

# 2600 INDEPENDENCE MIXED-USE

2600 & 2618 INDEPENDENCE BLVD., KANSAS CITY, MISSOURI 64124

## PROPERTY TAX ABATMENT APPLICATION



KANSAS CITY, MISSOURI - NOVEMBER 2019

# INDEX

No.	Documents Description
1.	Cover/Index
2.	Project Description
3.	EDC Universal Application for Chapter 353 Tax Abatement
4.	Budget – Soft & Hard Costs Breakdown
5.	Sources and Uses of Funds
6.	10 year Operating Pro-forma without Tax Incentive
7.	10 year Operating Pro-forma with Tax Incentive
8.	Professional Team, MBE &WBE Participation
9.	Construction Cost Estimate
10.	Development Schedule
11	Attachment: Preliminary Design <ul style="list-style-type: none"><li>- Area Location Map</li><li>- Site Plans</li><li>- Floor Plans</li><li>- Renderings</li></ul>

# PROJECT DESCRIPTION

2600 Independence Mixed-Use is a new construction of 25,000 sq.ft. floor area located at the corner of Independence Boulevard and Prospect Boulevard, Kansas City. The new two-story building includes 10,887 sq.ft. retail spaces on the lower floor and fifteen (15) one-bedroom apartments on the upper floor. The building design complies with both Kansas City zoning ordinances and Independence Corridor Overlay standards.

The retail area is initially divided into seven (7) leasing spaces from 1,276 sq.ft to 2,016 sq.ft. The expected tenants are restaurants, retail businesses, or other service providers serving the surrounding neighborhoods. The building provides accesses from the front entrance on Independence Boulevard as well as the rear entrance in the parking lot just off Prospect Boulevard. An outdoor dining patio along the Prospect Boulevard locating next to the corner space will enhance the streetscape and provide an attractive destination for pedestrians.

The upper floor apartments are designed to meet the need of target renters including students from Kansas City University of Medicine and Biosciences, single professional workers and young couples. The design provides modern compact spaces and safe access from a secure East side lobby. The approximate 600 sq.ft compact apartments with minimum amenities can make its rental prices competitive and affordable to the target market.

To avoid tragedy like the fire event in October 2015, the new construction is designed as a high-profile building of durable and reliable structural framing and fire protection as required. Additionally, a visiting space is designed and built in front of a permanent memorial to memorize the two firefighters who sacrificed their life protecting the community.

The project will bring improvements to the current blighted area, providing opportunities to local businesses to enhance their brand images, and contributing to the diversity of the apartment rental market.

Dennis Bradley, Principal

B+A Architecture



*For any project seeking assistance through the following agencies, a completed application form must be provided. Those agencies include: Tax Increment Financing Commission, Land Clearance for Redevelopment Authority, Port Authority, and Planned Industrial Expansion Authority, Chapter 353.*

### **REDEVELOPMENT PROJECT APPLICATION**

➤ Application must be submitted electronically.

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

#### **1. APPLICANT INFORMATION**

Applicant/Organization Name: BA Property LLC

Business Address: 1835 Independence Blvd., Kansas City, MO 64124

Contact Person: Thong Thai

E-Mail Address: thong@baarchitecture.com

Phone: 816-753-6100 Fax: N/A

Address (if different than business address) 100 W 31<sup>st</sup> Street, Suite 100, Kansas City  
MO 64108

Attorney for Applicant: N/A

Attorney's Address: N/A

Attorney's Phone: N/A

#### **2. LOCATION OF THE PROJECT**

General Boundaries: 2600 & 2618 Independence Blvd, Kansas City, MO 64124

---

---

---

---

---

---

---

---

County: Jackson Council District: Third (3)

Total Acreage: 0.882

Is the project located in any incentive areas? Yes, it is.

What is the current zoning of the project area? B1-1/ICO

What is the proposed zoning for the project area? UR

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:

Currently, the North half of 2618 lot is zoned R-6, the South half is zoned B1-1, and 2600 lot is zoned B1-1. We will be combining the lots and rezone to UR coordinating with property tax abatement.

Land Use Plan: \_\_\_\_\_ 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

It is a new construction of a mixed-use building of 10,887 sq.ft retail spaces on the ground level and 15 one-bedroom apartments on the upper level. The total floor area of the building is 20,583 sq.ft.

The expected tenants on the ground level are food service providers, retail businesses, or other service providers. The upper level apartments are intended to rent to students, young couples, or single person.

Square footage: 20,583 sq.ft

No. of dwelling units 15      No. of hotel rooms 0      No. of parking spaces 55

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)*

Pendleton Heights Historic District

### NUMBER OF JOBS

☒ Created 50      Average Salary: \$ 24,000

☐ Retained \_\_\_\_\_      Average Salary: \$

☐ Relocated \_\_\_\_\_      Average Salary: \$

☒ Construction jobs 36      Average Salary: \$60,000

Projected real property investment. \$ 3,270,245.00

Projected personal property investment. \$654,049.00

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 currently blighted. The 6 feet grading changes of the site, the demolition of unknown existing foundation and the improvement of exterior landscape increase construction costs by \$280,000.

We are also under competitive pressure due to current retail leasing price in the area as low as \$4.00/sq.ft./yr. while our retail leasing price for the first year is \$18.00/sq.ft/yr.

#### 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.

Fair Market Value of Land: \$ 178,400.00

Fair Market Value of Improvement \$ 3,132,300.00

Projected Assessed Value of the Land & Improvements Upon Completion: \$ 3,310,700.00

#### 5. CONTROL OF PROPERTY

If the Applicant owns the project site, indicate:

Date of Purchase 11/14/16

Sales Price \$138,000.00

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>
Equity	\$ 654,049.00
Bank loan	\$ 2,616,196.00
	\$
	\$

## 8. DEVELOPMENT TEAM

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

B+A Architecture leading the development team have more than 40 years of construction experience and knowledge. We collaborate with JWM Contracting who has managed and built commercial and residential of \$400 million nationwide.

## 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.

- D. If seeking TIF assistance, provide projections for PILOTS and EATS.

## 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.

## 12. CERTIFICATION OF APPLICANT:

The undersigned hereby represents and certifies that to the best knowledge and belief of the undersigned, this project application contains no information or data, contained herein or in the attachments, that is false or incorrect, and that it is truly descriptive of the property for which this application is being made.

NAME: Anh Duong  
SIGNATURE: \_\_\_\_\_  
TITLE: BA Property LLC, Owner

RETURN COMPLETED APPLICATION AND NON-REFUNDABLE APPLICATION FEE TO:

**Economic Development Corporation  
1100 Walnut, Suite 1700  
Kansas City, Missouri 64106**





---

---

**FOR INTERNAL USE ONLY**

Assistance Project will be evaluated for with financial analysis:

- ☐ TIF
- ☐ LCRA
- ☐ PIEA/Chapter 353
- ☐ Chapter 100

Comments:

---

---

---

---

---

---

Advance KC Project Inquiry Meeting Date:

Score Card No.

Financial Analysis Review Committee:

---

---

---

## SOURCES and USES

<u>Sources of Funds</u>		
Loan (80%)	\$	2,616,196
Equity	\$	654,049
<b>Total Sources of Funds</b>	<b>\$</b>	<b>3,270,245</b>

<u>Uses of Funds</u>		
<b>Acquisition Price</b>		
Property Acquisition	\$	138,000
<b>Construction Costs + FE&amp;E</b>	<b>\$</b>	<b>2,820,000</b>
<b>Other Costs</b>		
Architectural	\$	40,200
Structural	\$	17,000
MEP	\$	20,000
Civil	\$	30,985
Survey	\$	2,800
Geotechnical Report	\$	3,400
EDC tax incentive application fee	\$	2,000
EDC application preparation fee	\$	3,000
Development Fees	\$	20,000
City Building Permit fee (0.42%)	\$	11,760
Financing cost (1st year)	\$	161,100
<b>Total Soft Costs</b>	<b>\$</b>	<b>312,245</b>
<b>Total Uses of Funds</b>	<b>\$</b>	<b>3,270,245</b>

## BUDGET BREAKDOWN

<b>1. Land cost</b>				
	SQF			
Land Cost of Approximately 88,120 sqf @\$1.57 sqf	88,120	\$	1.57	\$ <b>138,000.00</b>
<b>2. Building and Site Development cost</b>				
				<b>\$ 2,820,000.00</b>
Retail/Commercial spaces and apartments	20,583			
Outdoor spaces	25,030			
FF&E				\$ 20,000.00
<b>3. Soft costs</b>				
Architectural				\$ 40,200.00
Structural				\$ 17,000.00
MEP				\$ 20,000.00
Civil				\$ 30,985.00
Survey				\$ 2,800.00
Geotechnical Report				\$ 3,400.00
EDC tax incentive application fee				\$ 2,000.00
EDC application preparation fee				\$ 3,000.00
City Building Permit fee (0.42%)				\$ 11,760.00
Development Fees				\$ 20,000.00
Total Soft cost				\$ <b>151,145.00</b>
<b>4. Financing costs</b>				
Construction Interest				\$ 70,500.00
Contingency, 3% of building cost				\$ 84,600.00
Appraisal Fees				\$ 6,000.00
Total Financing costs				\$ <b>161,100.00</b>
Total Development Costs				<b>\$ 3,270,245.00</b>
Average cost leaseable space per square foot				\$ 171.06
Mortgage Amount				\$ 2,616,196.00
Equity				\$ 654,049.00
Loan Amortization @6%, 20 years, no commissions (monthly)				\$ 18,894.32
Loan Amortization @6%, 20 years, no commissions/year				\$ 226,731.84
Taxes, Estimated, 1.437%				\$ 46,993.42
Insurance/year				\$ 24,000.00
Total PITI				\$ 297,725.26

Note: Commercial tax in Jackson county \$1.437 per \$100 assessed value.

INDEPENDENCE MIXED-USE

Total Development 10 Year Profit and Loss With Tax Abatement

Year											
Income	Monthly	1	2	3	4	5	6	7	8	9	10
Base rent for retail space (per sqf)	\$ 1.5	\$ 18.0	\$ 18.18	\$ 18.36	\$ 18.55	\$ 18.73	\$ 18.92	\$ 19.11	\$ 19.30	\$ 19.49	\$ 19.69
Retail Center - Leasable Space (sqf)		10,887	10,887	10,887	10,887	10,887	10,887	10,887	10,887	10,887	10,887
Occupancy rate		50%	60%	70%	80%	90%	90%	100%	100%	100%	100%
Rental income from retail space	\$	97,983.00	\$ 118,755.40	\$ 139,933.44	\$ 161,523.17	\$ 183,530.70	\$ 185,366.01	\$ 208,021.86	\$ 210,102.08	\$ 212,203.10	\$ 214,325.13
Base rent for apartments (per sqf)	\$ 1.0	\$ 12.0	\$ 12.24	\$ 12.48	\$ 12.73	\$ 12.99	\$ 13.25	\$ 13.51	\$ 13.78	\$ 14.06	\$ 14.34
Apartments (sqf)		8,230	8,230	8,230	8,230	8,230	8,230	8,230	8,230	8,230	8,230
Occupancy rate		50%	60%	70%	80%	90%	90%	90%	90%	90%	90%
Rental income from apartments	\$	49,380.00	\$ 60,441.12	\$ 71,924.93	\$ 83,843.92	\$ 96,210.90	\$ 98,135.12	\$ 100,097.82	\$ 102,099.78	\$ 104,141.77	\$ 106,224.61
CAM Reimbursement	\$	17,750.00	\$ 21,300.00	\$ 24,850.00	\$ 28,400.00	\$ 31,950.00	\$ 31,950.00	\$ 35,500.00	\$ 35,500.00	\$ 35,500.00	\$ 35,500.00
Gross Operating Income	\$	165,113.00	\$ 200,496.52	\$ 236,708.37	\$ 273,767.09	\$ 311,691.60	\$ 315,451.13	\$ 343,619.68	\$ 347,701.85	\$ 351,844.87	\$ 356,049.74
Loan balance	\$	2,616,196.00	\$ 2,520,273.96	\$ 2,419,555.82	\$ 2,313,801.77	\$ 2,202,760.02	\$ 2,086,166.18	\$ 1,963,742.65	\$ 1,835,197.94	\$ 1,700,226.00	\$ 1,558,505.46
Debt Service	5%	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84
Interest	\$	130,809.80	\$ 126,013.70	\$ 120,977.79	\$ 115,690.09	\$ 110,138.00	\$ 104,308.31	\$ 98,187.13	\$ 91,759.90	\$ 85,011.30	\$ 77,925.27
Principal	\$	95,922.04	\$ 100,718.14	\$ 105,754.05	\$ 111,041.75	\$ 116,593.84	\$ 122,423.53	\$ 128,544.71	\$ 134,971.94	\$ 141,720.54	\$ 148,806.57
Expenses											
Interest expenses	\$	130,809.80	\$ 126,013.70	\$ 120,977.79	\$ 115,690.09	\$ 110,138.00	\$ 104,308.31	\$ 98,187.13	\$ 91,759.90	\$ 85,011.30	\$ 77,925.27
Real Estate Tax Escrow	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$	24,000.00	\$ 24,240.00	\$ 24,482.40	\$ 24,727.22	\$ 24,974.50	\$ 25,224.24	\$ 25,476.48	\$ 25,731.25	\$ 25,988.56	\$ 26,248.45
Lawn Maintenance	\$	2,000.00	\$ 2,020.00	\$ 2,040.20	\$ 2,060.60	\$ 2,081.21	\$ 2,102.02	\$ 2,123.04	\$ 2,144.27	\$ 2,165.71	\$ 2,187.37
Snow Removal	\$	1,500.00	\$ 1,515.00	\$ 1,530.15	\$ 1,545.45	\$ 1,560.91	\$ 1,576.52	\$ 1,592.28	\$ 1,608.20	\$ 1,624.29	\$ 1,640.53
Exterior Maintenance	\$	2,000.00	\$ 2,020.00	\$ 2,040.20	\$ 2,060.60	\$ 2,081.21	\$ 2,102.02	\$ 2,123.04	\$ 2,144.27	\$ 2,165.71	\$ 2,187.37
Management Fee	\$	6,000.00	\$ 6,060.00	\$ 6,120.60	\$ 6,181.81	\$ 6,243.62	\$ 6,306.06	\$ 6,369.12	\$ 6,432.81	\$ 6,497.14	\$ 6,562.11
Accounting Expenses	\$	1,200.00	\$ 1,212.00	\$ 1,224.12	\$ 1,236.36	\$ 1,248.72	\$ 1,261.21	\$ 1,273.82	\$ 1,286.56	\$ 1,299.43	\$ 1,312.42
Legal Expenses	\$	600.00	\$ 606.00	\$ 612.06	\$ 618.18	\$ 624.36	\$ 630.61	\$ 636.91	\$ 643.28	\$ 649.71	\$ 656.21
Leasing Expenses	\$	4,600.00	\$ 4,646.00	\$ 4,692.46	\$ 4,739.38	\$ 4,786.78	\$ 4,834.65	\$ 4,882.99	\$ 4,931.82	\$ 4,981.14	\$ 5,030.95
Depreciation	39	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44
Total Expenses	\$	256,562.24	\$ 252,185.13	\$ 247,572.42	\$ 242,712.14	\$ 237,591.74	\$ 232,198.07	\$ 226,517.26	\$ 220,534.80	\$ 214,235.43	\$ 207,603.12
Operating Income/Loss	\$	(91,449.24)	\$ (51,688.62)	\$ (10,864.04)	\$ 31,054.96	\$ 74,099.86	\$ 83,253.06	\$ 117,102.42	\$ 127,167.05	\$ 137,609.44	\$ 148,446.61
Year	0	1	2	3	4	5	6	7	8	9	10
CF=NetIncome + Dep-Principal	\$ (654,049.00)	\$ (103,518.84)	\$ (68,554.32)	\$ (32,765.66)	\$ 3,865.64	\$ 41,358.46	\$ 44,681.97	\$ 72,410.14	\$ 76,047.54	\$ 79,741.33	\$ 83,492.48
	IRR	10.40%									
Accum. Equity	\$ 654,049.00	\$ 749,971.04	\$ 850,689.18	\$ 956,443.23	\$ 1,067,484.98	\$ 1,184,078.82	\$ 1,306,502.35	\$ 1,435,047.06	\$ 1,570,019.00	\$ 1,711,739.54	\$ 1,860,546.11
Accum. Equity + Accum. Income	\$	658,521.80	\$ 799,000.56	\$ 945,579.19	\$ 1,098,539.94	\$ 1,258,178.68	\$ 1,389,755.42	\$ 1,552,149.48	\$ 1,697,186.05	\$ 1,849,348.98	\$ 2,008,992.73

Asumption: retail space rent prices increase 1%, apartment rent and and costs increase 1% annually.  
Life: 39 years

INDEPENDENCE MIXED-USE

Total Development 10 Year Profit and Loss Without Tax Abatement

		Year									
Income	Monthly	1	2	3	4	5	6	7	8	9	10
Base rent for retail space (per sqf)	\$ 1.4	\$ 16.8	\$ 16.97	\$ 17.14	\$ 17.31	\$ 17.48	\$ 17.66	\$ 17.83	\$ 18.01	\$ 18.19	\$ 18.37
Retail Center - Leasable Space (sqf)		10,887	10,887	10,887	10,887	10,887	10,887	10,887	10,887	10,887	10,887
Occupancy rate		50%	60%	70%	80%	90%	90%	100%	100%	100%	100%
Rental income from retail space		\$ 91,450.80	\$ 110,838.37	\$ 130,604.55	\$ 150,754.96	\$ 171,295.32	\$ 173,008.28	\$ 194,153.73	\$ 196,095.27	\$ 198,056.22	\$ 200,036.79
Base rent for apartments (per sqf)	\$ 1.0	\$ 12.0	\$ 12.24	\$ 12.48	\$ 12.73	\$ 12.99	\$ 13.25	\$ 13.51	\$ 13.78	\$ 14.06	\$ 14.34
Apartments (sqf)		8,230	8,230	8,230	8,230	8,230	8,230	8,230	8,230	8,230	8,230
Occupancy rate		50%	60%	70%	80%	90%	90%	90%	90%	90%	90%
Rental income from apartments		\$ 49,380.00	\$ 60,441.12	\$ 71,924.93	\$ 83,843.92	\$ 96,210.90	\$ 98,135.12	\$ 100,097.82	\$ 102,099.78	\$ 104,141.77	\$ 106,224.61
CAM Reimbursement		\$ 17,750.00	\$ 21,300.00	\$ 24,850.00	\$ 28,400.00	\$ 31,950.00	\$ 31,950.00	\$ 35,500.00	\$ 35,500.00	\$ 35,500.00	\$ 35,500.00
Gross Operating Income		\$ 158,580.80	\$ 192,579.49	\$ 227,379.48	\$ 262,998.88	\$ 299,456.22	\$ 303,093.40	\$ 329,751.55	\$ 333,695.05	\$ 337,698.00	\$ 341,761.39
Loan balance		\$ 2,616,196.00	\$ 2,546,435.92	\$ 2,472,490.24	\$ 2,394,107.81	\$ 2,311,022.44	\$ 2,222,951.94	\$ 2,129,597.22	\$ 2,030,641.21	\$ 1,925,747.85	\$ 1,814,560.88
Debt Service	6%	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84	\$ 226,731.84
Interest		\$ 156,971.76	\$ 152,786.16	\$ 148,349.41	\$ 143,646.47	\$ 138,661.35	\$ 133,377.12	\$ 127,775.83	\$ 121,838.47	\$ 115,544.87	\$ 108,873.65
Principal		\$ 69,760.08	\$ 73,945.68	\$ 78,382.43	\$ 83,085.37	\$ 88,070.49	\$ 93,354.72	\$ 98,956.01	\$ 104,893.37	\$ 111,186.97	\$ 117,858.19
Expenses											
Interest expenses		\$ 156,971.76	\$ 152,786.16	\$ 148,349.41	\$ 143,646.47	\$ 138,661.35	\$ 133,377.12	\$ 127,775.83	\$ 121,838.47	\$ 115,544.87	\$ 108,873.65
Real Estate Tax Escrow		\$ 46,993.42	\$ 46,993.42	\$ 46,993.42	\$ 46,993.42	\$ 46,993.42	\$ 46,993.42	\$ 46,993.42	\$ 46,993.42	\$ 46,993.42	\$ 46,993.42
Insurance		\$ 24,000.00	\$ 24,240.00	\$ 24,482.40	\$ 24,727.22	\$ 24,974.50	\$ 25,224.24	\$ 25,476.48	\$ 25,731.25	\$ 25,988.56	\$ 26,248.45
Lawn Maintenance		\$ 2,000.00	\$ 2,020.00	\$ 2,040.20	\$ 2,060.60	\$ 2,081.21	\$ 2,102.02	\$ 2,123.04	\$ 2,144.27	\$ 2,165.71	\$ 2,187.37
Snow Removal		\$ 1,500.00	\$ 1,515.00	\$ 1,530.15	\$ 1,545.45	\$ 1,560.91	\$ 1,576.52	\$ 1,592.28	\$ 1,608.20	\$ 1,624.29	\$ 1,640.53
Exterior Maintenance		\$ 2,000.00	\$ 2,020.00	\$ 2,040.20	\$ 2,060.60	\$ 2,081.21	\$ 2,102.02	\$ 2,123.04	\$ 2,144.27	\$ 2,165.71	\$ 2,187.37
Management Fee		\$ 6,000.00	\$ 6,060.00	\$ 6,120.60	\$ 6,181.81	\$ 6,243.62	\$ 6,306.06	\$ 6,369.12	\$ 6,432.81	\$ 6,497.14	\$ 6,562.11
Accounting Expenses		\$ 1,200.00	\$ 1,212.00	\$ 1,224.12	\$ 1,236.36	\$ 1,248.72	\$ 1,261.21	\$ 1,273.82	\$ 1,286.56	\$ 1,299.43	\$ 1,312.42
Legal Expenses		\$ 600.00	\$ 606.00	\$ 612.06	\$ 618.18	\$ 624.36	\$ 630.61	\$ 636.91	\$ 643.28	\$ 649.71	\$ 656.21
Leasing Expenses		\$ 4,600.00	\$ 4,646.00	\$ 4,692.46	\$ 4,739.38	\$ 4,786.78	\$ 4,834.65	\$ 4,882.99	\$ 4,931.82	\$ 4,981.14	\$ 5,030.95
Depreciation	39	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44	\$ 83,852.44
Total Expenses		\$ 329,717.62	\$ 325,951.01	\$ 321,937.46	\$ 317,661.94	\$ 313,108.51	\$ 308,260.29	\$ 303,099.38	\$ 297,606.80	\$ 291,762.42	\$ 285,544.92
Operating Income/Loss		\$ (171,136.82)	\$ (133,371.52)	\$ (94,557.98)	\$ (54,663.05)	\$ (13,652.29)	\$ (5,166.90)	\$ 26,652.17	\$ 36,088.25	\$ 45,935.57	\$ 56,216.47
Year	0	1	2	3	4	5	6	7	8	9	10
CF=NetINcome + Dep-Principal	\$ (654,049.00)	\$ (157,044.46)	\$ (123,464.77)	\$ (89,087.97)	\$ (53,895.99)	\$ (17,870.34)	\$ (14,669.19)	\$ 11,548.60	\$ 15,047.32	\$ 18,601.04	\$ 22,210.72
	IRR	6.69%									
Accum. Equity	\$ 654,049.00	\$ 723,809.08	\$ 797,754.76	\$ 876,137.19	\$ 959,222.56	\$ 1,047,293.06	\$ 1,140,647.78	\$ 1,239,603.79	\$ 1,344,497.15	\$ 1,455,684.12	\$ 1,573,542.31
Accum. Equity + Accum. Income		\$ 552,672.26	\$ 664,383.24	\$ 781,579.21	\$ 904,559.51	\$ 1,033,640.77	\$ 1,135,480.88	\$ 1,266,255.96	\$ 1,380,585.40	\$ 1,501,619.70	\$ 1,629,758.78

Asumption: retail space rent prices increase 1%, apartment rent and and costs increase 1% annually.  
Life: 39 years

## PROFESSIONAL TEAM, MBE & WBE PARTICIPATION

PROFESSIONAL SERVICE FEES			
Service	Professional Company	Contract Amount	Percentage
Architectural	B+A Architecture	\$ 40,200.00	35.14%
Structural	Leigh + O' Kane (WBE) *	\$ 17,000.00	14.86%
MEP	TBD (MBE) **	\$ 20,000.00	17.48%
Civil	Renaissance Infrastructure Consulting	\$ 30,985.00	27.09%
Survey	Byam Engineering	\$ 2,800.00	2.45%
Geotechnical Report	Alpha-Omega Geotech	\$ 3,400.00	2.97%
Total professional service fees		\$ 114,385.00	100.00%

\* The WBE participation percentage meets 10% requirements of the Human Relations Department and reaches the City-wide goals of 14.4% per section 3-427, Kansas City Ordinance #180535

\*\* The MBE participation percentage meets 14% requirements of the Human Relations Department and reaches the City-wide goals of 14.7% per section 3-427, Kansas City Ordinance #180535



November 15, 2019

Ms. Anh Duong  
Bao Anh Jewelry  
Independence Blvd  
Kansas City, MO

RE: **2600 Independence Mixed-Use**  
2600-2618 Independence Blvd, Kansas City, MO 64124  
*Proposal for General Contracting Services*

Ms. Duong,

JWM Contracting, LLC is pleased to submit our proposal for the 2600 Independence Mixed-Use project, located in Kansas City, MO, for the amount of **Two million eight hundred twenty thousand dollars (\$2,820,000)**. This proposal is based on architectural drawings and renderings from B+A Architecture. No civil, GeoTech report, structural, MEP or fire suppression are available, at this time. Attached is our Exhibit B – Clarifications and Assumptions, as well.

Please take into account the following when considering JWM Contracting for your project:

- **Experience** – With more than 25 years of extensive construction experience and knowledge, the owner Jeff Munden, brings a strong background in all facets of construction management, pre-construction and business development to JWM Contracting, LLC.

Throughout his career, Mr. Munden has managed commercial & residential projects in excess of \$400 million nationwide and overseen a variety of projects including: multi-family, hospitality, senior living, student housing, schools and large box retail, for brands and companies including: Marriott Hotels, Hilton Hotels and Wal-Mart, along with student housing projects at the University of Missouri (Columbia, MO), Indiana-Purdue University and Hinds Community College (Jackson, MS). Prior, Mr. Munden owned a residential construction company, where he built a number of custom homes upwards of \$1.2M in cost and size throughout the Greater Kansas City area.

Mr. Munden holds a General Building Contractor (A) license in MO and KS.

- **Schedule & Cost-Control** – We take pride in completing our projects on time and within budget for our clients. We truly understand how critical it is that your facility opens on time and we are sensitive to your operational concerns.
- **Quality Control** – As a core value, quality is how we gain the confidence and trust of repeat business. It is addressed by each team member on every level.

We are excited to build a quality project for you in Kansas City. We appreciate the opportunity to work with you and look forward to bringing the project to a successful completion.

If you have any questions regarding our proposal, please feel free to contact me at 913-530-4205.

Respectfully,



**Jeff Munden**  
Owner/President

cc: Mike McMullin  
File: 583-1.1

**CONTINUATION SHEET**

AIA DOCUMENT G703

PAGE 2 OF 2 PAGES

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT

containing Contractor's signed Certification, is attached

In tabulations below, amounts are stated to the nearest dollar.

Use Column 1 on Contracts where variable retainage for line items may apply.

Application No:

Application Date:

Period To:

Architect's Project No.:

A	B	C	D	E	F	G		H	I
Div. No.	Description of Work	Scheduled Value	WORK COMPLETED		Materials Presently Stored (Not in D or E)	Total Completed And Stored To Date (D+E+F)	% (G/C)	Balance To Finish (C-G)	Retainage (If Variable Rate)
			From Previous Application (D+ E)	This Period					
1	GENERAL CONDITIONS	253,500							
2	DEMOLITION	35,000							
2	EXCAVATION	65,000							
2	SITE UTILITIES	45,000							
2	SITE CONCRETE	162,000							
2	ASPHALT PAVEMENT	54,000							
2	LANDSCAPE	15,000							
3	CONCRETE	175,500							
3	GYPCRETE	32,000							
4	MASONRY	154,500							
5	STRUCTURAL STEEL	145,000							
5	METALS	110,000							
6	ROUGH CARPENTRY	154,000							
6	INTERIOR CARPENTRY	31,500							
6	CABINETS/COUNTERS	120,000							
7	ROOFING	67,000							
7	MOISTURE/INSULATION	29,000							
7	STUCCO	32,000							
8	DOORS & HARDWARE	40,000							
8	WINDOWS	15,000							
8	GLASS & GLAZING	94,500							
9	DRYWALL	109,500							
9	FLOORCOVERING/TILE	52,500							
9	PAINT	50,500							
9	FINAL CLEANING	20,000							
10	SPECIALTIES	15,000							
15	FIRE SUPPRESSION	35,000							
15	PLUMBING	78,000							
15	HVAC	125,000							
16	ELECTRICAL	365,000							
17	GC FEE	140,000							
		2,820,000	0.00	0.00	0.00	0.00		0.00	0.00

AIA DOCUMENT G703-CONTINUATION SHEET FOR G702-1992 EDITION-AIA-c.1992-THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK G703-1992

AVENUE, N.W., WASHINGTON, D.C. 20006-5292-WARNING: Unlicensed photocopying violates U.S. copyright laws and will subject the violator to legal prosecution.



# DEVELOPMENT SCHEDULE

No.	Task	Date/Period
1	EDC Universal Application Materials Submittal	Tuesday, November 19 <sup>th</sup> 2019
2	Urban Redevelopment Plan Submittal	Friday, November 22 <sup>nd</sup> 2019
3	Neighborhood Public presentation/meeting	Tuesday, December 3 <sup>rd</sup> 2019
4	Development Review Committee	Wednesday, December 11 <sup>th</sup> 2019
5	LCRA Approval Meeting	Wednesday, December 18 <sup>th</sup> 2019
6	City Plan Commission Public Hearing Meeting	Tuesday, January 7 <sup>th</sup> 2020
7	Building Permit Submittal	Friday, February 21 <sup>st</sup> 2020
8	Building Permit Approval	April 2020
9	Construction Commencement	May 2020
10	Construction Completion	February 2021 (10 months)