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Briarcliff's \$50M plan includes hotel, office building

Kansas City Business Journal - by [Jim Davis](#) Staff Writer

A Kansas City developer expects to open the area's first **Marriott Renaissance Hotel** in late 2009 in Briarcliff. The \$50 million-plus project aims to accentuate the Northland development's upscale appeal.

Rick Baier said the 250-room hotel will complement an adjacent office building that's under construction. The Hilltop at Briarcliff, containing 220,000 square feet on nine floors, will nearly double Briarcliff's office space when it opens in the summer.

Baier, who's developing the hotel with Dan Carr, said "we needed to step up the flag" with a full-service brand that includes restaurants and 10,000 square feet of meeting space at Briarcliff.

"We plan on being the leader as far as occupancy and average daily rates," Baier said.

Jeff Marvel, a Parkville-based lodging industry consultant, said Briarcliff is ready for the Renaissance's boutique-like feel. The chain's nearest locations are in St. Louis and Des Moines. Weekday rates at the Renaissance St. Louis Grand & Suites Hotel begin at \$189.

"Ten years ago, it wouldn't have made any sense because Briarcliff hadn't developed beyond residential," Marvel said.

Although Kansas City's hotel room rates lag those of larger cities where Renaissance Hotels are located, Marvel said Clay County now has nothing comparable. Current choices are limited to casino properties, he said. As a result, some executive travelers and meetings go elsewhere, either to Downtown or hotels near **Kansas City International Airport** in Platte County.

The new hotel will receive tax increment financing, which also has supported Briarcliff's other commercial development.

"There's absolutely no way the economics of the hotel would come anywhere close to working without the TIF," Baier said.

The Briarcliff West TIF Plan's Ninth Amendment, which includes the new office building, incited controversy after it was approved in January because the project will return all new taxes to the developer. Briarcliff's earlier phases receive TIF's standard reimbursement -- all

new property taxes and half of new sales, earnings and other economic activity taxes.

Most of the Ninth Amendment's \$132 million TIF budget will pay for new roads and other public works. That budget includes \$15 million in what's called Super TIF, which captures the economic activity tax increment, which earlier projects do not.

Mayor Mark Funkhouser blasted the Briarcliff Super TIF as profligate during the campaign that led to his election in March.

That criticism formed the basis for subsequent scrutiny of how the city uses incentives, leading the City Council to pass an economic development policy in September. In addition to restricting Super TIF, the policy reins in city-issued bonds that finance Briarcliff and other TIF plans in advance of the taxes they're projected to generate.

Nathaniel Hagedorn, Briarcliff's project manager, defended the need for TIF as responsible and necessary to justify the reclamation of a former quarry.

Briarcliff now has more than 400 single-family houses and condominiums, some selling for more than \$1 million, Hagedorn said.

The 600-acre, master-planned community also includes Briarcliff Village, containing more than 100,000 square feet of retail space and 55,000 square feet of offices.

All of Briarcliff's existing office space, about 250,000 square feet, is leased. Tenants also have been signed for more than half of the new building.

Brent Roberts of **CB Richard Ellis Group Inc.**, who's marketing the new building, said he's targeting existing Northland tenants, as well as companies based elsewhere in the area that want to be in the Northland.

"We're finding a lot of pent-up demand up north -- a lot of Class A tenants that are in lower-class buildings," said Roberts, who's listing the space with fellow CB brokers Josh Castle and Jon Hitchcock.

Other brokers said Briarcliff's location and amenities let it charge some of the area's highest office rents.

"They've created a separation from the competition because the product is such high quality," said Mike Mayer of Colliers Turley Martin Tucker, who leased some of Briarcliff's earlier office buildings. "They created a product that doesn't exist up north."

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