



CORPORATE MEDICAL PLAZA I



CORPORATE MEDICAL PLAZA II



CORPORATE MEDICAL PLAZA III



NALL CORPORATE CENTRE I



NALL CORPORATE CENTRE II



ROE MEDICAL CENTRE I



CITYPLACE CORPORATE CENTRE III



CITYPLACE CORPORATE CENTRE I



THE ROYALE AT CITYPLACE



THE APEX AT CITYPLACE



THE MAJESTIC AT CITYPLACE



THE RESIDENCES AT GALLERIA

GALLERIA



143MET



## B - DEVELOPMENT TEAM: BRES TEAM BIOS



STEPHEN J. BLOCK  
PRINCIPAL

Stephen J. Block has been associated with Block Real Estate Services, LLC (BRES) since 1974 after graduating from Carnegie-Mellon University. He is presently Principal and department head of BRES' Syndication Division. He has completed numerous redevelopment projects in the KC region including the 400,000 square foot, \$80 million Midtown Redevelopment projects located at 40th and Mill Streets, Main Street and Linwood Boulevard in Kansas City, Missouri. He has been involved with the Union Hill redevelopment project, a 12-block area at 31st and Main in Kansas City, Missouri. The mixed-use development consists of retail, restaurant, hotel, apartment and office uses complementing new and renovated single and multifamily residential properties a recent project was the \$115 million office building at 46 Penn Centre.

Among his work in real estate investment and development, Stephen has been involved in the syndication of over 175 partnerships with property value in excess of \$1.1 billion.



AARON M. MESMER, CCIM  
SENIOR VICE PRESIDENT DEVELOPMENT & ACQUISITIONS

Aaron M. Mesmer joined Block Real Estate Services, LLC (BRES) in 2005 as an investment sales specialist focused on achieving maximum returns for his clients through the acquisition or disposition of real estate assets. Since joining BRES, Aaron has been involved in real estate transactions valued at more than \$1.3 billion. Aaron has also been involved in developments encompassing more than 575 acres with planned development including 3,100,000 square feet of industrial space, 1,200,000 square feet of office space and 4,100 units of multifamily and senior housing development.

Signature Overland Park developments include:

- CityPlace, Overland Park, Kansas  
95 Acre Mixed-Use Community at College Boulevard and 69 Hwy
- Galleria, Overland Park, Kansas  
37 Acre Mixed-Use Community at Nall Avenue and 112th Street



MAX WASSERSTROM, CFA  
SENIOR VICE PRESIDENT

Max Wasserstrom joined Block Real Estate Services, LLC (BRES) in July of 2011 and specializes in the development, leasing, and sales of office properties in the Kansas City market. Recent Class A office developments he has been involved with include Pinnacle Corporate Centre V, Nall Corporate Centre II, The Offices at CityPlace, and 46 Penn Centre. Max was actively involved in the development of build-to-suit projects for Element Imaging, Liberty Urgent Care, and two Fresenius Medical Care centers. Since joining BRES in 2011, Max has been involved in transactions totaling over 1.5 million square feet with a value of \$250 million. He was named commercial real estate rookie of the year by the Kansas City Regional Association of Realtors in 2013 and served as President of the Kansas City Regional Association of Realtors in 2020.



## B - DEVELOPMENT TEAM: HOK OVERVIEW



**PETER SLOAN, JR., AIA, IIDA**

SENIOR PRINCIPAL, DIRECTOR OF DESIGN, INTERIORS

Peter Sloan is a Senior Principal with more than 30 years of experience leveraging the built environment to shape organizations, communities and districts. His humanistic, “inside-out” design philosophy has been integral to not only his clients, but the organizations and non-profits with which he works. His approach prioritizes immersion in the intricacies of an organization to provide long-term value and advance the client’s brand through design. This carries into Peter’s approach to his work with professional organizations and non-profits, including The Rabbit Hole, Brookside Soccer Club and as past president of the Kansas City chapter of the American Institute of Architects.



**LYNN CARLTON, LEED AP**

PRINCIPAL, REGIONAL DIRECTOR OF PLANNING

Lynn Carlton is the 2021 Chair for the Downtown Council of KC and is a nationally recognized expert on urban design and development. She brings more than 20 years of experience in urban planning and design. Throughout her career, she has been involved in a variety of planning, design and urban landscape projects. She is well versed in comprehensive planning for downtown corridors, mixed-use developments, urban districts, health and wellness districts, urban campuses, and regional sustainability planning. Lynn works closely with all types of stakeholders to develop common ground, to resolve barriers to implementation, and to inspire concerted action toward a shared vision.



**TIM MCDONNELL, PLA, ASLA**

SENIOR LANDSCAPE ARCHITECT

As a design leader in HOK’s Kansas City office, Eric Linebarger has successfully executed renovation and new construction projects ranging in size from 2,000 to 250,000 sq. ft. His portfolio of work includes civic, corporate, multi-family residential, and adaptive reuse projects. His portfolio of work reflects his ability to transform the business objectives of an organization into a tangible environment that celebrates their culture and brand heritage. Eric’s design acumen is complemented by his commitment to maximizing space efficiency and gaining the greatest value for his clients’ investment.



**ZACH O’KEEFE, PLA, ASLA**

LANDSCAPE ARCHITECT

Zach O’Keefe’s portfolio of experience has largely centered on providing landscape design for commercial and multi-family residential projects. In addition to design coordination and documentation, Zach has experience coordinating across municipalities and other agencies to move projects through the public approval process. On every project he is committed to developing sustainable design strategies in support of functional requirements.



**VANESSA HOSTICK, AIA, LEED® AP O+M, FITWELL**

SUSTAINABLE DESIGN SPECIALIST

Vanessa Hostick works to improve the design, planning, and construction of projects through resource management. She works directly with healthcare clients to help guide their application of sustainable best practices, including energy efficiency analysis, renewable energy integration, and LEED Certification. She has worked in all phases of design, and also has experience with existing building O&M, life cycle analysis, green policies for operations and maintenance of buildings and campuses, and LEED Certification.



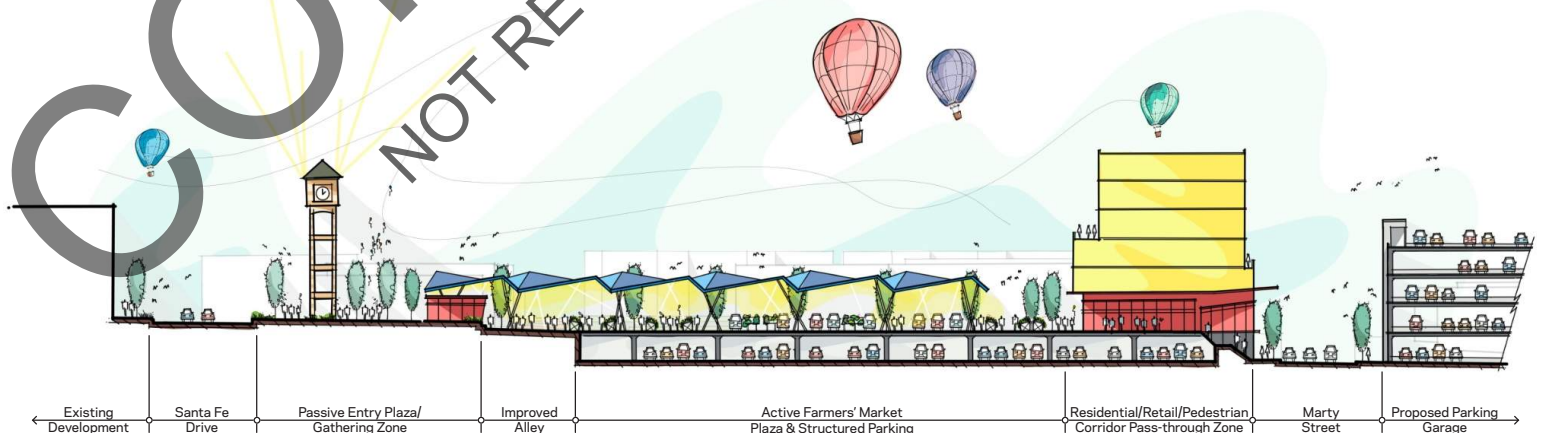
## Development Plan

BRES has worked with acclaimed architect HOK to design a mixed-use, urban gathering place highlighting and enhancing the Overland Park Farmers' Market into a more dynamic, community-oriented market and entertainment venue we are calling **Clock Tower Market**. The development team understands the desire to create a public space that can be utilized seven days per week during various hours of the day as a destination and entertainment venue. Within this development plan, it is our team's intent to design, construct, and showcase a sustainable, unique public area that provides multiple uses for the community.

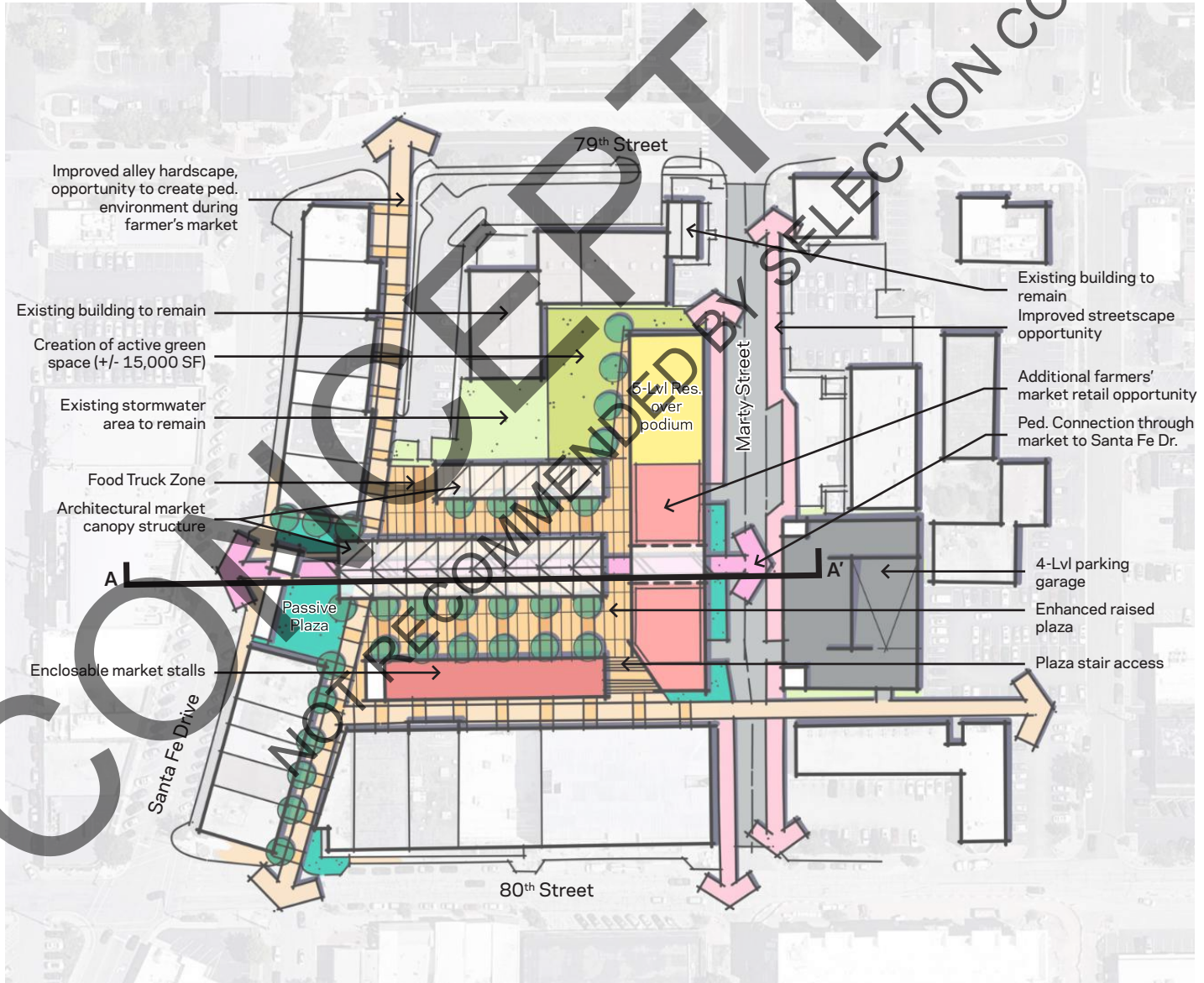
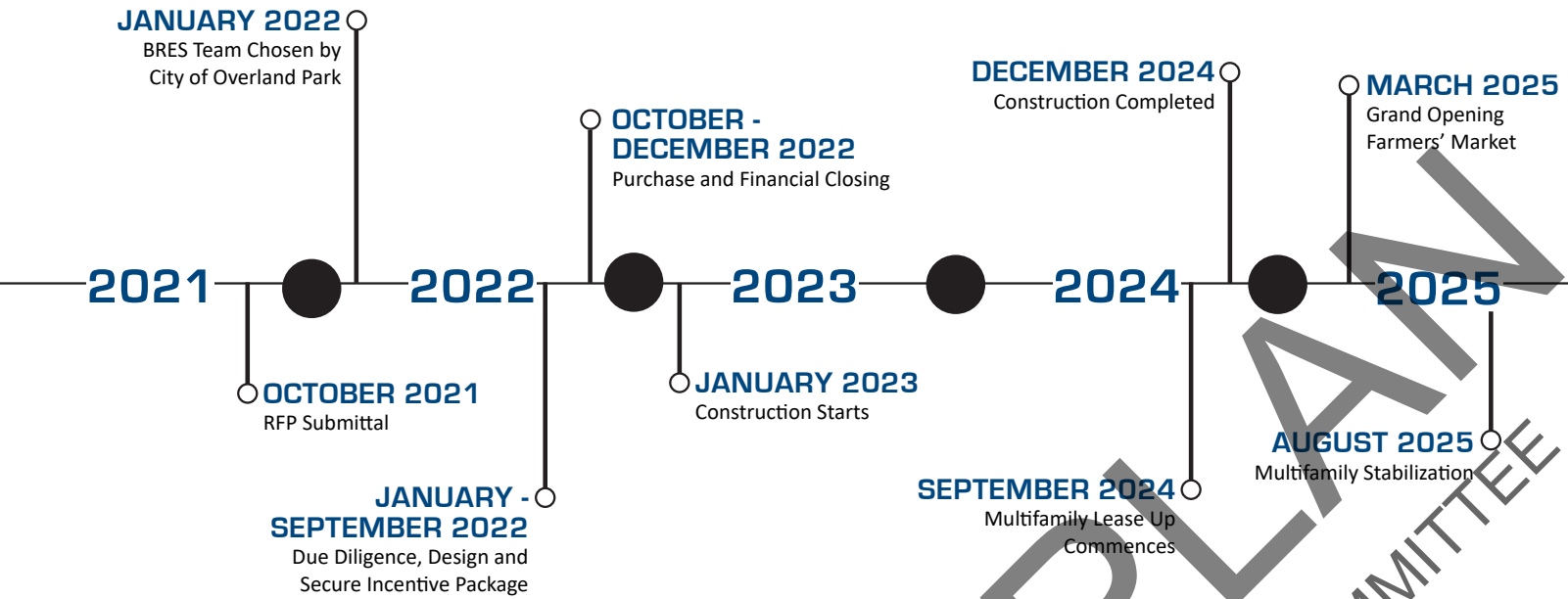
First and foremost, the BRES team is committed to creating a one-of-a-kind, all-season Farmers' Market utilizing the current market space to provide a year-round market environment. Our plan creates a better pedestrian flow within the market and connection to Santa Fe Drive via Clock Tower Square. The development team's design incorporates a seamless transition from Santa Fe, through the Clock Tower Plaza and into Clock Tower Market, tying both elements together into one cohesive gathering place. Unique and eye-catching architectural elements have been incorporated into Clock Tower Market's pedestrian entrances and overhead coverings to create a strong sense of place. BRES envisions permanent, on grade market retail stalls looking into the market that will sell vendor's fresh produce and goods year-round as well as permanent, enclosed, conditioned stalls for vendor use during market hours. Vendors using these stalls will be able to take advantage of direct loading from their vehicle to the back of their stall via the alley that connects Overland Park Drive and Marty Street, south of the current Farmer's Market. The alley directly east of Clock Tower Plaza will serve as access for the vendors' vehicles, but will be closed for pedestrian access during market hours and special events. A four-story parking garage would be constructed on the site of the City owned parking lot directly east across Marty Street as well as a 250-stall podium garage below Clock Tower Market. Both garages will serve as public parking for the Farmer's Market and, more generally, Downtown Overland Park enhancing parking for the entire area. A food truck zone and 15,000 sf of active green space will buttress the Market on the north. The design of the market space incorporates elements that not only provide a more functional, year-round market, but that also welcomes patrons to enjoy the space on their own during daytime hours and allows for entertainment opportunities during the evenings.

As a tie-in to the retail property at the SEC of 79th and Marty Street, as well as to create a better streetscape running along Marty Street, the developer plans to construct a 5-story, Class A+ Mixed Use Building overlooking Clock Tower Market that will include 120 multifamily units and 10,000 square feet of permanent Farmers' Market retail space. The permanent Farmers' Market retail space located within this structure is oriented to face Clock Tower Market. Restroom facilities for the Farmers' Market will be located adjacent to the permanent retail and will be made available to the public. Resident parking will be located under Clock Tower Market in the podium garage with an entrance on Marty Street. Multifamily residents will have a first right to lease parking spaces from the City. The remainder of these parking spaces will be available for public use along with the parking garage across Marty Street. The team feels that the additional residents and year round retail will add to the further urbanization and vibrancy that is currently taking place in Downtown Overland Park.

We're confident that a building of this size will strongly support our intended and proposed elements, and Clock Tower Market will become a beacon of diverse use for the City of Overland Park.

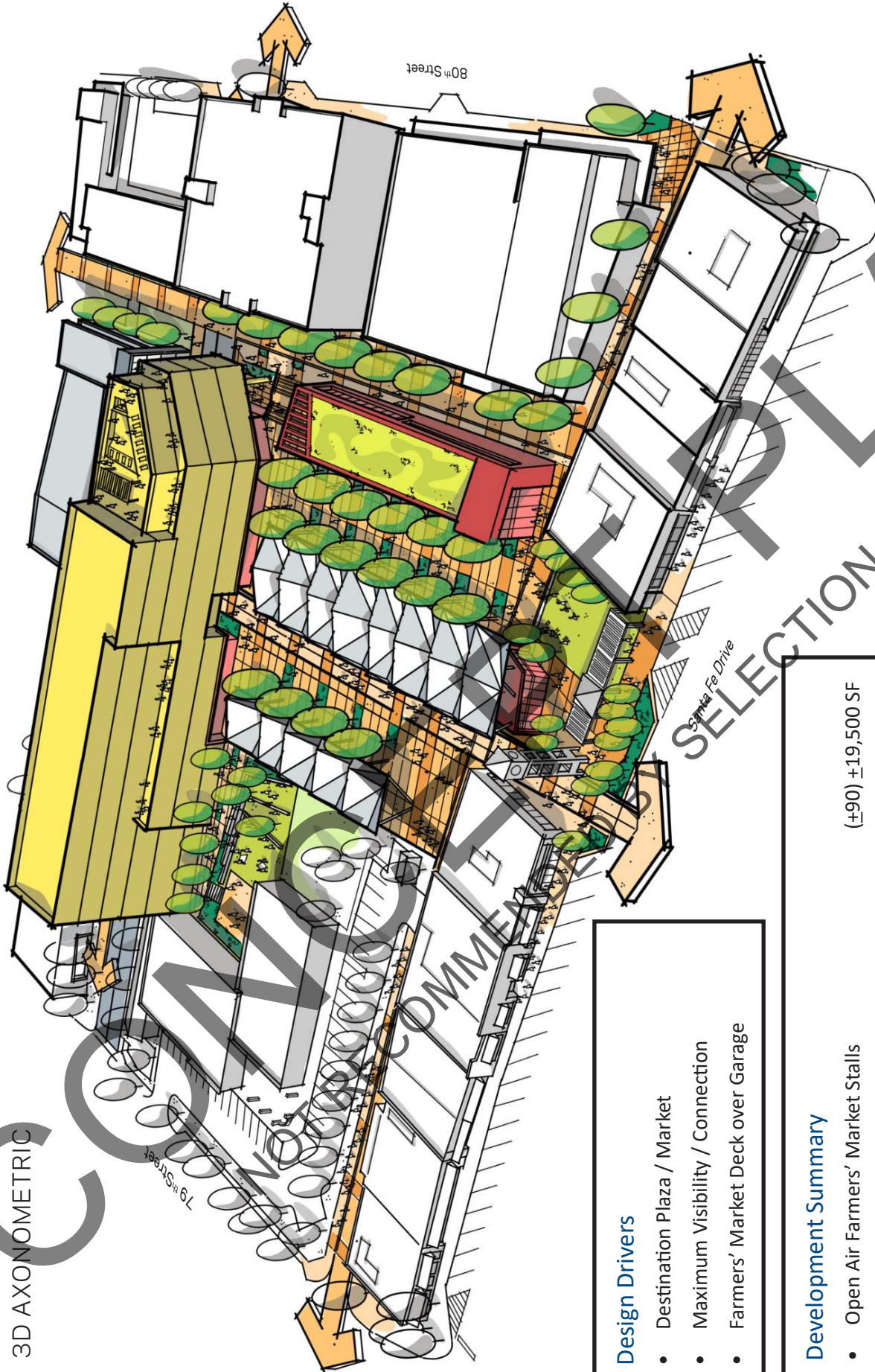


# C - DEVELOPMENT PLAN





3D AXONOMETRIC



## Design Drivers

- Destination Plaza / Market
- Maximum Visibility / Connection
- Farmers' Market Deck over Garage

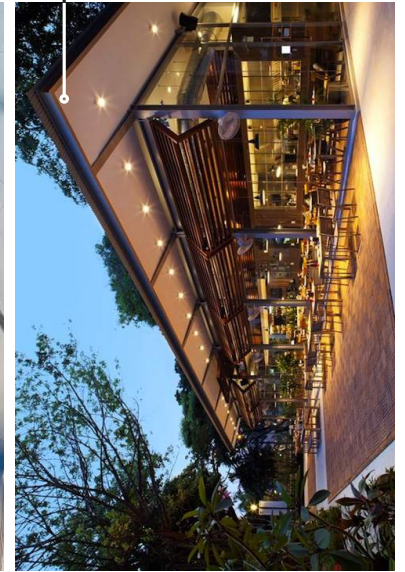
## Development Summary

- Open Air Farmers' Market Stalls (+90) ±19,500 SF
- Enclosed Farmers' Market Stalls (30) ±9,500 SF
- Permanent Farmers' Market Retail in Mixed Use Building ±10,000 SF
- Residential SF ±125,000 SF
- Parking (Under Farmers' Market) ±250 Stalls
- Parking (Across Marty Street) ±250 Stalls



The plan features the creation of a centralized, signature canopy structure and market plaza paired with the addition of a new 15,000 square foot activated green space. Flexibility of event and market types foster the ability to transform the central space in a variety of ways. Visibility into the Market plays a vital role in its continued success and through enhanced and improved streetscape and new alleyway hardscape helps to foster a unified district aesthetic. A consolidated pedestrian corridor allows the plan to extend beyond its boundaries, connecting from the historic Santa Fe Drive through

the market and beyond to new investments in multifamily residential and mixed-use retail. The five-level mixed-use building anchors the reimagined development, creating 18 hours of activity and first floor retail vibrancy fronting the Farmers' Market plaza. This plan remains flexible and helps to foster the future growth of the Downtown by creating new opportunities for the surrounding developments to grow and thrive.





## Project Funding

BRES has a long history of syndicating equity for billions of dollars' worth of projects, and is excited to deploy investor capital to complete Clock Tower Market. Additionally, our team has established and tested relationships with institutional capital firms such as Carlyle, Nationwide, Hartford Life, family offices, pension fund advisors, REIT funds, life insurance companies and other potential equity providers. Additionally, our firm's established relationship with lenders across the country will provide the opportunity to seek the most competitive options for financing.

BRES anticipates utilizing a co-developer structure with the City of Overland Park, with each party providing capital for its respective share of the project.

## Mixed Use Building

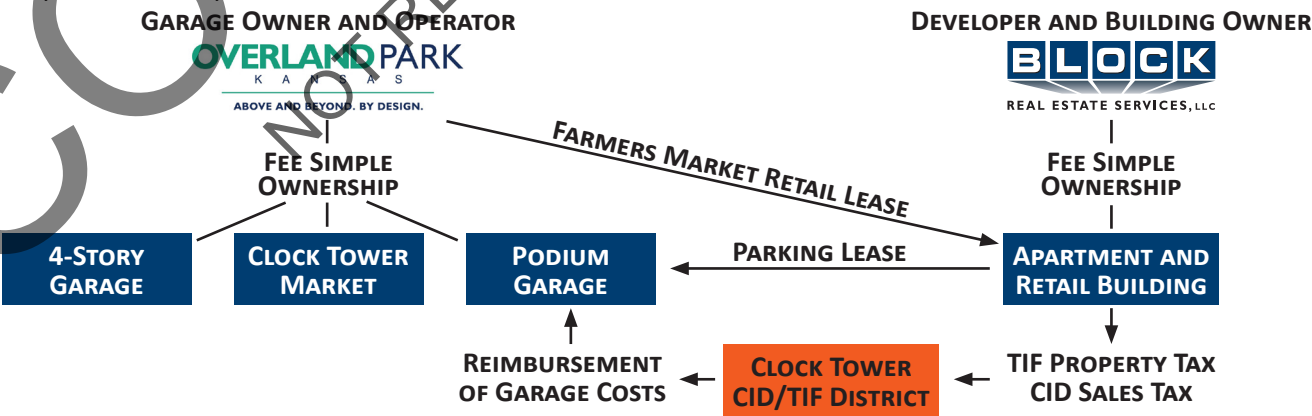
BRES would be responsible for the cost of construction of the mixed-use, residential and retail building totaling approximately \$46,994,318. To complete this portion of the project, BRES anticipates providing \$14,098,293 of equity capital and seeking traditional bank financing for \$32,896,023. BRES would lease the multifamily units to residents, and would enter into a long-term, net lease with the City of Overland Park for the Farmer's Market retail space located on the 2nd level of the building facing Clock Tower Market. The mixed-use building would be incorporated into a larger CID and TIF District, which would direct property tax revenues and sales tax revenues to the City of Overland Park for the reimbursement of the garage construction. BRES commercial tenants and residents would have the first right to lease spaces in either the Podium Garage or the Marty Garage (four-story garage located east of Marty Street) at a market rate. The Mixed Use Building would receive a sales tax exemption on construction materials through an Economic Development Revenue Bond (EDRB). The City would waive the typical bond issuance fees related to the EDRB.

## Clock Tower Market, Podium and Marty Garage

The City of Overland Park would be responsible for the cost of construction of the of the Clock Tower Market structures and green areas, the Podium Garage and the Marty Garage. We have estimated the costs of these items at \$26,261,364. Various sources of capital would be available to the City, including the utilization of City funds along with potential bond issuance proceeds. If the City elects to issue bonds, BRES would propose that the entire project be included in a CID and TIF District that would allow the City of Overland Park to receive a reimbursement of its costs through a 1% additional sales tax within the CID District and a share of property tax revenues from the Mixed Use Building. We have included a potential revenue stream analysis that includes only revenues from the Project. Because the City is providing public parking through both the Podium and Marty Garages, we would propose that the City could also create a CID District that extends beyond the boundaries of the Project. By doing so, the City could recapture a 1% additional sales tax from the shops and restaurants in and around Downtown Overland Park. The City would collect parking rental revenue for both monthly and transient parking in both the Podium and Marty Garages, which would reimburse the City for its costs. Commercial Tenants and Residents of the Mixed Use Building would have the first right to lease spaces on a monthly basis in the Podium and Marty Garages at the then-prevailing garage rates.

We are glad to discuss possible incentive alternatives and believe that with the right Development Team and Community Incentive Program, Clock Tower Market can be properly built-out to be a premier Farmers' Market and signature asset for the City of Overland Park.

Upon completion of the redevelopment of Clock Tower Market, the vibrant retail and residential community will house many businesses and 120 multifamily units that will serve as a catalyst for additional economic growth in Downtown Overland Park. The direct economic benefit of this development on the surrounding residences and businesses will lead to a noteworthy increase in the taxable basis of properties in the area. This, in turn, will lead to even more activity, public and private investment, other local growth that will be realized by the community.



## Developer Sources and Uses

### Developer Sources of Capital

Debt	70%	\$32,896,023
Equity Provided By BRES	30%	\$14,098,295

### Developer Uses of Capital

CATEGORY		Clock Tower Market Developer Projected Costs
	LAND SF	85,353 SF
	ACRES	1.96 acres
	RSF	135,000 SF
<b>ACQUISITION COSTS:</b>		
Land Purchase:		\$0
<b>HARD COSTS:</b>		
Shell Construction - Multifamily & Retail		\$34,400,000
<b>SUBTOTAL CONSTRUCTION &amp; LAND COSTS</b>		<b>\$34,400,000</b>
	RSF	135,000 \$254.81
<b>SOFT COSTS:</b>		
Land Closing Costs		\$100,000
Construction Consultants		\$250,000
Architectural		\$1,200,000
Civil Engineering		\$350,000
Interior Design		\$150,000
FF&E		\$700,000
Other (Consultants, Certifications, Fees, Etc.)		\$655,000
Legal		\$300,000
Bond Issuance Fee		Waived
BMG Start-Up Fees / Marketing		\$450,000
Taxes Prior to and During Construction		\$250,000
Construction Financing and Interest Costs		\$2,350,000
Development Fee to BRES	5.00% of Total Project Costs	\$2,349,716
Construction Management Fee		\$200,000
Design and Construction Contingency	7.00% of Total Project Costs	\$3,289,602
<b>SUB-TOTAL PROJECTED COSTS</b>		<b>\$46,994,318</b>
<b>SUB-TOTAL PROJECTED COSTS PER TOTAL RENTABLE BUILDING SF</b>		<b>\$238.48</b>



## City of Overland Park Sources and Uses

### City of Overland Park Sources of Capital

Previously Allocated City Farmers' Market Funds	\$5,400,000
Newly Allocated City Funds and/or City Bond Issuance Proceeds	\$19,861,364

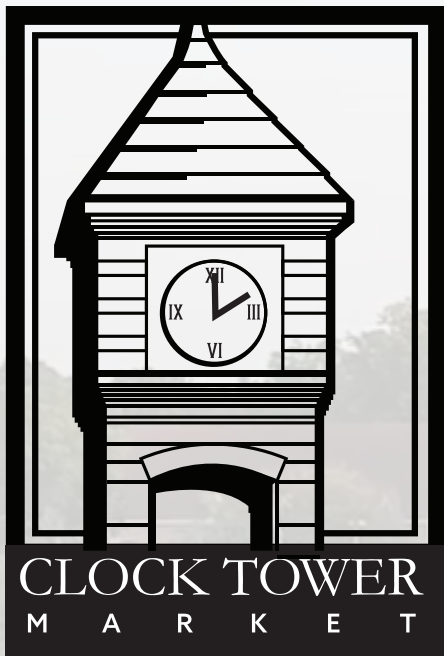
### City of Overland Park Uses of Capital

CATEGORY		Clock Tower Market City of Overland Park Projected Costs
	LAND SF	107,917 SF
	ACRES	2.48 acres
	BLDG GSF	0 SF
<b>ACQUISITION COSTS:</b>		
Land Purchase:		\$0
<b>HARD COSTS:</b>		
Clock Tower Market		\$6,000,000
Parking (Single Story Parking Garage & Podium Garage)		\$7,500,000
Parking (4-Story Garage East-Side of Marty Street)		\$6,250,000
<b>SUBTOTAL CONSTRUCTION &amp; LAND COSTS</b>		<b>\$19,750,000</b>
<b>SOFT COSTS:</b>		
Land Closing Costs		\$60,000
Construction Consultants		\$150,000
Architectural		\$720,000
Civil Engineering		\$210,000
Interior Design		\$90,000
FF&E (Overhead Doors, Pay Stations, Etc.)		\$420,000
Other (Consultants, Certifications, Fees, Etc.)		\$500,000
Legal		\$180,000
Bond Issuance Fee		Waived
BMG Start-Up Fees / Marketing		\$0
Taxes Prior to and During Construction		\$0
Construction Financing and Interest Costs		\$0
Development Fee to BRES	5.00% of Total Project Costs	\$1,263,068
Construction Management Fee		\$150,000
Design and Construction Contingency	7.00% of Total Project Costs	\$1,768,295
<b>SUB-TOTAL PROJECTED COSTS</b>		<b>\$25,261,364</b>



## City of Overland Park Sources of Income Analysis

Anticipated Garage Revenues				Annual Revenue
<b>Podium Garage</b>				
Monthly Residential/Commercial Parking	150.00	Spaces	125.00 /Month	\$225,000
Transient Parking	100.00	Spaces	10.00 /Day	\$365,000
<b>Marty Garage</b>				
Monthly Residential/Commercial Parking	100.00	Spaces	100.00 /Month	\$120,000
Transient Parking	150.00	Spaces	8.00 /Day	\$438,000
<b>CID Revenue**</b>				
Revenue From Farmers' Market Sales	\$3,000,000	Annual Sales	1.0% Sales Tax	\$30,000
Revenue From Additional Properties in Downtown OP*	TBD	Annual Sales	1.0% Sales Tax	TBD
<b>TIF Revenue**</b>				\$189,000
See Analysis Below - Year 1				
<b>TOTAL ANTICIPATED ANNUAL CITY REVENUES</b>				\$1,367,000
*If the City elects to incorporate additional businesses beyond the project boundaries, this will add revenue.				
**Note: The duration of the CID and TIF Revenues is limited to 23 years whereas other revenues are anticipated to occur in perpetuity.				
<b>TIF ANALYSIS ASSUMPTIONS:</b>				
Annual Tax Per Unit				\$2,100
Units Proposed for Clock Tower Market				120
Year 1 Taxes Projected for Clock Tower Market				\$252,000
Tax Inflation %				3%
City's Share of Annual Tax = TIF Revenue				75%
<b>TIF ANNUAL REVENUE SCHEDULE:</b>				
	Annual Tax	TIF Revenue		
Year 1	\$252,000	\$189,000		
Year 2	\$259,560	\$194,670		
Year 3	\$267,347	\$200,510		
Year 4	\$275,367	\$206,525		
Year 5	\$283,628	\$212,721		
Year 6	\$292,137	\$219,103		
Year 7	\$300,901	\$225,676		
Year 8	\$309,928	\$232,446		
Year 9	\$319,226	\$239,420		
Year 10	\$328,803	\$246,602		
Year 11	\$338,667	\$254,000		
Year 12	\$348,877	\$261,620		
Year 13	\$359,292	\$269,469		
Year 14	\$370,070	\$277,553		
Year 15	\$381,178	\$285,879		
Year 16	\$392,608	\$294,456		
Year 17	\$404,386	\$303,290		
Year 18	\$416,518	\$312,388		
Year 19	\$429,013	\$321,760		
Year 20	\$441,884	\$331,413		
Year 21	\$455,140	\$341,355		
Year 22	\$468,794	\$351,596		
Year 23	\$482,858	\$362,144		
<b>TOTALS</b>	<b>\$8,178,127</b>	<b>\$6,133,595</b>		



REAL ESTATE SERVICES, LLC

**Stephen J. Block**

Principal

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