

ATTN: Project Manager: _____

Date: _____



ECONOMIC DEVELOPMENT CORPORATION

EXHIBIT 3B
LCRA 5/23/23

For any project seeking assistance through the following agencies, a completed application form must be provided. Applications will be reviewed by EDC staff to determine the best course of action. Those agencies include: Tax Increment Financing Commission, Land Clearance for Redevelopment Authority, Port Authority, Planned Industrial Expansion Authority, and Chapter 353.

UNIVERSAL REDEVELOPMENT PROJECT APPLICATION

➤ Application may be submitted electronically

Email completed application to Susan Tumey at stumey@edckc.com. 816-221-2106

If more space is required for response to any question, please attach additional sheet(s).

1. APPLICANT INFORMATION

Applicant/Organization Name: Gina Hollis / Forrester LLC

Business Address: 4003 W. 140th St, Leawood, KS 66224

Contact Person: Gina Hollis

E-Mail Address: ginahollis@outlook.com

Phone: 913-608-2229 Fax: _____

Address (if different than business address) _____

Attorney for Applicant: _____

Attorney's Address: _____

Attorney's Phone: _____

2. LOCATION OF THE PROJECT

General

Boundaries:

South 40' of the East 80' and the West 62' of Lot 7, and the South 10' of the West 62' of Lot 8, Block 77, East Kansas, a subdivision in Kansas City, Jackson County, Missouri according to the plat thereof.

PARCEL No. 12-840-34-27-00-0-00-000

Commonly known as 1018, 1020, 1022 Missouri Ave, KCMO 64106

County: Jackson Council District: 4th District

Total Acreage: .158

Is the project located in any incentive areas? _____

What is the current zoning of the project area? R - 1.5

What is the proposed zoning for the project area? _____

If a zoning change is pending, cite application number and present status. If application has not been made, briefly describe what change will be needed and plans for submitting application:

Land Use Plan Greater downtown area plan Need for Modification N/A

3. THE PROJECT

Provide a detailed narrative description of the proposed project, including information as the size of the project, amount of land (property) to be purchased, whether the project is a rehabilitation of existing structure(s), expansion, or the construction of a new facility, residences, etc. Describe what products or services are to be manufactured or provided through this project.

- ☐ New Construction ☒ Rehab/Expansion ☐ Residential ☐ Commercial ☐ Industrial
- ☐ Single Family/Duplex ☒ Multifamily ☐ Retail ☐ Mixed Use ☐ Office

Current building is vacant and in disrepair. I plan to create 8 residential apartments for long term rental

Square footage: 4,884

No. of dwelling units 8 No. of hotel rooms _____ No. of parking spaces 0

List any nationally or locally historical properties and/or districts within the Project Area.
(Contact the City Landmarks Commission at (816) 513-2902 for information regarding local and national historical properties and/or districts)

none

Please describe any environmental sustainability features of your project including level of LEED certification (if applicable) and/or any energy efficiency/alternative energy features. (Please note if you are interested in receiving free information from EDC staff on how available energy efficiency programs can reduce your overall project costs.) See also: www.kcpl.com/businessrebates.

Energy efficient appliances - dishwasher, dryer, washer,
mini split Air conditioners

NUMBER OF JOBS

| | | | |
|---|-------|-----------------|-------------------|
| <input type="checkbox"/> Created | _____ | Average Salary: | \$ _____ |
| <input type="checkbox"/> Retained | _____ | Average Salary: | \$ _____ |
| <input type="checkbox"/> Relocated | _____ | Average Salary: | \$ _____ |
| <input checked="" type="checkbox"/> Construction jobs | _____ | Average Salary: | \$ 200K / project |

Projected personal property investment: \$ 1.1 M

Will there be the use of federal or state incentives for this project? Which incentives and how much is being sought?

no

State the need for an incentive (i.e., competitive pressures of the location, need for remediation of blight in proximity to the Project, addition of jobs to a high unemployment area, etc.)

The area is a continually distressed area and this building is basically an abandoned warehouse in need of remediation. Due to downtown expansion, there is a need for more housing.

4. PROJECT COSTS

Identify the costs reasonably necessary for the acquisition of the site and/or construction of the proposed Project together with any machinery and equipment in connection therewith, including any utilities hook-up, access roads, or appurtenant structures.

Acquisition Price: \$ 760,000

Total Development Budget: \$ 280,000

Current Assessed Value: \$ 18,634
Projected Assessed Value: \$ 936,100

5. CONTROL OF PROPERTY

If the Applicant owns the project site, indicate:

Date of Purchase March 31, 2023
Sales Price 760,000

If the Applicant has a contract or option to purchase the project site, indicate:

Sales Price _____
Date purchase/option contract signed _____
Closing/expiration date _____

If the Applicant will lease the project site, indicate:

Legal Name of Owner _____
Owner's Address _____
Owner of land upon completion of the Project _____

6. LAND ACQUISITION

For each Project Area, please provide the following:

- A map showing all parcels to be acquired
- Addresses and parcel numbers of all parcels to be acquired
- Current owners of all parcels to be acquired

Is the use of Eminent Domain anticipated? _____

7. SOURCES OF FUNDS:

State amount and sources of financing for each Project costs listed above. Please provide commitment letters for any sources received listing terms and conditions.

| <u>SOURCE</u> | <u>AMOUNT</u> |
|--|-----------------|
| <u>Self funded e 100% ARZ, Syr. note</u> | <u>\$ 1.1 M</u> |
| _____ | <u>\$</u> |
| _____ | <u>\$</u> |
| _____ | <u>\$</u> |
| _____ | <u>\$</u> |
| _____ | <u>\$</u> |

8. DEVELOPMENT TEAM

Identify members of the development team and provide evidence of experience with other development projects.

- Gina Hollis - developer; 15 yrs experience with home restoration, new development, historical and/or older homes. One project in KCNC, others in FL, NJ, AZ, KS. Also Experience with rentals, long and short term.
- Brian Renfro - General Contractor, electrician, plumber, HVAC for 30 yrs.
- Tyler Hiatt, Architect; Experience in KCNC with old building rehabs

9. FINANCIAL INFORMATION

- A. Budget - include a detailed breakdown of all hard and soft costs
- B. Complete list of sources and uses of funds (indicate if you have received tax credits and secured other financing)
- C. 10 year operating pro forma
 - One that shows the project without any incentive assistance
 - One that shows the project with requested incentive

The Pro forma should also include assumptions such as estimated lease rates, revenue assumptions, and expense assumptions.

- ☒ If seeking TIF assistance, provide projections for PILOTS and EATS.
- ☒ If seeking TIF or Chapter 100 assistance, provide a personal property depreciation and replacement schedule.
- ☒ Financing Term Sheet

10. BOND FINANCING

Bond Financing is handled on a case-by-case basis.

11. REQUIRED ATTACHMENTS

- **Attachment A** A map showing the boundaries of the project.
- **Attachment B** A development schedule for the project, including the phasing of development and the locations and improvements to be accomplished in each phase.
- **Attachment C** Design plans for the project (including site plans & elevations), if available.
- **Attachment D** Letter(s) of Support from one or more of the following: councilpersons, mayor, county official, state representative, state senator, local taxing entities, and/or neighborhood organization(s).

13. BANKRUPTCY DISCLOSURE:

Has the applicant or any parent, subsidiary or business entity otherwise affiliated with the applicant, ever filed a petition for bankruptcy or appointed a receiver? If Yes, the applicant must obtain and file a "Statement of Bankruptcy/Receivership."

☒ No ☐ Yes

FEES WILL BE CALCULATED AND COLLECTED AT A FUTURE DATE.

12. CERTIFICATION OF APPLICANT:

The undersigned hereby represents and certifies that to the best of their knowledge and belief this project application contains no information or data that is false, incorrect or misleading.

NAME: Bina Holis
SIGNATURE: [Signature]
TITLE: Owner

APPLICATION MAY BE EMAILED TO: stumey@edckc.com or

MAIL COMPLETED APPLICATION TO: **Economic Development Corporation**
Attn: Susan Tumey
300 Wyandotte, Suite 400
Kansas City, Missouri 64105

FOR INTERNAL USE ONLY

Assistance Project will be evaluated for which financial analysis:

☐ TIF

☐ PIEA/Chapter 353

☐ LCRA

☐ Chapter 100

Comments:

Advance KC Project Inquiry Meeting Date:

Score Card Value:

Financial Analysis Review Committee:

Budget for 2023

Revenue/Costs

| | |
|---------------------|-----------------------|
| Revenue | \$19,775.00 |
| Rental Income | \$22,600.00 |
| Vacancy Contingency | (\$2,825.00) |
| Expense | (\$421,410.00) |
| Design Fee | (\$13,500.00) |
| Furniture | (\$100,000.00) |
| Insurance | (\$600.00) |
| Labor | (\$200,000.00) |
| Maintenance | (\$2,260.00) |
| Materials | (\$80,000.00) |
| Taxes | (\$21,450.00) |
| Utilities | (\$3,600.00) |
| Total Losses | (\$401,635.00) |

Budget Details

| | | | | | |
|---------|---------|---------------------|----------------|--|---|
| Revenue | Revenue | Rental Income | \$22,600.00 | \$11300 per month at full cap starting 11/2023 | 1 2br unit 2300, 3 1br unit 1400, 4 studio unit 1200 |
| Revenue | Revenue | Vacancy Contingency | (\$2,825.00) | Average Cost of units (8 Units) | Accounting for at least one unit being vacant per month |
| Expense | Hard | Utilities | (\$3,600.00) | \$300 per month | Gas,Electric,Water |
| Expense | Hard | Insurance | (\$600.00) | \$50 per month | Insurance |
| Expense | Soft | Maintenance | (\$2,260.00) | 10% of rental income | Building Maintenance Costs |
| Expense | Soft | Taxes | (\$21,450.00) | Tax Estimate after improvement | Tax Costs |
| Expense | Hard | Materials | (\$80,000.00) | Materials \$80K | Project Improvement |
| Expense | Hard | Labor | (\$200,000.00) | Labor \$200K | Project Improvement |
| Expense | Soft | Design Fee | (\$13,500.00) | Design Fee \$13,500 | Project Improvement |
| Expense | Hard | Furniture | (\$100,000.00) | \$100K Furnishings | Project Improvement |

Funding and Financing

| Fund Source | Amount | Notes |
|---------------|----------------|--|
| Owner Finance | \$1,100,000.00 | Payback \$1000 per Month Jan/2024, Balloon 10 year maturity, No Tax CREDIT, NO OTHER FINANCING |

Forrester LLC

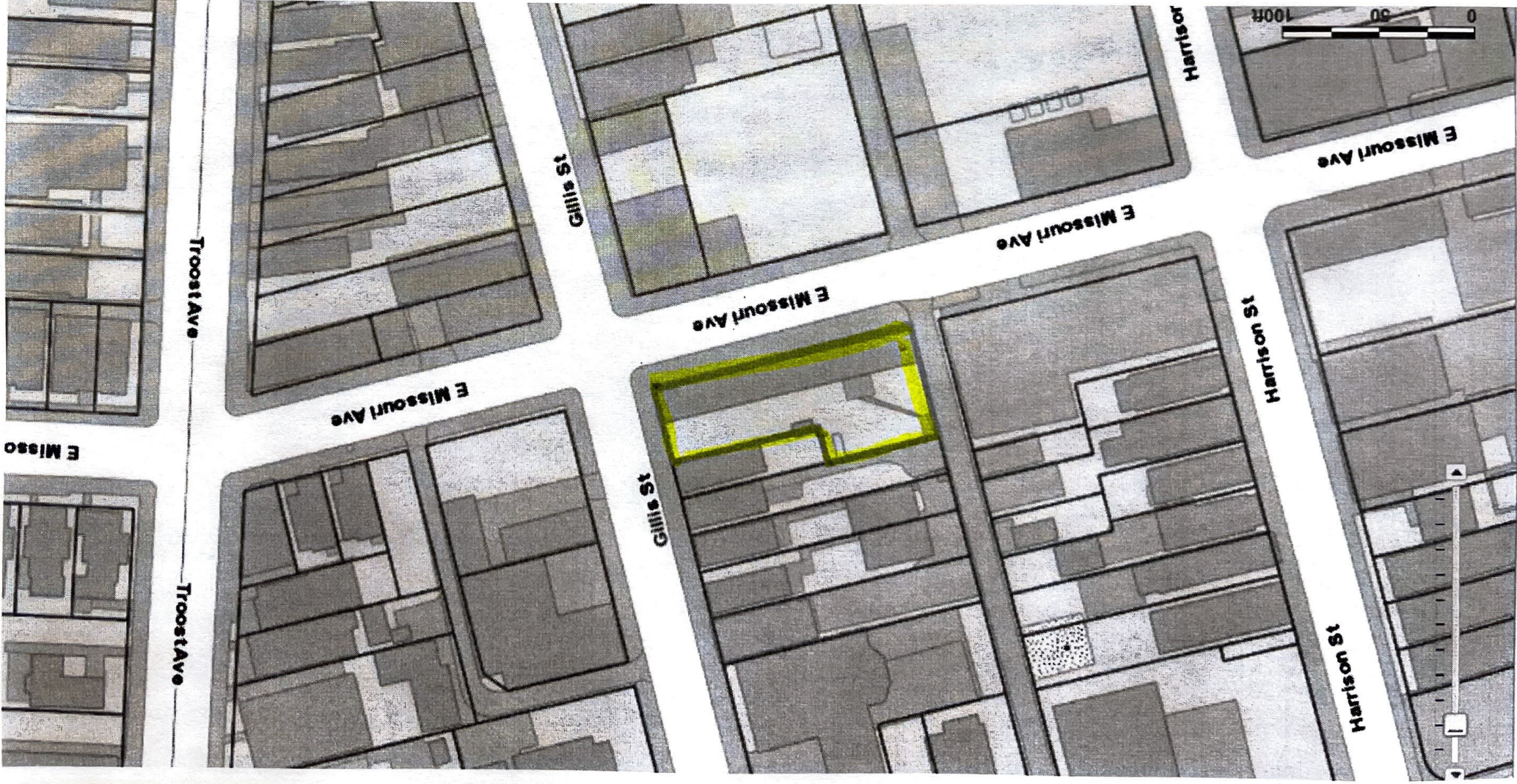
Real Estate Development Cash Flow Analysis Without Abatement

| MULTI-FAMILY RESIDENTIAL PROJECT | | | | | | | | | | | Symbols | Annual Increase | YR1 | YR2 | YR3 | YR4 | YR5 | YR6 | YR7 | YR8 | YR9 | YR10 | |
|--|--|--|--|--|--|--|--|--|--|--|---------|-----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| REVENUES | | | | | | | | | | | | + Gross Rent | 5% | \$135,600 | \$142,244 | \$149,214 | \$156,526 | \$164,196 | \$172,241 | \$180,681 | \$189,534 | \$198,822 | \$208,564 |
| + Miscellaneous Income | | | | | | | | | | | | + MISC | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| = Gross Income or Gross Rent | | | | | | | | | | | | = G. INCOME | \$135,600 | \$142,244 | \$149,214 | \$156,526 | \$164,196 | \$172,241 | \$180,681 | \$189,534 | \$198,822 | \$208,564 | |
| - Vacancy Contingency | | | | | | | | | | | | - VAC | 10% | \$13,560 | \$14,224 | \$14,921 | \$15,653 | \$16,420 | \$17,224 | \$18,068 | \$18,953 | \$19,882 | \$20,856 |
| = Effective Gross Rent | | | | | | | | | | | | = EGR | \$122,040 | \$128,020 | \$134,293 | \$140,873 | \$147,776 | \$155,017 | \$162,613 | \$170,581 | \$178,939 | \$187,707 | |
| Operating Expenses | | | | | | | | | | | | 6% | \$17,160 | \$18,190 | \$19,281 | \$20,438 | \$21,664 | \$22,964 | \$24,342 | \$25,802 | \$27,350 | \$28,991 | |
| Property tax w/o abatement | | | | | | | | | | | | 2% | \$29,955 | \$30,554 | \$31,165 | \$31,789 | \$32,424 | \$33,073 | \$33,734 | \$34,409 | \$35,097 | \$35,799 | |
| Reserves | | | | | | | | | | | | 3% | \$3,661 | \$3,771 | \$3,884 | \$4,001 | \$4,121 | \$4,244 | \$4,372 | \$4,503 | \$4,638 | \$4,777 | |
| - Total Operating Expenses | | | | | | | | | | | | = OPR. EXP. | \$50,776 | \$52,515 | \$54,331 | \$56,227 | \$58,209 | \$60,281 | \$62,448 | \$64,714 | \$67,086 | \$69,568 | |
| = Net Operating Income | | | | | | | | | | | | = NOI | \$71,264 | \$75,505 | \$79,962 | \$84,646 | \$89,567 | \$94,736 | \$100,165 | \$105,867 | \$111,854 | \$118,140 | |
| - Debt Service (Annual Principal & Interest) | | | | | | | | | | | | = D/S | \$12,000 | \$12,000 | \$12,000 | \$12,000 | \$12,000 | \$12,000 | \$12,000 | \$12,000 | \$12,000 | \$12,000 | |
| = Cash Flow Available for Distribution | | | | | | | | | | | | = CF | \$59,264 | \$63,505 | \$67,962 | \$72,646 | \$77,567 | \$82,736 | \$88,165 | \$93,867 | \$99,854 | \$106,140 | |
| CASH-ON-CASH ROI | | | | | | | | | | | | \$ 59,264 | 5.39% | 5.77% | 6.18% | 6.60% | 7.05% | 7.52% | 8.02% | 8.53% | 9.08% | 9.65% | |
| Original Equity Investment | | | | | | | | | | | | \$ 1,100,000 | | | | | | | | | | | |
| Calculating Projected Annual Taxes | | | | | | | | | | | | \$760,000 | | | | | | | | | | | |
| Acquisition Cost | | | | | | | | | | | | \$760,000 | | | | | | | | | | | |
| add 60% of project costs | | | | | | | | | | | | \$456,000 | | | | | | | | | | | |
| equals Projected Market Value | | | | | | | | | | | | \$936,100 | | | | | | | | | | | |
| times 32% (commercial rate) | | | | | | | | | | | | 0.32 | | | | | | | | | | | |
| equals Projected Assessed Value | | | | | | | | | | | | \$299,552 | | | | | | | | | | | |
| times 10% (approximate total levy rate) | | | | | | | | | | | | 0.10 | | | | | | | | | | | |
| equals Projected Property Taxes | | | | | | | | | | | | \$29,552 | | | | | | | | | | | |
| Developer's Assumptions | | | | | | | | | | | | | | | | | | | | | | | |
| \$760,000 Acquisition Cost | | | | | | | | | | | | | | | | | | | | | | | |
| \$293,500 Construction Costs | | | | | | | | | | | | | | | | | | | | | | | |
| Construction Costs | | | | | | | | | | | | \$293,500 | | | | | | | | | | | |
| Projected Rehab Costs | | | | | | | | | | | | \$293,500 | | | | | | | | | | | |
| 0.6 "Discount to" Factor | | | | | | | | | | | | | | | | | | | | | | | |
| \$ 176,100 New Added Value | | | | | | | | | | | | | | | | | | | | | | | |

Forrester LLC

Real Estate Development Cash Flow Analysis With Abatement

| REVENUES | | | | | |
|--|-------------|-------------|-----------|-----------|-----------|
| + Gross Rent | + G. RENT | \$135,600 | \$142,244 | \$149,214 | \$156,526 |
| + Miscellaneous Income | + MISC | \$0 | \$0 | \$0 | \$0 |
| = Gross Income or Gross Rent | = G. INCOME | \$135,600 | \$142,244 | \$149,214 | \$156,526 |
| - Vacancy Contingency | - VAC | 10% | \$13,560 | \$14,921 | \$16,420 |
| = Effective Gross Rent | = EGR | | \$122,040 | \$134,293 | \$147,776 |
| Operating Expenses | 6% | \$17,160 | \$18,190 | \$19,281 | \$21,664 |
| Property tax w/abatement | 0% | \$1,661 | \$1,661 | \$1,661 | \$1,661 |
| Reserves | 3% | \$3,661 | \$3,771 | \$3,884 | \$4,121 |
| - Total Operating Expenses | = OPR. EXP. | \$22,482 | \$23,622 | \$24,826 | \$28,869 |
| = Net Operating Income | = NOI | \$99,558 | \$104,398 | \$109,467 | \$126,148 |
| - Debt Service (Annual Principal & Interest) | = D/S | \$12,000 | \$12,000 | \$12,000 | \$12,000 |
| = Cash Flow Available for Distribution | = CF | | \$87,558 | \$97,467 | \$114,148 |
| Cash Flow | | \$87,558 | | | |
| Original Equity Investment | | \$1,100,000 | | | |
| | | | | | |
| Calculating Projected Annual Taxes | | | | | |
| Acquisition Cost | | \$760,000 | | | |
| add 60% of project costs | | \$176,100 | | | |
| equals Projected Market Value | | \$936,100 | | | |
| times 32% (commercial rate) | | 0.32 | | | |
| equals Projected Assessed Value | | \$299,552 | | | |
| times approximate total levy rate | | 0.095 | | | |
| | | | | | |
| Developer's Assumptions | | | | | |
| Acquisition Cost | | \$760,000 | | | |
| Construction Costs | | \$293,500 | | | |
| | | | | | |
| CONSTRUCTION COSTS - YEAR 1-10: | | | | | |
| | | \$1,123,096 | | | |
| Construction Costs | | \$293,500 | | | |
| "Discount to" Factor | | 0.6 | | | |
| New Added Value | | \$176,100 | | | |





Development Schedule

Planning Phase

| Proposed Start Date | Activity |
|---------------------|---|
| Mar 31 | Acquisition |
| Apr 1, 2023 | Architect starts preliminary work of mapping out building |
| Apr 1, 2023 | Building clean out/ safety repairs |
| April 15, 2023 | Structural engineer, Civil Engineer review building |
| April 30, 2023 | All engineering and architect plans completed |
| May 10, 2023 | Submittal to city for plans approval |
| June 23, 2023 | Plans approved |

Construction Phase

| Date | Activity |
|-----------------|---|
| July 1, 2023 | Plumbing, gas, electric, water contractor start to plan with Evergy, KC Water for upgrades to service |
| July 15, 2023 | All trades needing street access to perform while street is open for upgrades |
| July 30, 2023 | All trades begin work |
| August 31, 2023 | Trades are complete with rough-in and first round of inspections |

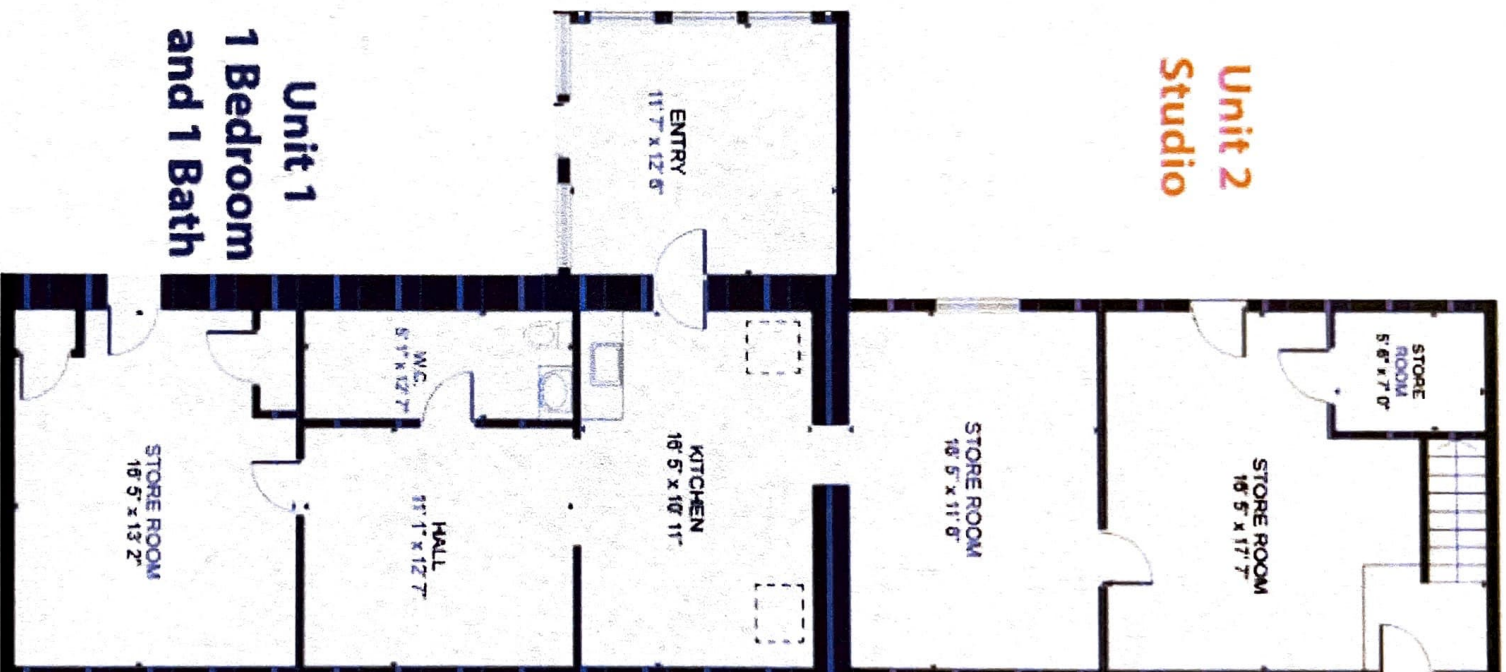
Final construction phase

| Date | Activity |
|--------------------|---|
| Sept 1, 2023 | Trades back in for final work |
| September 15, 2023 | Tile work for bath, kitchens started, Kitchen appliances/cabinets installed |
| September 30, 2023 | Final inspections |

Completion

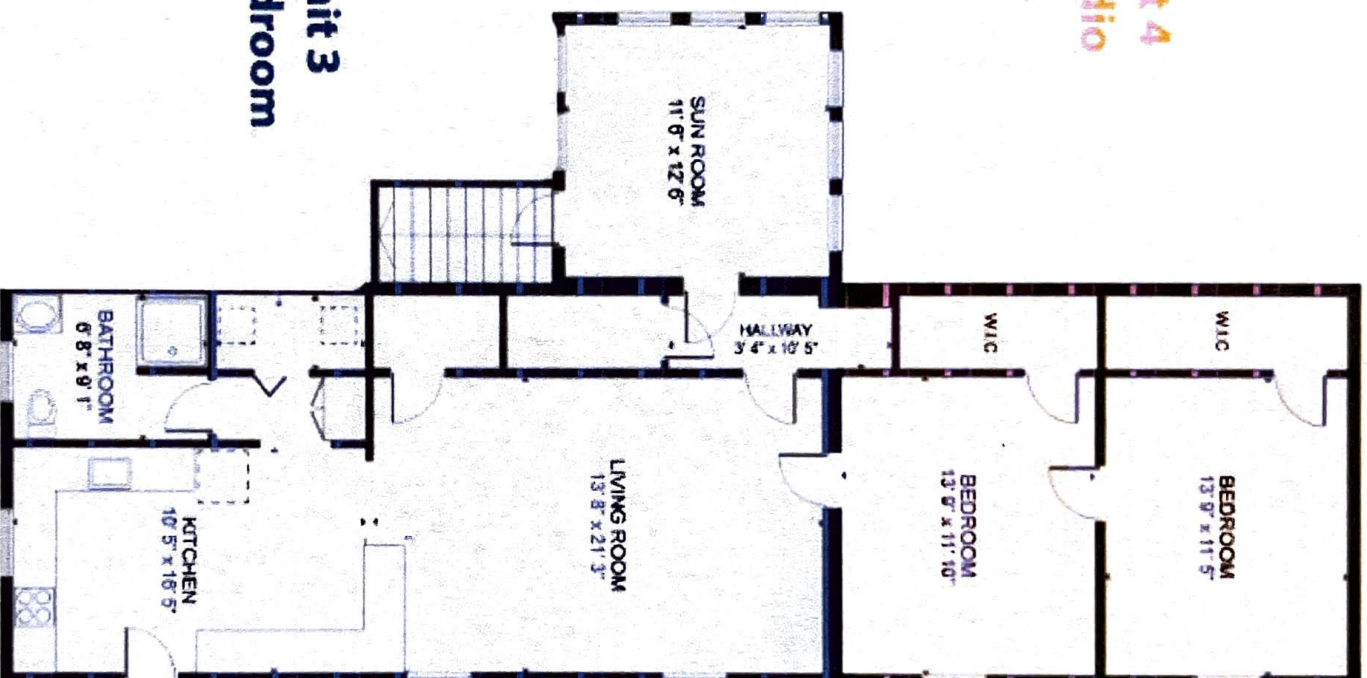
| | |
|------------------|--|
| October 1, 2023 | Assuming all trades have passed inspections, floors will be redone |
| October 8, 2023 | Final touches on walkthrough |
| October 15, 2023 | Open for business |

Unit 2
Studio



FLOOR 1

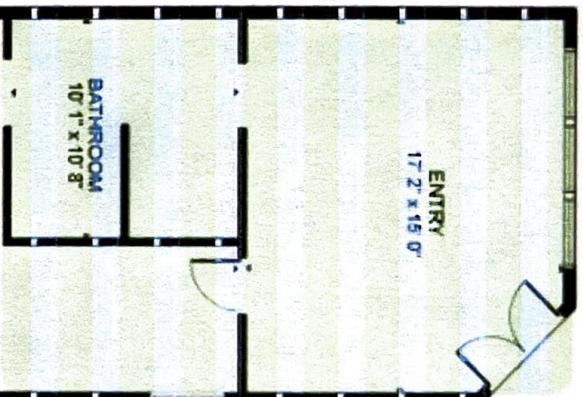
Unit 4
Studio



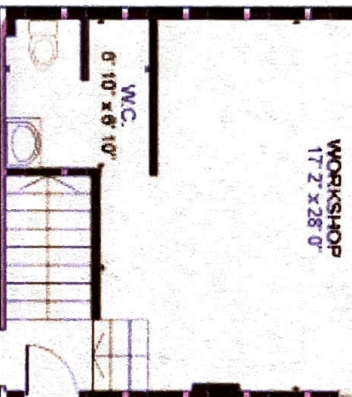
Unit 3
1 Bedroom

FLOOR 3

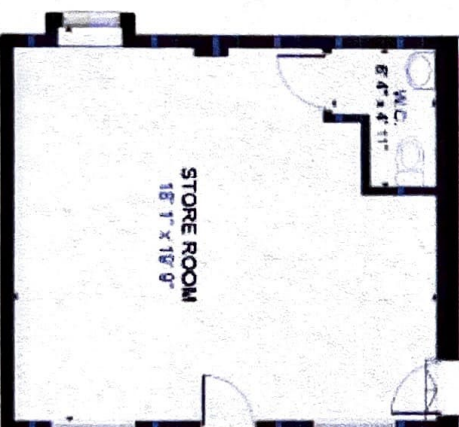
Unit 5
1 Bedroom



Unit 6
Studio



Unit 7
Studio



FLOOR 5

