

THE PLANNED
INDUSTRIAL
EXPANSION
AUTHORITY
OF KANSAS CITY,
MISSOURI

April 30, 2014

Suite 200
20 E. Fifth Street
Kansas City, MO 64106
(816) 474-2227
FAX (816) 421-5500

Hon. Sylvester "Sly" James
Mayor, Kansas City, Missouri
29th Floor, City Hall
414 E. 12th Street
Kansas City, MO 64106

Re: Notice of Intent to Accept the Industrial Development Contract Proposal Submitted by Centropolis on Grand, LLC for the redevelopment of the Southeast corner of 5th Street and Grand Avenue in the River Market PIEA Area in the 4th Council District.

Dear Mayor James:

Please be advised that the Planned Industrial Expansion Authority of Kansas City, Missouri solicited developers for the referenced Project located in the River Market PIEA Area, in accordance with the Planned Industrial Expansion Act, §100.300 RSMo. Centropolis on Grand, LLC ("Developer") submitted a proposal which was approved by the PIEA Board of Commissioners at its April 17, 2014 meeting.

Enclosed is a copy PIEA Resolution No. 1615 expressing the intent of the Authority to accept the Industrial Development Contract Proposal of the Developer.

The details of the Project are as follows:

Owner / Developer: Owner: Centropolis on Grand, L.L.C.; Justin J. Cottrell, Manager; 913-232-5100; Justin@kccommercialreality.com. Developer: KC Commercial Reality Group, Inc.; 5000 West 95th St., Suite 200, Prairie Village, Kansas 66207.

Project: The project area consists of 2 parcels which are currently vacated parking lots that are in bad repair and covered with weeds and trees. They have been vacant since the 1940's. The parcels are located at the southeast corner of 5th Street and Grand Blvd and are on the new street car line. The proposed development will be approximately 56 market rate apartments with an estimated rent rate of \$1.45 psf.

22804

Timeline: Construction is expected to begin in May 2014 with completion in April, 2015.

Financing: The total development cost for the Project is approximately \$8.5 million which includes financing expense.

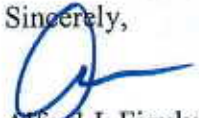
Employment: It is estimated that the building will provide 110 jobs during the construction period.

Tax Abatement: The Developer requested tax abatement of 100% for 10 years and 50% for the subsequent 10 years. After discussions with the taxing districts, it was agreed to and the PIEA Board approved tax abatement of 100% for 10 years and 50% for 4 years with the Developer paying taxes on the land and regular PILOTS for 10 years plus an additional PILOT based on 5% of the cost of new improvements for 10 years.

By copy to the City Clerk, I am herein requesting that she note receipt of this correspondence and the accompanying documents for the official City record.

If you have any questions regarding this project, please contact me.

Sincerely,



Alfred J. Figuly
Executive Director

Enclosure

cc: City Council – Kansas City, Missouri
City Clerk – Kansas City, Missouri
John McGurk, City Chief of Staff
R. Langenkamp, Assistant City Manager
Robert Long, EDC
Justin Cottrell, KC Commercial Realty Group

THE PLANNED INDUSTRIAL EXPANSION AUTHORITY OF
KANSAS CITY, MISSOURI

RESOLUTION NO. 1615

EXPRESSING THE INTENT OF THE PLANNED INDUSTRIAL EXPANSION AUTHORITY OF KANSAS CITY, MISSOURI TO ACCEPT THE INDUSTRIAL DEVELOPMENT CONTRACT PROPOSAL SUBMITTED BY CENTROPOLIS ON GRAND, LLC FOR REDEVELOPMENT OF THE SOUTHEAST CORNER OF 5TH STREET AND GRAND AVENUE IN THE RIVER MARKET PIEA AREA

WHEREAS, the City Council of Kansas City, Missouri has heretofore passed Ordinance No. 56866 on September 13, 1984 finding a blighted, unsanitary and undeveloped industrial area exists in the River Market PIEA Redevelopment Area ("Plan Area") as prepared by the Planned Industrial Expansion Authority of Kansas City, Missouri (the "Authority");

WHEREAS, after public notice as required in §100.410 RSMo, the Authority duly considered all proposals and the financial and legal ability of prospective developers to carry out proposals to develop projects in the Plan Area.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNED INDUSTRIAL EXPANSION AUTHORITY OF KANSAS CITY, MISSOURI as follows:

Section 1. That the Planned Industrial Expansion Authority of Kansas City, Missouri does hereby declare its intent as required in §100.400 RSMo to accept the Industrial Development Contract Proposal of Centropolis on Grand, LLC for redevelopment of the Plan Area as described in **Exhibit A** attached hereto and, in accordance with Section 100.400.1(10), RSMo., declare that inconsistencies, if any, between said proposal and the General Development Plan are minor.

Section 2. The Authority finds that development in accordance with the proposal submitted by Centropolis on Grand, LLC will be in the public interest and in furtherance of the purposes of the Planned Industrial Expansion Law, §100.300-100.620 RSMo.

Section 3. With the adoption of this Resolution, the Authority does hereby notify the City Council of Kansas City, Missouri of the Authority's intent to accept said industrial development contract proposal and herein directs the Executive Director of the Authority to provide said City Council with such written notice as required by law.

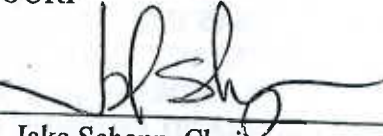
[SIGNATURES ON NEXT PAGE]

ADOPTED: April 17, 2014

**PLANNED INDUSTRIAL EXPANSION
AUTHORITY OF KANSAS CITY,
MISSOURI**

[SEAL]

By: _____



Jake Schopp, Chairman

ATTEST:



Alfred J. Figuly, Assistant Secretary

EXHIBIT A

TRACT 1:

THE WEST 88.5 FEET OF LOTS 256 AND 257 AND THE WEST 88.5 FEET OF THE NORTH ONE-HALF OF LOT 258, ALL MEASUREMENTS BEING AT RIGHT ANGLES TO THE WESTERLY LINE OF SAID LOTS, IN BLOCK 27, IN THE PLAT OF TOWN OF KANSAS, COMMONLY CALLED OLD TOWN, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI;

TOGETHER WITH THE WEST $\frac{1}{2}$ OF THE VACATED ALLEY LYING EAST OF AND ABUTTING SAID LOTS, AS VACATED BY ORDINANCE NO. 090522, RECORDED SEPTEMBER 28, 2009 AS DOCUMENT NO. 2009E0097295.

TRACT 2:

ALL OF THE EAST 37 FEET OF LOTS 256 AND 257 AND THE EAST 37 FEET OF THE NORTH $\frac{1}{2}$ OF LOT 258, ALL IN BLOCK 27, OLD TOWN OF KANSAS, NOW KANSAS CITY, AS MARKED AND DESIGNATED ON THE RECORDED PLAT FILED IN THE OFFICE OF THE RECORDER OF DEEDS OF JACKSON COUNTY, MISSOURI, AT KANSAS CITY, MISSOURI, MORE PARTICULARLY BOUND AND DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTH LINE OF FIFTH STREET AT THE NORTHEAST CORNER OF SAID LOT 256 AND RUNNING THENCE SOUTHERLY ALONG THE WEST LINE OF THE ALLEY IN SAID BLOCK 27, A DISTANCE OF 150 FEET; THENCE WESTERLY PARALLEL WITH SAID FIFTH STREET 37 FEET; THENCE NORTHERLY PARALLEL WITH SAID ALLEY TO SAID SOUTH LINE OF FIFTH STREET; THENCE EASTERLY ALONG THE SOUTH LINE OF FIFTH STREET, 37 FEET TO THE POINT OF BEGINNING;

TOGETHER WITH THE EAST $\frac{1}{2}$ OF THE VACATED ALLEY LYING WEST OF AND ABUTTING THE ABOVE DESCRIBED LAND, AS VACATED BY ORDINANCE NO. 090522, RECORDED SEPTEMBER 28, 2009 AS DOCUMENT NO. 2009E0097295.