

ATTN: Project Manager: _____

Date: _____



ECONOMIC DEVELOPMENT CORPORATION

EXHIBIT 3B
LCRA 3/26/24

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: Kansas City Community Land Trust

Business Address: PO Box 8132 KANSAS CITY MO 64112

Contact Person: Erin Royals; Abby Newsham

E-Mail Address: president@kcclt.org; abbykatkc@gmail.com

Phone: 913-205-1266 Fax: _____

Address (if different than business address) _____
7415 Tracy Ave, Kansas City, MO 64131

Attorney for Applicant: n/a

Attorney's Address: n/a

Attorney's Phone: n/a

2. LOCATION OF THE PROJECT

General Boundaries:

Legal Description: MARLBOROUGH ELEMENTARY SCHOOL LOTS 1131 THRU 1136 & 1150 THRU 1155 MARLBOROUGH HEIGHTS

74th Street (north); Virginia Avenue (east); 75th Street (south); Tracy Avenue (west)

County: Jackson

Council District: 5th

Total Acreage: 3.7

Is the project located in any incentive areas? East Kansas City Urban Renewal Area

What is the current zoning of the project area? MPD

What is the proposed zoning for the project area? MPD

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:

Property was rezoned to MPD in 2022 to allow for multi-purpose commercial uses. City Planning & Development confirmed a rezoning will not be required as part of this application.

Land Use Plan Swope Need for Modification No

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

Square footage: 44,000

No. of dwelling units _____ No. of hotel rooms 0 No. of parking spaces 63

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)

5. CONTROL OF PROPERTY

If the Applicant owns the project site, indicate:

Date of Purchase 10/19/22

Sales Price \$250,000

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? No

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>
LISC Predevelopment Loan	\$ 480,000.00
Hall Family Foundation	\$ 300,000.00
Sunderland Foundation	\$ 500,000.00
JE Dunn Foundation	\$ 30,000.00
North American Savings Bank Grant	\$ 130,000.00
Donations (misc)	\$60,000.00
LISC Predevelopment Grant	\$30,000.00

KCCLT plans to raise additional philanthropic funds and refinance the LISC loan through a private lender to implement the first floor rehab. Second/third floor rehab (future phases) are anticipated to be self-financed without additional philanthropic support.

8. DEVELOPMENT TEAM

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

Erin Royals and Rebecca McQuillen, KCCLT
Kim Curry, board member at KCCLT; owner of Curry Development Group
Fredy Mendoza, owner of Omega Construction
Abby Newsham, development coordinator for KCCLT; urban planner for Multistudio
Monte Anderson, owner of Options Real Estate; founder of Neighborhood Evolution
Julia Whitworth, architect at Odimo
Shawna Murrell, commercial real estate broker; chair of ULI REDI program

9. FINANCIAL INFORMATION **IN GOOGLE DRIVE**

- 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.

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

10. BOND FINANCING

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

11. REQUIRED ATTACHMENTS **IN GOOGLE DRIVE**

- **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: Erin Royals
SIGNATURE: *Erin Royals*
TITLE: Board President, KCCLT

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

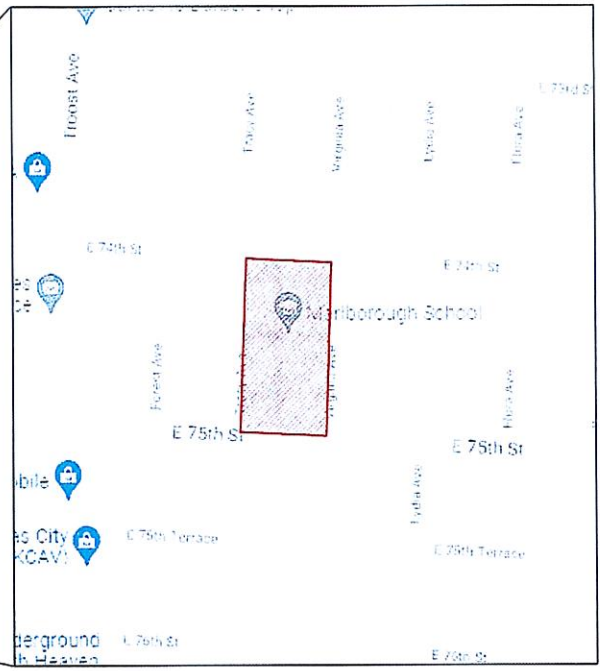
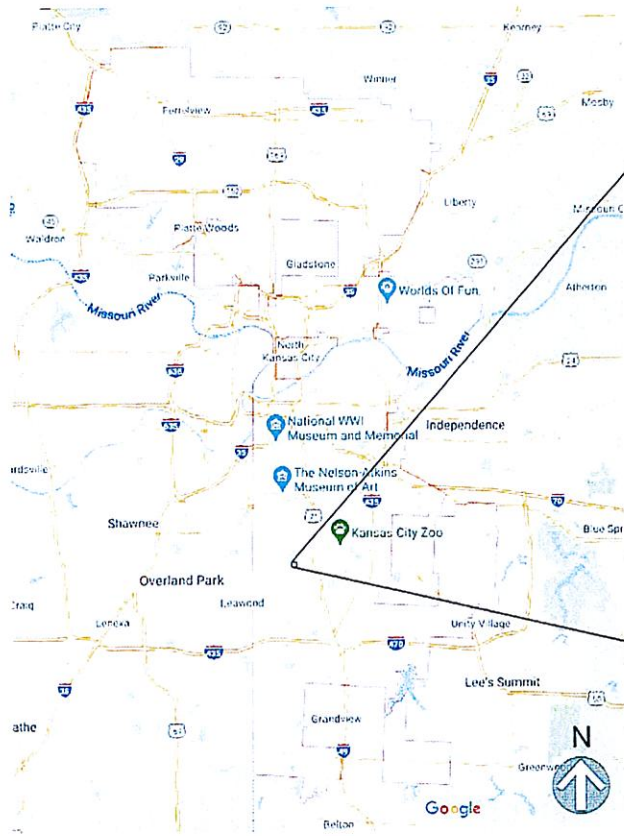
FOR INTERNAL USE ONLY

Assistance Project will be evaluated for which financial analysis:

- | | |
|-------------------------------|---|
| <input type="checkbox"/> TIF | <input type="checkbox"/> PIEA/Chapter 353 |
| <input type="checkbox"/> LCRA | <input type="checkbox"/> Chapter 100 |

Comments:

Advance KC Project Inquiry Meeting Date: _____ Score Card Value: _____
Financial Analysis Review Committee: _____



VICINITY MAP

Phase	Anticipated Cost (per phase)	Anticipated Timeframe
1	\$ 3,934,956.99	2024-2025
2	\$ 1,554,500.00	2026-2027
3	\$ 1,049,500.00	2028-2029

Description

First-floor occupancy of building; includes full building infrastructure for mechanical, electrical, plumbing systems; finish out of mechanical, electrical, plumbing systems
Second-floor occupancy of building; includes installation of elevator; finish out of mechanical, electrical, plumbing systems for second floor; finish out of second-floor
Third-floor occupancy of building; includes finish out of mechanical, electrical, plumbing systems for second floor; finish out of second-floor tenant spaces; installatio

	FLOOR 1	FLOOR 2	FLOOR 3
Land & Building			
Soft Costs / Consulting			
Architectural Drawings	\$20,000.00	\$30,000.00	\$30,000.00
MEP Drawings	\$20,000.00	\$15,000.00	\$15,000.00
Environmental			
Structural (Permitting)			
Development Consulting	\$30,000.00	\$25,000.00	\$25,000.00
Permits KCMO	\$4,800.00		
Permit Review KCMO	\$5,178.00	\$5,000.00	\$5,000.00
LISC Legal	\$12,500.00		
Construction Inspector	\$2,750.00		
Appraisal	\$1,750.00		
Title	\$5,173.00		
Survey	\$2,500.00		
Taxes	\$7,500.00		
Lawn Care			
Insurance	\$10,400.00		
KCCLT Project Management	\$15,000.00		
Loan Fees	\$4,815.00		
Building Improvements			
Site Clean Out	\$94,000.00		
Structural Repairs	\$27,720.00		
Paint Scrape / Clean	\$5,500.00		
Fence Repair	\$4,212.11		
Window Material	\$28,785.10		
Roof Replacement	\$219,000.00		
Demo / Stucco	\$20,000.00		
Windows (Floor 1)	\$71,000.00		
Windows (Floor 2)	\$71,639.06		
Windows (Floor 3)	\$51,041.67		
Storefront Windows (Floor 1)	\$100,000.00		
Cost To Date			
	\$250,000.00		

Storefront Windows (Floor 2)	\$100,000.00		
Storefront Windows (Floor 3)	\$100,000.00		
Plumbing - Water/Sewer Infrastructure	\$256,000.00	\$30,000.00	\$30,000.00
Electrical Infrastructure	\$144,960.00	\$30,000.00	\$30,000.00
Mechanical Infrastructure	\$420,000.00	\$25,000.00	\$25,000.00
Fire System (Stan pipe system on first floor)	\$300,000.00	\$50,000.00	\$50,000.00
Elevator (finished out cab, all the controls)		\$105,000.00	
Security System (camera, keypad)	\$50,000.00	\$15,000.00	\$15,000.00
Finish Out			
Finish Out - Restrooms - First Floor Only	\$135,000.00	\$135,000.00	\$135,000.00
Finish Out Halls - flooring, paint, lighting (2,500sf)	\$100,000.00	\$100,000.00	\$100,000.00
Finish Out - West Tenant Spaces (2,600sf)	\$182,000.00	\$182,000.00	\$182,000.00
Finish Out - Gym/Theatre (4,000sf)	\$200,000.00	\$200,000.00	
Finish Out - South Tenant Space (4,100sf)	\$410,000.00	\$307,500.00	\$307,500.00
Site Improvements			
Parking Lot - Powerwash, Paint	\$10,000.00	\$200,000.00	
Landscaping	\$40,000.00		
Site Improvements / Sidewalks / Curb	\$100,000.00		
Contingency			
	\$200,000.00	\$100,000.00	\$100,000.00
	PHASE COST	\$1,016,996.99	\$2,917,960.00
	TOTAL COST	\$3,934,956.99	\$5,489,456.99
TOTAL COSTS			
First Floor (2024-2025)		\$3,934,956.99	
First and Second Floor (2026-2028)		\$5,489,456.99	
Total Building Renovation (2029)		\$6,538,956.99	

Funds Raised To-Date	TOTAL
LISC Predevelopment Loan	\$480,000.00
Equity Squared (Equity Partner)	\$250,000.00
Hall Foundation	\$300,000.00
Sunderland Foundation	\$500,000.00
JE Dunn Foundation (predevelopment consulting)	\$30,000.00
North American Savings Bank Grant	\$130,000.00
Donations (misc)	\$60,000.00
LISC Predevelopment Grant	\$30,000.00
	<hr/>
	<i>Total Funds Raised to Date</i>
	\$1,780,000.00

2024 GOAL (Floor 1)	
Existing Philanthropic Funds	\$1,050,000.00
Additional Philanthropic Fundraising Goal	\$1,500,000.00
Refinance of LISC Loan (Private Lender)	\$1,384,956.99
	<hr/>
	<i>Planned Fundraising</i>
	\$3,934,956.99

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	<hr/>
	<i>Planned Fundraising</i>
	\$3,934,956.99

12/20 Bob Long

Marlborough Elementary School Reuse Project
Real Estate Development Cash Flow Analysis Without Abatement

PROJECT	Symbols	Annual Increase %	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10	YR11
			first floor	second floor	third floor	fourth floor	fourth floor	fourth floor	fourth floor	fourth floor	fourth floor	fourth floor	fourth floor
Income	+ G. RENT	14%	\$272,519.64	\$310,945	\$354,788	\$404,813	\$461,892	\$527,019	\$601,328	\$686,116	\$692,977	\$699,907	\$706,906
	+ MISC		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gross Rent	= G. INCOME	10%	\$272,520	\$310,945	\$354,788	\$404,813	\$461,892	\$527,019	\$601,328	\$686,116	\$692,977	\$699,907	\$706,906
Operating	- VAC		\$27,252	\$31,094	\$35,479	\$40,481	\$46,189	\$52,702	\$60,133	\$68,612	\$69,298	\$69,991	\$70,691
Rent	= EGR		\$245,268	\$279,850	\$319,309	\$364,332	\$415,703	\$474,317	\$541,196	\$617,504	\$623,679	\$629,916	\$636,215
Operating Expenses	= OPR. EXP.	3%	\$73,580	\$75,788	\$78,061	\$80,403	\$82,815	\$85,134	\$87,486	\$89,866	\$92,279	\$94,724	\$97,206
Income	= NOI	2%	\$122,311	\$124,757	\$127,252	\$129,797	\$132,393	\$135,041	\$137,742	\$140,496	\$143,306	\$146,172	\$149,096
Investment	= D/S	3%	\$7,358	\$7,579	\$7,806	\$8,040	\$8,282	\$8,530	\$8,786	\$9,049	\$9,321	\$9,601	\$9,889
ROI	= CF		\$203,249	\$208,123	\$213,119	\$218,240	\$223,490	\$228,704	\$234,515	\$240,447	\$246,385	\$252,335	\$258,297
Investment	\$ (91,705)												
ROI	\$ 250,000												

Cumulative Gain in Years 1 - 10:

-\$449,983

Developer's Assumptions

\$250,000 Acquisition Cost
\$6,288,957 Construction Costs

Construction Costs

\$ 6,288,957 Projected Rehab Costs
\$ 3,773,374 New Added Value

START HERE

Total Project Costs
\$250,000 Acquis
\$6,288,957 Project
\$6,538,957 Total P

Assumptions Used for Calculating Costs & Debt Service

\$ ___ per square foot lease rate
\$ ___ per square foot operating costs
\$ ___ total borrowed at ___ % with a ___ Year Amortization & ___ Term

Staff Calculation of Reversion Value

\$4,021,236 using Yr. 11 NOI and 8.5% cap rate
\$3,797,834 using Yr. 11 NOI and 9% cap rate
\$3,597,948 using Yr. 11 NOI and 9.5% cap rate
\$3,418,051 using Yr. 11 NOI and 10% cap rate

Market Value

Assessed Value
e total levy rate
Property Taxes

\$1,287,480
0.095
\$122,311

Developer's Assumptions

PROJECT

Project Name
Real Estate Development Cash Flow Analysis With Abatement

	<u>YR1</u>	<u>YR2</u>	<u>YR3</u>	<u>YR4</u>	<u>YR5</u>	<u>YR6</u>	<u>YR7</u>	<u>YR8</u>	<u>YR9</u>	<u>YR10</u>	<u>YR11</u>
Income	\$272,519.64	\$310,945	\$354,788	\$404,813	\$461,892	\$527,019	\$601,328	\$686,116	\$692,977	\$699,907	\$706,906
Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gross Rent	\$272,520	\$310,945	\$354,788	\$404,813	\$461,892	\$527,019	\$601,328	\$686,116	\$692,977	\$699,907	\$706,906
Operating Expenses	\$27,252	\$31,094	\$35,479	\$40,481	\$46,189	\$52,702	\$60,133	\$68,612	\$69,298	\$69,991	\$70,691
Net Income	\$245,268	\$279,850	\$319,309	\$364,332	\$415,703	\$474,317	\$541,196	\$617,504	\$623,679	\$629,916	\$636,215
Net Present Value	\$73,580	\$75,788	\$78,061	\$80,403	\$82,815	\$95,134	\$97,988	\$123,934	\$127,652	\$131,481	\$135,426
Internal Rate of Return	0%	\$10,727	\$10,727	\$10,727	\$10,727	\$10,727	\$10,727	\$10,727	\$10,727	\$10,727	\$10,727
Weighted Average Cost of Capital	3%	\$7,358	\$7,579	\$8,040	\$8,282	\$8,530	\$8,786	\$9,049	\$9,321	\$9,601	\$9,889
Operating Expenses	\$91,665	\$94,093	\$96,594	\$99,170	\$101,824	\$114,390	\$117,500	\$143,710	\$147,699	\$151,808	\$156,041
Income	\$153,603	\$185,757	\$222,715	\$265,162	\$313,879	\$359,927	\$423,695	\$473,794	\$475,980	\$478,107	\$480,174
Annual	\$133,724	\$133,724	\$133,724	\$133,724	\$133,724	\$133,837	\$131,837	\$424,769	\$424,769	\$424,769	\$424,769
ROI	\$19,878	\$52,033	\$88,991	\$131,437	\$180,155	\$46,089	\$109,858	\$49,025	\$51,211	\$53,338	\$55,405
Investment	\$ 19,878	20.81%	35.60%	52.57%	72.06%	18.44%	43.94%	19.61%	20.48%	21.34%	22.16%
	\$ 250,000	<u>Cumulative Gain in Years 1-10:</u> \$782,016									

Developer's Assumptions

Acquisition Cost	\$250,000
Construction Costs	\$3,773,374
Market Value	\$4,023,374
Assessed Value	\$0.32
Assessed Value	\$1,287,480
Property Taxes	\$0.095
Property taxes	\$122,311
Annual Abatement	\$10,726.80
	\$111,584

Assumptions Used for Calculating Costs & Debt Service

\$ ___ per square foot lease rate
 \$ ___ per square foot operating costs
 \$ ___ total borrowed at ___ % with a ___ Year Amortization & ___ Term

Projected Annual Taxes

Acquisition Cost	\$250,000
Construction Costs	\$3,773,374
Market Value	\$4,023,374
Assessed Value	\$0.32
Assessed Value	\$1,287,480
Property Taxes	\$0.095
Property taxes	\$122,311
Annual Abatement	\$10,726.80
	\$111,584

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Total Project Costs

Acquisition	\$250,000
Construction	\$6,288,957
Total	\$6,538,957

Construction Costs

Projected Rehab Costs	#####
"Discount to" Factor	0.6
New Added Value	#####

Staff Calculation of Reversion Value

Yr. 11 NOI and 8.5% cap rate	\$5,649,108
Yr. 11 NOI and 9% cap rate	\$5,335,268
Yr. 11 NOI and 9.5% cap rate	\$5,054,465
Yr. 11 NOI and 10% cap rate	\$4,801,742