

TESTIMONY IN SUPPORT OF HB 2277 – AN ACT concerning alcoholic liquor; common consumption areas; cities and counties.

To: Rep. Kristey Williams, Chair

Members of the House Committee on Local Government

From: City of Lenexa, Kansas

Andy Huckaba, City Council Member

Mike Nolan, Assistant to the City Administrator

Carmen Chopp, Public Market Manager

Date: February 9, 2017

Honorable Chair and members of the House Committee on Local Government, the City of Lenexa thanks you for the time in allowing us to express our support of HB 2277.

Twenty years ago, Lenexa residents and business owners entrusted the City Council and staff with implementing their comprehensive community plan, *Vision 2020*. This plan would lay the framework for a myriad of economic development initiatives, capital improvements, municipal services, and community enrichment activities.

As part of the Vision 2020 process, one specific goal aimed at creating a special place for citizens to come and enjoy each other's company and to participate in civic, cultural, and social life. This place – a "new downtown" as it was described then – would serve as the central gathering spot for the community as it grew into the 21st Century. This initiative, known as "Lenexa City Center" is a walkable, mixed-use, New Urban neighborhood that is intended to be:

"[A] central meeting place for residents, with a new downtown and a gathering area integrating retail sites, commercial uses, entertainment opportunities, community activity centers, public buildings, and institutional buildings."

Ten years after *Vision 2020*, the community once again came together to evaluate the progress of those initiatives and to refine the dream of the decade prior. This updated plan, *Vision 2030*, further defined Lenexa City Center as the economic hub of the community and further called for family-friendly destination venues and restaurants to be developed in the area.



To address some of these community desires, the City Council and staff have worked diligently over the past decade to implement the *Vision 2020 & 2030* initiatives. In 2015, the City began construction on a new civic campus that encompasses several different facilities, community gathering spaces, recreational, educational, and business opportunities. The Lenexa Civic Center Project consists of:

- ❖ A 100,000 ft.² recreation center
 - 14,000 ft.² natatorium
 - 3 gymnasia
 - Child & senior programming
 - Cardio, strength training, and group fitness
 - Community meeting rooms
- ❖ A 70,000 ft.² City Hall
 - City offices
 - 250-seat community forum
 - Art gallery
 - Community meeting rooms
 - University partner/educational space
 - 11,000 ft.² public market
- 500 stall free parking garage
- Outdoor amphitheater
- ❖ Plans for a 40,000 ft.² Johnson County Library branch
- Farmers' market

In addition to the co-location of these public functions and institutions in the same area, the City Council has made a concerted effort to ensure that the campus also models the mixed-use development that they would like to see from the private sector. In fact, the campus will be home to several private micro-ventures as well.

Key themes throughout both *Vision 2020 & 2030* were promoting business, job creation, and community spirit in Lenexa. To address these, the City is embarking on a concept that is both old and new: a public market. The Lenexa Public Market is a way to weave together the small business incubation, support for local products, and the creation of varied and interesting gathering places for citizens.

Opening in July of this year, the Lenexa Public Market is modeled after the oldest markets and newest artisan food halls in the U.S. It features 11,000 ft.² of space with room for 10-15 micro-enterprises varying in size from 85 ft.² to 640 ft.². The mix of businesses will be approximately 75-85% food and 15-25% non-food. There is room for three kitchen spaces, a full-service bar, a coffee shop, a florist, a dessert concept, several small short-term kiosks, and a 1,500 ft.² event space/pop-up kitchen.



The Lenexa Public Market has a twofold mission: to create a "third" place for people to gather and enjoy each other's company and provide opportunities for local entrepreneurs to start or expand a business. There are currently five tenants slotted for the Market:

The Roasterie

 Founded by Danny O'Neill over 20 years ago, The Roasterie specializes in artisan, air-roasted coffee. This will be the second Kansas location for the brand.

Marilyn's Mad Treats

 A new venture by acclaimed Kansas City BBQ food trucker, Andy Mendenhall, Marilyn's will feature liquid nitrogen ice cream and other sweet and savory delicacies.

❖ Topp'd Pizza + Salads

 Offering freshly baked pizza using locally sourced ingredients, Topp'd owner Chad Talbott is a product of the Shawnee Mission School District and is looking to expand from his current location across the street from the University of Kansas Medical Center.

Foo's Fabulous Café

This Brookside and Leawood staple has recently rebranded and in addition to their famous frozen custard they will offer breakfast items and gourmet burgers for lunch and dinner.

Locale

The owners of the Martin City Brewing Company will launch a new venture that almost exclusively features Kansas and Kansas City area craft beer, wine, and distilled spirits.

We are here requesting your support for HB 2277 to ensure that the businesses in the Market are financially sustainable and customer-service focused. Our bill seeks to expand, on a limited basis, the parameters by which separate licensed drinking establishments may allow their customers to legally leave their premise and congregate in the common areas of the Market (the "common consumption area") with an opened alcoholic beverage.

However, current law does not contemplate the condition that the City of Lenexa finds itself in and the reason we would like to see HB 2277 pass. The businesses in the Market, being micro-enterprises, share the common seating/gathering areas and do not have traditionally separate premises as it is described in statute.

Besides the full-service bar we have slotted for the Market, at least three of the businesses above expressed to the City the desire to sell alcoholic liquor by the drink as ancillary products to their main enterprise.



Topp'd and Foo's wish to continue the partnerships they already have with local beer and local wine vendors. The Roasterie has also expressed interest in collaborating with the others on coffee flavored drinks. These revenue streams can represent between 5-15% of their business and is important to ensuring their business remains financially viable. Also, each business owner has expressed the importance of allowing customers a choice of how and where they get their drinks with their meals.

The common consumption area legislation the City of Lenexa has presented for your consideration seems to be the simplest way to accomplish this for the entrepreneurs in the Public Market. Allowing each vendor to hold their own license and craft their beverage program as they see fit is also the most market-oriented way to address the situation. Furthermore, this legislation would provide the flexibility needed to recruit and retain the entrepreneurs in the future when the Market experiences business turnover.

The Lenexa Public Market is a collaborative effort between the City and local entrepreneurs to bring something unique and exciting to the community. This bill, while very targeted, will make a significant difference in the operations, ambiance, and success of the Market. We urge you to support the HB 2277 and are available to answer any questions you may have about our Market or the entrepreneurs therein.













