



EXHIBIT 6D
LCRA 5/20/20

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: Chouteau Square Housing, LP. (applicant and proposed ownership entity)

Business Address: 1600 Rosecrans Ave, Bldg 7, 4th Floor, Manhattan Beach, CA 90266

Contact Person: June Park

E-Mail Address: june@sdghousing.com

Phone: 310-321-7862 Fax: _____

Address (if different than business address) _____

Physical address: Cathedral Square Towers, 444 W 12th St, Kansas City, MO 64105

Attorney for Applicant: Kyle B. Arndt

Attorney's Address: 633 West Fifth Street, 64th Floor, Los Angeles, CA 90071

Attorney's Phone: 213-239-8048

2. LOCATION OF THE PROJECT

General Boundaries:

Legal Description:

ALL THAT PART OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 6, TOWNSHIP 49, RANGE 33,

DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EAST LINE OF WASHINGTON AND THE SOUTH LINE OF 11TH; THENCE

EAST ALONG THE SOUTH LINE OF 11TH, 129 FEET; THENCE SOUTH 270 FEET TO THE NORTH LINE OF 12TH STREET;

THENCE WEST ALONG THE NORTH LINE OF 12TH, 129 FEET TO ITS INTERSECTION WITH THE EAST LINE OF

WASHINGTON; THENCE NORTH ALONG THE EAST LINE OF WASHINGTON, 270 FEET TO THE POINT OF BEGINNING,

ALL IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

County: Jackson County Council District: 4

Total Acreage: 0.8 Acres

Is the project located in any incentive areas? Urban Renewal Area, TIF, Transportation Development Area, Community Improvement District, Enterprise zone

What is the current zoning of the project area? DR-1

What is the proposed zoning for the project area? DR-1

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:

N/A.

Land Use Plan _____ Need for Modification _____

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

The Project consists of rehabbing an existing 13-story building, with 156 units for seniors (62+) and/or disabled. The building consists of 148 one-bedroom units and 8 two-bedroom units on a 0.8 acre lot. All 156 units receive rental assistance under a Section 8 contract. The building was originally constructed in 1978 and is in need of rehabilitation. There will be approximately \$50,000 per unit spent in rehabbing the apartment units as well as community rooms and amenities for residents. The Project will be owned by a sole non profit General Partner, Casa Major Inc. whose mission is to operate affordable multi-family communities.

Square footage: 139,546 Sq. Ft

No. of dwelling units 156 No. of hotel rooms - No. of parking spaces 48

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)

The Cathedral of the Immaculate Conception, Convention Center, Steamboat Arabia Site,

Kansas City Public Library, Union Station, National Archives at Kansas City, National World War

I Museum & Memorial, Negro Leagues Baseball Museum.

NUMBER OF JOBS

☐ Created _____ Average Salary: \$ _____

☒ Retained 7 Average Salary: \$45,000

☐ Relocated 0 Average Salary: \$ _____

☒ Construction jobs 350 Average Salary: \$ 40,000

Projected real property investment. \$8,000,000

Projected personal property investment. \$2,000,000

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

None.

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 need of the incentive is to help the rehabilitation and preserving the much needed affordable senior housing in downtown Kansas City. The incentive will provide the ownership greater opportunity to manage the affordable property to the highest standards for its elderly low-income senior residents and to preserve its rent affordability for current and future residents.

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: \$1,470,000

Fair Market Value of Improvement \$16,920,000

Projected Assessed Value of the Land & Improvements Upon Completion: \$30,350,000

5. CONTROL OF PROPERTY

If the Applicant owns the project site, indicate:

Date of Purchase _____

Sales Price _____

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

Sales Price \$19,500,000

Date purchase/option contract signed 9/24/2019

Closing/expiration date 6/21/2020

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>
<u>PNC – HUD Permanent Loan</u>	<u>\$ 25,000,000</u>
<u>Low Income Housing Tax Credits Equity</u>	<u>\$9,000,000</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.

Attached.

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.

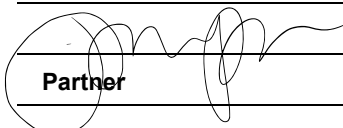
11. REQUIRED ATTACHMENTS

- **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: **June Park**

SIGNATURE: 

TITLE: **Partner**

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:

4. b. Economic Impact Document

Project Name: Cathedral Square Towers

Developer: SDG Housing Partners

Location: Kansas City, MO

Project Type: Renovation of an existing 156 unit Senior Apartment Complex

i. Description of the proposed services that will be performed and/or the proposed products that will be provided by Missourians.

The Cathedral Square Towers Apartments project will renovate 156 existing senior units (62+ years old). Services to be performed include a wide range of activities from design, feasibility studies, engineering, selective demolition, construction, marketing, leasing, property management and services to the senior residents. Missouri companies, many local to Kansas City, will provide these services. These services will provide housing products resulting in the renovation of a 156 unit building and its operations for decades. See Attached chart.

ii. Description of the economic impact returned to the State of Missouri through tax revenue obligations, or otherwise

The Cathedral Square Towers Apartments has 50 % of the firms (both construction and soft costs) developing the project from the State of Missouri. Attached is a list of all the firms that have been identified for the development. The State receives sales tax on purchases and income tax on the salaries. Those amounts conservatively generate nearly **\$241,186** of revenue from the Cathedral Square Towers Apartments. Our analysis does not calculate the multiplier effect of Missouri residents spending their salaries in Missouri to buy products. Those sales generate additional sales tax and the employees of those shops pay income tax. This income is all created by the Federal Programs.

Impact on downtown Kansas City: As noted in the narrative, Cathedral Square Towers Apartments is located within the downtown Kansas City business district. The renovation will have numerous long term impacts on economics of Kansas City. The renovations will provide continued stable tenant occupancy and neighborhood support for decades to come. The 156 or more residents will have walkable access to the shops within the downtown area. The construction workers will be shoppers for over a year, the management staff will be in town forever, the visitors to the facility will use the downtown district and the vendors to the facility will also use the area shops. The federal funds administered by MHDC, will have substantial spinoff benefits to all of Kansas City.

iii. Description of the Development Team's economic presence within the State of Missouri, including Missouri employee statistics.

It is likely that 75%+ of the construction sub-contractors and their employees are based in Missouri. The attached chart gives the details. We estimate that at least 65 persons in Missouri will be involved in renovating the 156 units in Kansas City, Missouri.

iv. What is the projected Missouri savings in Medicaid expenses if the project is funded?

All the senior tenants will have affordable, secure housing. The amount of services being brought to the facility as outlined in Section 12, will ensure the residents get regular monitoring of their health conditions. Many studies have proven that seniors who are able to socialize year round have better health care results. If they stay isolated in their homes or on their farms, they are more likely to deteriorate and end up in a very expensive, Medicaid nursing home. Missouri ranks 49th in the Country for affordable alternative to Medicaid nursing homes. For many frail seniors who need affordable senior housing end up in nursing homes at a cost of \$42,000 per year. Based on 39 tenants avoiding nursing homes by moving into Cathedral Square Towers, it will save the State **\$1,638,000** in Medicaid costs.

By moving into Cathedral Square Towers Apartments, the residents will be able to more successfully age in place and avoid Medicaid Nursing Homes because they will have the following:

- Ability to daily associate with friends and neighbors
- Monthly Socials
- Fitness programs
- Transportation assistance to doctors
- Management staff looking out for their welfare
- Annual or more often health assessments

Cathedral Square Towers

Missouri Economic Impact

Role in Development		Entity	Location	Impacted Employees	Fee	Amount for Sales Tax	Amount for Income tax	Missouri Sales Tax 4.225%	Income tax Adjusted 5.40%
Owner		Chouteau Square Partners, LP	Kansas City	0	\$ -	\$ -	-	\$ -	\$ -
Consultant		ND Consulting Group	St. Louis	2	\$ 15,000	\$ -	15,000	\$ -	\$ 810
Contractor		Rau Construction	Kansas City	3	\$ 9,632,580	\$ 5,779,548	3,275,077	\$ 244,186	\$ 176,854
Subcontractor			Missouri	49	see above			\$ -	\$ -
Architect		Rosemann & Associates	KC	3	\$ 105,000	\$ -	105,000	\$ -	\$ 5,670
Survey/Survey		R.L. Buford & Associates	Parkville	1	\$ 30,000	\$ -	30,000	\$ -	\$ 1,620
Green Consultant		EcoCentrix (Energy Audit only)	St. Louis	2	\$ 7,500	\$ -	7,500	\$ -	\$ 405
Operations									
Management fee		Dalmark Group	Kansas City	1	15 years \$ 1,350,000	\$ -	1,350,000	\$ -	\$ 72,900
Management Staff		Dalmark Group	Kansas City	4	15 years \$ 3,315,585	\$ -	3,315,585	\$ -	\$ 152,185
					\$ -	\$ 5,779,548	\$ 8,098,162	\$ 244,186	\$ 410,445
									\$ 654,630