



LAND CLEARANCE FOR REDEVELOPMENT
AUTHORITY

LEE'S SUMMIT

Date: 1/9/17

Applicant File # _____

Applicant Name BEN RAO

REDEVELOPMENT PROJECT APPLICATION

Application must be submitted with six (6) exact copies. A non-refundable filing fee is required with this application in the amount of \$1,500.00. All third party costs, including professional services, legal, title, appraisal, due diligence, recording fees, etc. if borne by the LCRA shall be reimbursed from the applicant / developer. If necessary and required by the LCRA, an executed Funding Agreement may be required to be executed prior to processing the application.

I. APPLICANT INFORMATION

Applicant/Organization Name: SF003, LLC / COWORKLS

Business Address: 508 SE DOUGLAS ST, LS, MO 64063

Contact Person: BEN RAO Telephone #: 816-585-7027

Facsimile #: _____ E-mail: BRAO@COMMUNITYBUYINGGROUP.COM

Address (if other than business address): _____

Attorney for Applicant: JACKIE MALONEY Telephone #: 816-456-6032

Facsimile #: _____ E-mail: JACKIE@BUSHYHEADLAW.COM

Attorney Address: 315 SE MAIN ST
LS, MO 64063

II. BUSINESS INFORMATION

A. In what line or lines of business is the applicant engaged?

REAL ESTATE AND COWORKING

B. Is the applicant (or its parent) a proprietorship, partnership, or corporation?

LLC

C. Year and State of incorporation: 2007

D. List the names and titles of the officers of the applicant firm:

Name	Title	Telephone #
<u>BEN RAO</u>	<u>OWNER</u>	<u>816-585-7027</u>

E. Describe all outstanding or threatened litigation: *(Attach separate sheet if necessary)*
N/A

(Provide the same information requested above for the parent company, if applicable)

III. LOCATION OF THE PROJECT

General Boundaries: *(Attach separate sheet if necessary)*

Council District: 1

Total Acreage: 1.25

Is the project located in any incentive areas? *(Attach separate sheet if necessary)*
BLIGHTED

What is the current zoning of the project area? PMIX

What is the proposed zoning for the project area? SAME - PMIX

This property is located in the following Urban Renewal Area *(if applicable)*:
Yes, LS DOWNTOWN URA RENEWAL

IV. THE PROJECT

- A. 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. (*Attach separate sheet if necessary*)
- B. Does the applicant or its parent company presently have offices or industrial facilities located in Lee's Summit, Missouri? If so, describe. (*Attach separate sheet of necessary*) *YES, 226 SE DOUGLAS ST, LS, MO 64062*
- C. List any nationally or locally historical properties and/or districts within the Project Area. *NONE TODAY*
- D. 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: (*Attach separate sheet if necessary*)
N/A

V. COMMUNITY IMPACT STATEMENT

- A. Describe the project's integration within the applicable Lee's Summit Comprehensive Master Plan, conformance with the adopted Economic Development Incentive Policy or applicable adopted plan within the community. (*Attach separate sheet if necessary*)
- B. How many people will be employed by the project? (*Attach separate sheet if necessary*) *APPROX. ~~100~~ THREE*
- Will this project represent an increase in employment opportunities in Lee's Summit, Missouri? *YES*
 - Number of jobs to be retained. *1 - 100*
- C. Projected real and personal property investment. *1.6 MILLION*

- D. Describe the capability of the project to attract sales from outside the City, if applicable. *More than 50 small businesses will be in this facility, plus a new coffee shop and meeting space.*
- E. Will this project attract additional residents to the area?
YES
- F. Are there plans for future expansion?
Possible Future Expansion to building or surrounding land.
- G. What environmental impact will this project have on the area?
Less run off water, and solar power to building, public charging station
- H. Will there be the use of federal or state incentives for this project?
Not sure, not today, except solar/LED tax credits
- I. Provide evidence of the need for the abatement (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.)
Remediation of building, added environmental benefits, ~~new~~ new technology + utility infrastructure
- J. Describe the estimated impact to proximate businesses, particularly to businesses selling similar products or services in the area.
*No conflict with surrounding businesses, the coworking space will bring hundreds of additional people to shop at local businesses (restaurants, bars, hair, etc...)
It will also encourage and nurture small businesses that are likely to keep their business in Lee's Summit.*

VI. 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.

Item	Amount	Costs to be Financed with Bond Proceeds, if
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		Applicable
Acquisition of Land and Existing Buildings	725K	
Relocation costs (if applicable)	30K	
Construction Costs:		
1. Architectural and Engineering		
2. Site Preparation		
3. Materials	250K	
4. Labor	250K	
5. Construction Contracts	25K	
6. Utilities Connection	150K	
7. Paving and Landscaping	100K	
Renovation Cost	300K	
Machinery and Equipment		
Furniture and Fixtures	50K	
Capitalized Interest (From To)		
Cost of Issuance (i.e. accounting, legal, etc.)		
Contingency/Professional Fees	25K	
TOTAL PROJECT COSTS	1,905,000	

Current Fair Market Value of Land: \$ 725,000

Fair Market Value of Improvement: 1.2MM

Current Assessed Value of property: 639,000 PROP / 92,750 LAND

Projected Assessed Value of the Land & Improvements Upon Completion: 1.9MM

Please outline specific request for abatement (requested amount, percentage and number of years for abatement).

- Total amount of property tax abatement requested: \$ 224,000
- Percentage of abatement requested: 100 % INCREMENTAL / 50% of BASE
- Number of years of abatement: 10 yrs.

Please provide estimated schedule of property tax abatement for the requested timeframe for abatement (not to exceed 100% for 10 year period)

Example:

Accumulated Tax Abatement (assumes 2% property value increase every other year – not compounded)

100% abatement

50% abatement

Year 1	\$37,364.28	\$18,682.14
Year 2	\$74,728.55	\$37,364.28
Year 3	\$113,886.98	\$56,943.49
Year 4	\$153,045.41	\$76,522.70
Year 5	\$193,997.99	\$96,998.99
Year 6	\$234,950.57	\$117,475.28
Year 7	\$277,697.30	\$138,848.65
Year 8	\$320,444.03	\$160,222.02
Year 9	\$364,984.92	\$182,492.46
Year 10	\$409,525.80	\$204,762.90

SEE ATTACHED EXAMP

VII. SOURCES OF FUNDS:

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

SOURCES	AMOUNT
<i>BEN RAO PERSONAL</i>	<i>\$300,000</i>
<i>SUMMITBANK, LEE'S SUMMIT</i>	<i>\$1,500,000</i>

VII. DEVELOPMENT TEAM

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

Ben Rao
508 Se Douglas Street
Lee's Summit, MO 64063
816-585-7027

**Serial Entrepreneur & Visionary
Culture Builder
Go Getter and Doer**

Recent Entrepreneurial experience:

- 2006- Current; Startup Company - Summit Holding Group – Real Estate Investment
- 2010- Current; Startup Company - Community Buying Group Startup – 12 employees
- 2014 Involved in the startup of Boost Lee's Summit entrepreneurial program
- 2014 Finalist for Lead Bank Jackson County Challenge
- 2015 Top 20 Tech Week and Launch KC
- 2015 Finalist Innovation Summit
- 2015 Lee's Summit Chamber Business of the Year finalist
- 2016 Top 100 Tech Week
- 2016 UberPitch Finalist

Other Experience:

- Raised Venture Capital Money
- Panelist and lecturer on Entrepreneurialism
- Mecca Challenge Judge

Community:

- Member of the LS Chamber
- Sponsor of Downtown Main Street and Committee participant
- 2011-2014 Board member of Eastern Jackson County Landlords Association
- 2012-2013 Board member of Kansas City Investment Group
- 2010 Board Member of Lee's Summit PTA
- President of the Lee's Summit High School Lacrosse Club
- Partner in Central Missouri University workforce placement and Educational Internship
- CBG employees volunteered more than 600 Hours in 2015 and likely 900 in 2016
- Support of the special needs and work study program and LS North High School
- Restored Downtown historic homes including the founder of Lee's Summit house est. 1880, 508 SE Green Street est. 1865, Mercantile House est. 1890 and rehabbed more than 40 others in Lee's Summit.

Family:

Ben lives in Lee's Summit founder's historical property he restored in downtown Lee's Summit, Missouri with his wife, Rhonda, and their two children, Maddy and Charlie and Charlie dog, a border collie who goes to the CBG office every day

BEN RAO

VIII. OPERATING PROFORMA.

The proforma must cover the period of abatement requested.

X. BOND FINANCING

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

N/A

XI. REQUIRED ATTACHMENTS:

- **Attachment A:** A map showing the boundaries of the project.
- **Attachment B:** A map indicating current land use and zoning.
- **Attachment C:** A map indicating the proposed land use and zoning.
- **Attachment D:** A map showing infrastructure improvements to be made.
- **Attachment E:** A development schedule for the project, including the phasing of development and the locations and improvements to be accomplished in each phase.
- **Attachment F:** Design plans for the project (including site plans & elevations).
- **Attachment G:** Photographs of the project site and/or structure to be rehabilitated.
- **Attachment H:** Copy of preliminary title work.
- **Attachment I:** 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).

** City Council Motion 1/8/17*

XII. 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 exhibits or attachments, that is false or incorrect, and that it is truly descriptive of the property which application is being made.

NAME: BEN RAO, SF003, LLC

SIGNATURE: 

TITLE: OWNER

RETURN COMPLETED APPLICATION AND NON-REFUNDABLE APPLICATION FEE TO:

**Land Clearance for Redevelopment Authority
c/o City of Lee's Summit
220 SE Green Street
Lee's Summit, Missouri 64063**

**REDEVELOPMENT PROJECT APPLICATION
EXHIBIT "1"— BUDGET / PROFORMA**

REDEVELOPMENT PROJECT APPLICATION
EXHIBIT "2"— NEW AND EXISTING EMPLOYMENT INFORMATION

REDEVELOPMENT PROJECT APPLICATION
ATTACHMENT "A"—Map of Project Boundaries

REDEVELOPMENT PROJECT APPLICATION
ATTACHMENT "B"—Map of Current Land Use and Zoning

REDEVELOPMENT PROJECT APPLICATION
ATTACHMENT "C"—Map of Proposed Land Use and Zoning

REDEVELOPMENT PROJECT APPLICATION
ATTACHMENT "D"—Map of Proposed Infrastructure Improvements

REDEVELOPMENT PROJECT APPLICATION
ATTACHMENT "E"—Development Schedule

REDEVELOPMENT PROJECT APPLICATION
ATTACHMENT "F"—Design Plans (Site Plans and Elevations)

REDEVELOPMENT PROJECT APPLICATION
ATTACHMENT "G"—Photographs of project site and/or structure to be rehabilitated

REDEVELOPMENT PROJECT APPLICATION
ATTACHMENT "H"— Title Work / Property ownership

REDEVELOPMENT PROJECT APPLICATION

ATTACHMENT "I"—Letters of Support

(Council, Mayor, County Official, State Representatives or Senators, Local Taxing Entities and/or Neighborhood Organizations)