

June 16, 2011

RE: Masonic Temple

To David Corliss:

On behalf of our client, Consolidated Properties Inc., I would like to request the following assistance in the renovation of the Masonic Temple.

We are proposing to renovate the building to provide banquet and meeting spaces for Maceli's expansion. While the exterior will only need minor renovation, the interior will need more work to allow it to meet current building codes for occupancy.

This major renovation will include several ADA upgrades such as an elevator to provide access to each level of the building. In addition, we will be installing air conditioning, new electric service, and a complete sprinkler system. While we are prepared to do this work, we do however need the assistance of the city in a few key areas.

We are specifically asking the city to proceed with using the Neighborhood Revitalization Act for a period of 15 years. We would request a property tax abatement starting at year 1, with 95% abatement – reducing 5% each year through year 15.

We would request the city provide ADA access in the right-of-way by reconstructing the sidewalk.

Finally we would like the city to look at options to aid in the installation of a new water meter if one is needed, the associated tap fees, and the sprinkler system. As you know, this building was listed as a high priority prior to the grant program running out of money. As you noted maybe the city could reimburse the owners for this installation over time, or there could be some other arrangement to help share these costs. The estimated cost of the sprinkler system is 70,000.00. Please let us know what options we have.

We are very excited about bringing this building back to life and appreciate the City's efforts to assure this project will move forward.

We look forward to discussing this with you and your staff at your earliest convenience. Due to summer schedules and the need to get started in a timely manner we would like to shoot for the July 12<sup>th</sup> city commission meeting to discuss this item.

Respectfully,



Paul Werner

## Application Form for Economic Incentives and Tax Abatements

1) Name of Company: Consolidated Properties, Inc.

2) Current Address: c/o First Management; PO Box 1797

2a) City: Lawrence

2b) State: Kansas

2d) Zip Code: 66044

2e) Country: United States

3) Contact Person for Application: Leticia Cole with Paul Werner Architects

3a) Title: Intern Architect

3b) Phone: 785-832-0804

3c) Fax: 785-832-0890

3d) E-mail Address: leticiaac@paulwernerarchitects.com

3e) Is Address the Same as Company? (Y/N)

If No, Please Provide the Contact's Address:

123 W 8th Street

Suite B2

Lawrence, Kansas 66044

4) Please Provide a Brief Description of the Company:

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5) NAICS Code:

5a) If NAICS Code Unknown, Please Describe Primary Line of Business:

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6) Please Describe the Public Incentive/s That You Are Seeking:

- NRA

- Sprinkler

- Sidewalk Improvements

6a) Please Provide a Brief Description as to Why You Are Seeking These Incentives:

The building needs many upgrades to become usable space. These  
upgrades will cost considerable more than the owner of the building  
can recoup in reasonable rent. Some incentives are required to make  
the project work financially. The project is currently in the  
\$8-900,000 range, and will keep many construction workers  
employed over several months and add permanent jobs downtown.

**7) Is Your Firm Relocating or Expanding?***note: if an expansion, please proceed to question 10*

Expanding

**8) Please Let Us Know Why You are Considering Lawrence for Relocation:**

N/A

**9) Will This Relocation Involve Your Whole Company or Part?**

Part

**9a) If Part, Please Describe the Primary Business Activity of the Relocation:**

Expanded meeting/banquet space.

**9b) Is This the Same Type of Business as Your Firm Overall? (Y/N)****10) For Expansion, Briefly Describe the Purpose and Activities of the New Facility:**

Banquet Hall/Event Space

**11) When Do You Plan to Begin Operation of the New Facility:****12) How Many Employees Currently Work in Lawrence (0 for Relocation)?:**

38

7 Full Time  
31 Part Time**12a) How Many Will Work in Lawrence After Expansion/Relocation:****12b) How Many Employees Do You Anticipate Hiring from Outside the Local Labor Market?**

0

**12c) How Many do You Plan to Hire or Relocate from Outside Kansas?**

0

**13) Current Operating Expenditures per Year (Enter 0 for Relocation):**

\$1,275,000

**13a) Operating Expenditures After Expansion/Relocation (\$):**

\$1,750,000

**13b) Estimated % of Additional Expenditures Made in Lawrence:**

90%

**14) Please Provide an Estimate of Anticipated Annual Gross Profits (\$):***(note, for expansions, please enter anticipated gross annual profits from expansion)*

\$250,000	-	Food
\$96,000	-	Building
\$100,000	-	Alcohol

**15) What is the Size of the New Facility Being Constructed (square feet)?***If an Expansion, Please Enter Size of the Current Building (square feet):*

-
5,850

**16) What is the Estimated Value of the New Construction (Excluding Land)?**

\$800,000

**17a) Size of the Parcel on Which the Building Will be Located (acres):**

.134

**17b) What is the Value of the Land (0 if Leased)**

0

**17c) If Leased, What is the Lease Rate for the Land (per month):**

\$8,000

**18) About What % of New Goods Produced in Lawrence, Will Be Sold Outside of Lawrence and/or Douglas County:**

10%

**18a) Of Goods Currently Produced, About What % Are Sold In Lawrence:**

90%

**19) Please Provide a Breakdown of the Following, by Year:**

a) Will be determined by sales. Sales influenced by economy and competition.

Year	Number of New Employees
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

Full Timers -  
Avg \$18-21/Hour

Part Timers -  
Avg \$9-10/Hour

b)

Year	Average Salary per Employee (\$)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

c)

Year	Investment in Building (not Personal Property) (\$)
1	10,000
2	
3	
4	
5	
6	
7	
8	
9	
10	

**20) Please Provide the Following Information on Benefits:**

% of Health Care Premium Covered

0

% of Employees with Company Health Care

0

% of Employees with Retirement Program

0

Employees are given \$75 bonus monthly to use for whatever they want.

**20a) Will You Provide Job Training for Employees? (Y/N)**

Y

**20b) If Yes, Please Describe:**

All new employees are trained.

**20c) What is the Lowest Hourly Wage Offered to New Employees?**

\$9

**20d) What Percentage of Your New Employees Will Receive this Wage?**

75%

**21) Will You Provide Additional Benefits to Employees? (Y/N)**

Y

**21a) If Yes, Please Describe:**

Depends if they are full or part time.

**22) How Much do You Currently Pay, on Average, for the Following Utilities Each Month:**

a) Gas

\$750

b) Electricity

\$2,250

c) Cable Television

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d) Telephone Service

\$425

**23) Will the Building Meet Energy STAR Criteria: (Y/N)**

T.B.D.

**24) Will the Building Seek LEED Certification: (Y/N)**

No

**24a) If You Will Seek LEED Certification, What Level Will You Seek:**

No

(Certified/Silver/Gold/Platinum)

**25) Please describe any environmental impacts, positive or negative, your operations have as well as any remedial actions your firm may take to address negative impacts:**

**26) Please describe any additional benefits or costs you believe your business will bring to the City of Lawrence and Douglas County, KS:**

Restoration of historic landmark, which would not be suitable for most businesses as laid out. Perfectly suited for meetings and event space.