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Unique retail and apartment project Prairiefire is a go

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Prairiefire, an ambitious retail and apartment project anchored by a unique collaboration with the American Museum of Natural History, is starting construction in Overland Park after six years on the drawing boards.

The first phase, valued at \$160 million, will have 207,000 square feet for retailers, including the area's first REI outdoor equipment store. It will include 300 luxury apartments and a 41,000-square-foot hall housing exhibits prepared by the Museum of Natural History, the first cooperative venture of its kind in the country for the prestigious New York institution.

The project is being built in the heart of one of the most affluent areas in the metro — 135th Street between Nall and Lamar avenues — and was proposed in 2006 by developer Fred Merrill Jr. Its distinct concept, coupled with a recession that hit retail projects particularly hard, stalled progress until now.

"We had a little blip with the economy for two or three years, but we've finally got our financing and away we go," Merrill said Friday.

The timetable calls for the first retailers, the REI and a Fresh Market gourmet grocer, to open in October. The remaining retail in the 35-acre first phase and the exhibition space for the American Museum of Natural History, to be called the Museum of Prairiefire, is scheduled for spring 2014. A groundbreaking ceremony is set for Thursday.

The museum, which is expected to be a major regional draw, is being designed by Boston-based Verner Johnson and Associates, the same firm behind the new Flint Hills Museum in Manhattan, Kan. It has been described as the first continuous venue outside of New York for traveling exhibits by the Museum of Natural History.

Exhibits are expected to include dinosaurs, lizards, snakes and horses. The museum also is expected to have a permanent display of fossils and artifacts, with some specimens rotating regularly. One planned display is a full-scale cast of Tyrannosaurus Rex.

It also will include a discovery room, also overseen by the American Museum of Natural History, for children ages 5 to 12 to interact with various specimens and artifacts.

"In two years, hundreds of thousands of people will find in Overland Park something that today only exists in New York City," Overland Park Mayor Carl Gerlach said in a statement.

Merrill said he's had 80 percent of the retail leased since 2011, but getting financing in the post-recession world was a major struggle. The project had been approved for STAR Bond assistance from Kansas, because of its museum and other attractions, and Overland Park approved the community improvement district, which will collect an additional 1.5 percent sales tax to help pay for improvements.

But it wasn't until last summer that lenders became interested in buying the bonds and providing construction loans.

Stifel Nicolaus was the underwriter for Overland Park. PNC Bank of Pittsburgh and the Private Bank of Chicago are lending \$41.7 million for construction. The STAR Bond and improvement district will supply \$61 million. Private financing for the retail and museum elements totals \$27.3 million

Prairiefire is one of the few large retail developments scheduled to go up anywhere in the U.S. this year, according to the International Council of Shopping Centers.

"Most construction is centered on renovation and expansion of existing centers," said Malachy Kavanagh, a spokesman for the shopping center council. "Obtaining financing and finding retailers looking to expand and commit to a new center is still very difficult."

The retail at Prairiefire was designed by Field Paoli Architects of San Francisco in partnership with Rees Masilionis Turley of Kansas City. McCown Gordon of Kansas City is the general contractor.

The \$30 million apartment development is being built separately by Hearthview Residential on an 8-acre site bought from Merrill in the southeast corner of the development.

The luxury apartments will include one-, two- and three-bedroom units and amenities such as a saltwater pool and a clubhouse with a workout facility. Many of the apartments will overlook the adjoining Nicklaus Golf Club at Lionsgate.

The first phase of Prairiefire will include an interpretive hiking and bicycle trail on its perimeter that winds through a wetlands park. Merrill said the natural features, which will include a sunflower garden, combined with the museum space made the project appealing to retailers, most of which will be new to the region.

“The civic component with the museum and association with the American Museum of Natural History is simply something that mixed-use projects don’t have,” he said.

So far the tenant list includes Recreational Equipment Inc., better known as REI; Rock & Brews, an outdoor beer garden co-owned by Gene Simmons of the rock band KISS; a Cinetopia movie theater; a Pinstripes Bowling Bocce Bistro; the Fresh Market specialty grocery store chain; and Wasabi Sushi Bar from St. Louis.

During the years Merrill was pursuing his plan, other nearby shopping centers were chasing similar tenants. Corbin Park, just a short way west on 135th Street at Metcalf Avenue, now plans to add sporting goods retailer Scheels, as well as a specialty grocery store chain store, Sprouts Farmers Market.

Merrill expects the second phase of the project, which will include additional retail and offices, to begin by the end of next year. The total Prairiefire development will cover 60 acres and total 1.4 million square feet in office, retail and residential space. When completed, the value of the development is estimated at \$427 million.

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