

To: Diane Stoddard, Assistant City Manager

From: Robert J Schumm

CC: Thomas M Markus, City Manager

CC: Britt Crum-Cano, Economic Development Coordinator

Date: May 18, 2016

RE: Vermont Place application for NRA and IRB incentives

Dear Ms. Stoddard,

Please receive my application for an NRA and an IRB economic incentive package. Please ask Mayor Amyx to place this on the city agenda at his earliest convenience for the City Commission's consideration.

Thanks to the staff for all your help with filing this application.

Enclosed is a check for \$1,000.00 for payment of the IRB application fee.

Best Wishes

Sincerely

A handwritten signature in black ink, appearing to read "Robert J Schumm", is written over the word "Sincerely". The signature is fluid and cursive, with a large initial "R".

Robert J Schumm

City of Lawrence, Kansas

Application for Economic Development Support/Incentives



The information on this form will be used by the City to consider your request for economic development support and may also be used to prepare a cost-benefit or other analysis of the project. Information provided on this form will be available for public viewing and will be part of compliance benchmarks, if approved for economic development support. Prior to submission, applicant may wish to seek technical assistance from City Staff, the Chamber of Commerce, the Small Business Development Center, or others to address questions and ensure the application is complete.

Please provide data in the cells below. Applicant is encouraged to attach additional pages as necessary to fully explain and support the answers to each question. Note anything additional you wish the City to take into consideration for your request and provide supporting documentation.

Applicant Contact Information	
Name:	Bob and Sandra Schumm
Title:	Developer/Owner
Organization:	Schumm Property Company
Address 1:	719 Massachusetts Street, Lawrence, Ks. 66044
Address 2:	
Phone:	(785) 766-0888
Email:	schummfoods@gmail.com
Fax:	(785) 842-4025

Application Tips:

Enter contact information for the company representative completing this application.

Economic Development Support Requested		
City Incentives	Amount	Term (in years)
Tax Increment Financing District (TIF)		
Transportation Development District (TDD)		
Neighborhood Revitalization Area (NRA)	85%/50%	5 yr./5yr.
Tax Abatement (TA)		
Industrial Revenue Bonds (IRBs)	\$7,900,000	n/a
Community Improvement District (CID)		
Other (Please Describe):		

Application Tips:

Applicable Terms:

TIF: Up to 20 years
TDD: Up to 22 years
TA: Up to 10 years
CID: Up to 22 years

IRBs: If applying for IRBs, please enter the amount that will cover all construction costs for the project. Enter "n/a" for term.

Examples: City provided water main along ABC Street from 1st Street to 2nd Street, employee training grant for 5 years at \$500/new employee, etc.

Project Information		
Name of Company Seeking Incentive(s):	Schumm Property Company	
Project Type (check one):	Expansion:	
	New Facility:	X
Company Type (check one):	Existing Local Company:	X
	Out-of-Area Company Locating Locally:	
Current Company Address:	719 Massachusetts Street	
Location of Proposed New Facility/Expansion Project:	815 Vermont Street	
Describe the Company's Plans to Develop or Expand in the Community: Five story building to include commercial, office, condos and on site parking.		
Operations Start Date at the Expansion or New Facility:	2017	
Industry NAICS # for the New or Expanded Facility (6-digit code):	531120	
Describe the Primary Industry the New or Expanded Facility Will Support: Expansion and long term stabilization of Downtown Lawrence.		

Application Tips:

Company's Plans: e.g. ABC manufacturing is the nation's largest processors of wind turbine components. The company plans to construct a new 250,000 sf manufacturing plant in Commerce Park, initially employing 150 with an average annual salary of \$35,000 each. Another 50 employees will be hired in Year 5 and 40 in year 7. The firm expects to initially invest \$5 million in land and buildings and anticipates a 50,000 sf, \$2 million expansion in Year 5 and another 50,000 sf expansion in Year 7.

Link for NAICS code lookup:
<http://www.naics.com/search.htm>

Capital Investment Information for New Facility or Expansion			
Estimated Size of New Facility (square feet):	50,463 sq. ft.		
Estimated Size of Land for New Facility (acres):	11,115 sq. ft.		
For the new or expanded facility, enter the amount the company anticipates spending for initial and subsequent investments in land, buildings and improvements (do not include machinery or equipment):			
Year	Buildings & Other Real Property Improvements	Land	Total
1		\$700,000	\$700,000
2	\$7,700,000		7,700,000
3			
4			
5			
6			
7			
8			
9			
10			
Total	\$7,700,000	\$700,000	\$8,400,000
Will land be leased from the City or County (Y/N):		No	
If yes, Monthly Lease Rate for Land:		N/A	

Application Tips:

If expansion, only include information on size and values of the new facility, not existing facility.

If land is currently owned, enter current land value from Douglas County property tax records. Otherwise, enter the market value amount the company will pay for land.

Local Utility Expenses		
Utility	Current Local Monthly Expenses	Projected Local Monthly Expenses at New Facility
Gas		\$1783.00
Electricity		\$5332.50
Phone		\$600.00
Cable		\$3076.67
Operating Expenditures		
For Expansion Projects, Current Annual Operating Expenses at Existing Facility:		N/A
Annual Operating Expenses after Expansion/Relocation:		\$416,506.00
% of Additional Operating Expenses Anticipated to be Spent Locally:		100%
Revenues		
% of Revenues at the new Lawrence Facility Anticipated to Come from Non-Local Sources.		35%
Anticipated Annual Gross Profits:		Unknown

Application Tips:

Current Local Monthly Expenses: Enter 0 for an out-of-area relocation or if project involves a separate, new facility.

Projected Local Monthly Expenses: Enter expense amounts anticipated at the new facility.

Existing Facility Annual Operating Expenses: Enter 0 if project is being relocated from out-of-area or if project involves a separate, new facility.

% Additional Operating Expenses Spent Locally: Enter % of operating expenses anticipated to be spent in Lawrence/Douglas County as a result of the project.

Exports: Enter % of revenues (from the sale of goods or services) anticipated to be generated from sources outside of Lawrence/Douglas County.

Anticipated Annual Gross Profits: Please provide an estimate of anticipated Annual Gross Profits (\$). Note: For expansions, please enter anticipated gross annual profits from expansion.

IRB and Tax Abatement Request Information	
If you are seeking an IRB, please list the firm that will be receiving the IRB: Vermont Place L.L.C.	
Will your firm be leasing the building or the land in your expansion or newly constructed facility? (Y/N)	No
If you are leasing the building or land, and you are seeking a tax abatement <u>without</u> an IRB, please list the tenant and owner and the financial relationship between tenant and owner. Not leasing the building or land.	
Total Cost of <u>Initial</u> Construction for the Project:	\$7,900,000
Estimated Cost of Construction Materials for <u>Initial</u> Construction:	\$2,880,000

Note: Applicant may be required to provide additional financial information for the project and company.

Environmental Information		
Will the new facility meet Energy STAR criteria? (Y/N)		Yes
Will the project seek or be designed to LEED certification standards? (Y/N)		No
If yes, please indicate level:	Certification	
	Silver	
	Gold	
	Platinum	
<p>Please describe environmentally friendly features of the project:</p> <p>LED Lighting throughout. Water efficient plant scape on east side and north side of building. Energy efficient heating and air conditioning systems installed. Facility to be built to the 2012 International Energy Conservation Code.</p>		
<p>Please describe anticipated positive environmental impacts resulting from the project:</p> <p>This project is infill development which will use existing city infrastructure ie. Streets, gutters, sidewalks, sewers, water lines, alleyway, electric, gas, phone and cable utilities. Creating more mixed use density for the downtown reduces the Cities cost per capita for the maintenance and repair of these infrastructure assets.</p>		
<p>Please describe anticipated negative environmental impacts and planned remediation efforts:</p> <p>There are no apparent negative environmental impacts.</p>		

Application Tips:

Environmentally Friendly Features: e.g.
Low-energy, led lighting used throughout,
pedestrian friendly elements including green
space, bike paths, water saving native
plantings used in landscapes, etc.

Additional Community Benefits

Describe Other Local Economic Benefits Resulting From Project:

Project continues to add critical mass to Downtown Lawrence. It will eliminate a vacant lot. Allows for more than 30 class A office spaces featuring high capacity fiber to be dedicated to entrepreneurship in the community. This facility will attract existing and new high tech personnel to live and work in Lawrence. Additionally, more living units will be available downtown thereby allowing for the long term sustainability of our central business district.

Describe Other Quality of Life Benefits Resulting From Project:

Enhanced street scape on Vermont Street, adding to the overall vitality of Downtown Lawrence. The project will help promote the need for a downtown grocery store as well as the need for high speed fiber cable. Project will add ornamental street lights to Vermont Street. Project principles are long term Lawrence citizens who have contributed generously in time and work to our community.

Application Tips:

Local Economic Benefits: Include additional benefits not directly related to project capital investment and direct employment (e.g. Project attracting overnight visitors that will spend on lodging, entertainment, food and beverages, shopping, etc.)

Quality of Life Benefits: Include tangible and intangible benefits; such as how company is/will be a good corporate citizen, community involvement, local philanthropy efforts, and how project /company will contribute to local well being of citizens.

Employment Information									
Construction Employment for New Facility or Expansion									
# Full-Time, Construction Jobs:								67	
Average Annual Salary for Full-Time, Construction Workers (during construction period):								\$45,500	
Construction Period (months): 12 months									
For Expansion, # of Full-Time Employees Currently Working in Lawrence: 0									
New Employment Resulting from Project									
Net New Jobs (full-time, permanent)	Year	# Jobs	Avg Annual Salary	# Jobs	Avg Annual Salary	# Jobs	Avg Annual Salary	# Jobs	Avg Annual Salary
	1	.5	15600						
	2	.5	15600						
	3	.5	15600						
	4	.5	16000						
	5	.5	16000						
	6	.5	16500						
	7	.5	16500						
	8	.5	16500						
	9	.5	17000						
	10	.5	17000						
Total	.5	17000							
Anticipated # of Employees to Be Relocated Locally as a Result of the Project									
# of Net New Full-Time Employees Anticipated to be Relocated From Outside of Kansas:								N/A	
# of Net New Full-Time Employees Anticipated to be Relocated from Outside of Lawrence/Douglas County:								N/A	
# of Local, Full-Time Jobs Anticipated At End of Incentives Period: .5									

Application Tips:

Enter 0 if project is new or relocation.

Enter information by major job category (e.g. administrative, support, professional, executive, production, etc.)

For a local expansion, Net New Jobs = number of additional employees to be hired each year, excluding employees that are already employed in Lawrence.)

Average Annual Salary: Only provide wage information. Do not include the value of non-wage benefits such as insurance and time off.

Jobs at End of Incentives Period:

Enter total number of full-time employees (existing & new) anticipated to be employed at the new facility over the term of incentives (e.g. If applying for a 10-year tax abatement, this would be the total number of local Existing (if expanding) + Net New full-time jobs anticipated at the end of that 10-year period.)

Employee Benefits	
Description	After Expansion or Relocation
% of Employees with Company Provided Health Care Insurance	0
% of Health Care Premium Covered by Company	0
% of Employees with Company Provided Retirement Program	0
Will You Provide Job Training for Employees? (Y/N)	N/A
If Yes, Please Describe:	
What is the Lowest Hourly Wage Offered to New Employees?	\$15.00
What Percentage of Your New Employees Will Receive this Wage?	100
Will You Provide Additional Benefits to Employees? (Y/N)	No
If Yes, Please Describe:	

NRA Eligibility Statement

If applying for an NRA, please describe how your project meets one of the following state statute requirements for eligibility:

(1) Project is in an area in which there is a predominance of buildings or improvements which by reason of dilapidation, deterioration, obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, the existence of conditions which endanger life or property by fire and other causes or a combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime and which is detrimental to the public health, safety or welfare:

(2) Project is in an area which by reason of the presence of a substantial number of deteriorated or deteriorating structures, defective or inadequate streets, incompatible land use relationships, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the actual value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or a combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is detrimental to the public health, safety or welfare in its present condition and use:

The proposed project site, being the result of a devastating fire in 1990, leaves the site incompatible with the existing commercial district. The current state renders the site useless and contributes to the overall deterioration of the economic neighborhood thereby substantially impairing the sound growth of the municipality and creating an economic detriment to the public.

(3) Project is in an area in which there is a predominance of buildings or improvements which by reason of age, history, architecture or significance should be preserved or restored to productive use:

This project is located in Downtown Lawrence next to a building listed on the Federal Historic Register. The original buildings, the Lawrence House Hotel and the Miller Print Shop, were lost to a fire on December 24, 1990, thereby leaving this lot vacant and non-productive. Since the fire, this area has lost much vitality. Building on this vacant lot will greatly help to revive this part of our downtown and add definition to the long term sustainability of our downtown.

Disclosures

Company Form of Organization: L.L.C.

Please list the name(s) of each partner (or member) who owns (or will own) 5% or more capital of the company. In the case of businesses owning another business (such as an umbrella LLC that is the owner of several other LLC's), the actual partners' names need to be listed, not just the registrant's name with the Secretary of State.

Company Principals:

Robert J. Schumm

Sandra J. Schumm

List all subsidiaries or affiliates and details of ownership:

Subsidiary : N/A

Principals: Robert J. Schumm

Sandra J. Schumm

Has Company or any of its Directors/Officers been involved in or is the Company presently involved in any type of litigation?	No
Has the Company, developer or any affiliated party declared bankruptcy?	No
Has the Company, developer or any affiliated party defaulted on a real estate obligation?	No
Has the Company, developer or any affiliated party been the defendant in any legal suit or action?	Yes
Has the Company, developer or any affiliated party had judgments recorded against them?	No

If the answer to any of the above question is yes, please explain:

City Commission 1990 – Rezoning case filed by developer J.V.J. of Cleveland, OH. for a cornfield mall. Case decided in favor of defendants in both State and Federal court.

Note: Applicant may be required to provide additional financial information for the project and company.


When you have completed this form to your satisfaction, please sign and send, along with applicable application fee(s) to:

City of Lawrence
Attn: Economic Development Coordinator
6 East 6th Street
Lawrence, KS 66044
Fax: 785-832-3405
Email: bcano@lawrenceks.org

Application Fees	
Tax Abatement	\$500
Industrial Revenue Bonds (IRB)	\$1,000
Community improvement District (CID)	\$2,500
Neighborhood Revitalization Area (NRA)	n/a
Transportation Development District (TDD)	n/a
Tax Increment Financing (TIF)	n/a
Other	n/a

I hereby certify that the foregoing and attached information contained is true and correct, to the best of my knowledge:

Applicant/Representative: Robert J. Schumm
(Please Print)

Signature:  Date: 5-18-16

May 18, 2016

Mayor and City Commissioners
6 East 6th. St.
P.O. Box 708
Lawrence Ks. 66044

RE: Request for Economic Development Incentives

Dear Mayor Amyx and Commissioners,

Please receive my project plan for developing two city lots which are commonly known as 815 Vermont.

A. Summarize the Project - Attached to this letter is a three- page narrative which outlines the type of development, the location, history of the property and the approval process by the HRC. The paper defines the cost of providing "on site" parking as well as demonstrating the enhanced economic value to Downtown Lawrence which the project provides thereby adding to the long term vitality of our downtown.

B. Demonstrate the financial and professional capacity to complete the project - The applicant has been deeply involved in the downtown business scene since 1970 owning and operating multiple restaurants for 44 years. During that time the applicant built/restored many structures ie. The Massachusetts Street Deli, Arthur Porters, Buffalo Bob's Smokehouse, the Dynamite Saloon, and Sweet!, a retail store. The applicant currently holds a class B City of Lawrence contractor's license.

In addition to knowing the business side of the equation, the applicant has a genuinely deep understanding of the community goals and especially goals for Downtown Lawrence, having served as a Commissioner for 12 years. During that very important term, from 1987 to 1993, Lawrence defined its desire to have the Downtown continue to be a major retail area, to expand into an entertainment district with bars and restaurants and to support the expansion of our cultural places and activities. Paramount to the Downtown vision was the goal of establishing downtown housing. Additional hotels were recognized as essential to the long- term wellbeing of our downtown. Having played a role in defining these downtown goals affords the applicant a special knowledge of what needs to happen in order for the downtown to continue to be successful. This project supports these goals.

The applicant is procuring a loan from Corner Bank. Equity in the project in the form of land, equity in other downtown properties, the sale of the condominiums, and a long- term note constitute the basis for the financing of the project (Please see letter from Corner Bank).

Project Cost	\$7,700,000	building
	\$ 700,000	land
	\$ 422,500	soft costs
Total	\$8,822,500	
Sale: Condos	\$3,800,000	
Land by owner	\$ 700,000	
Bank loan	\$4,322,500	

C. Propose a timeline for the project completion - The project timeline forecasts a June through October 2016 completion of architectural drawings which includes a structural plan and a MEP plan (mechanical, electric and plumbing), all assembled in a biddable format. On November 1, 2016, plans will go out to bid with a December 15, 2016 bid opening. Construction would follow in January/February 2017 and commence in December 2017, all being weather dependent.

D. Provide a summary of the project benefits and assistance requested from the City - This project presents several very positive benefits to the City. First of all, it is a substantial mixed- use development, featuring prime commercial space, state of the art office space, and permanent living quarters. The office space will be outfitted with high speed internet and host an assortment of office equipment to support the activities of high tech entrepreneurs. This five- story development will be located on two vacant lots which have been out of use since 1990, thereby creating a substantial increase in density through infill development which is a prime goal of our planning documents. The development also includes 22 subterranean parking spaces, which is another goal of our city. Additionally, the plan is pedestrian friendly in that it maintains the green strip between the building and the front curb, allows for the installation of city ornamental street lights, and presents a cross walk option to cross Vermont Street to the east to the parking lot. This building offers an opportunity for the City to help revitalize a soft part of the downtown as well as contributing to the overall fabric of development which will help insure the long term vitality of Downtown Lawrence.

A request is being made for a tax rebate under the Neighborhood Revitalization Act in the amount of 85% for years 1 thru 5 and 50% for years 6 thru 10. The applicant is also requesting the City to issue an IRB in the amount of \$7,700,000 in order for the project to get a sales tax exemption on construction materials. The request for the property tax rebate and the sales tax forgiveness is to offset the cost of \$1,138,020 or \$51,728 per parking space.

Thank you for your time and consideration,

Sincerely,

 Robert J. Schumm

Applicant

Vermont Place

Vermont Place is a proposed multi-use development featuring commercial space, high tech office space, and living units, as well as a subterranean parking structure. The land is currently vacant, and the strong attraction to locate downtown presents an opportunity to develop this property at this time.

Vermont Place will be located on two city lots, Vermont Street Lt 51 and N 45 Lt 53, which combined are 95 feet wide and 117 feet deep. The approved structure will be five stories in height and provide for 22 underground parking places. The first floor which has a total of 7,788 rentable square feet will be rented to commercial tenants. The second floor will feature approximately 30 individual offices of about 150-300 square-feet. These offices will be outfitted with a high- speed fiber optic support system. Floors three through five will be developed as condominiums. The entire building will be equipped with LED lighting as well as energy efficient heating and cooling equipment. The facility will be built to the 2012 International Energy Conservation Code which will result in a high degree of energy efficiency.

The north lot was the original site of the Lawrence House Hotel. The Kansas Sanborn Fire Insurance Map of downtown Lawrence shows that the hotel was in place in 1883. Railroad tracks located in Vermont Street allowed for trains carrying passengers to pull up in front of the hotel so that guests could get off the train and walk up to the hotel. The hotel was viable for many years but eventually ceased operating as a hotel. Other businesses occupied the structure on the first floor, one of which extended the first floor to the east property line, thereby altering the façade in a negative manner. An addition was added to the west side extending the first floor to the alley. Some of these businesses were: Dusty Rhodes Heating and Air, NAPA Auto Parts, Alley Cat Records, and others. In the early 1980's Bob and Sandra Schumm bought the property with the intent of restoring this historic property. After the purchase they commenced with renting out the first floor.

The south lot of the proposed site was owned by Harlan W and Frances M Miller, and they operated the Miller Print Shop there for over 40 years. Once again, according to the Sanborn Map, that building was originally a hotel, albeit a much smaller hotel than the Lawrence House, showing up on the same 1883 map as the Lawrence House.

Of additional historic importance is that research shows tall buildings were located on three corners of the intersection of 8th and Vermont, formerly known as Vermont and W. Henry. The northwest lot hosted Market House, which later became City Hall as well as home to the Douglas County government. This building was approximately four stories in height. The northeast corner was occupied by the YMCA and later was converted to the WREN building. It was 3 and ½ stories high. Finally, located on the southeast corner, was the Fraternal Aid Building with a large, four story façade. Originally, large buildings in the area were somewhat the norm.

On December 24th, 1990 a fire broke out in the Miller Print Shop, and gusty winds from the south pushed the fire from the Miller shop into the Lawrence House as fire fighters on the scene worked to contain the blaze. Ultimately both structures were totally destroyed, and the remaining walls were ordered to be razed by the Chief Building Inspector, thus creating the two vacant lots that exist today.

The site is located next to the Lucy Hobbs Taylor House, which is listed on the National Historic Register as well as the Lawrence Historic register. The proposed site is located within the environs of this historic structure and, therefore, the plans have been reviewed and approved on a 4-0 vote by the Lawrence Historic Resources Commission. Stan Hernly of Hernly and Associates Architects expertly prepared and amended the plans during the process which lasted a little over three months including three HRC meetings. There were many alterations to the original plan but, in the end, by working with the HRC, a better plan exists today.

After the plans had been approved by the HRC, B. A. Green Construction estimated the cost of the project. Their estimate came in at \$7,700,000 with a list of non-included items, therefore resulting in the probability that the project will finish at a higher price. Extrapolating costs from the B. A. Green proposal for the subterranean parking structure, place the cost for it at \$1,138,020 or \$51,728 per space. This project will provide for an estimated 67 full-time construction jobs at an average wage of \$45,500 per year. The project will take 12 months to complete.

Previously the City Commission has received emails on 6/25/15 and 9/27/15 advising them of the project and its municipal journey. Staff has been consulted along the way with regards to incentives available for this project. Once the estimated costs were presented from the B. A. Green Co. on November 6th, it became obvious that the cost of parking was at such an exorbitant amount per space that the project could not support it. Therefore, at this time an application for Economics Development Support/Incentives is being submitted.

The long-term goal of downtown has been to try to encourage new, mixed-use developments with the most emphasis on constructing new living units. This infill development provides for commercial space, living units, parking, but most of all approximately 30 new high tech office spaces, which will be supported by a common office infrastructure that will feature high speed fiber in which high-tech entrepreneurs can prosper. Developments like this help support the call for a neighborhood grocery store downtown.

This development makes good economic sense for our city. Currently the two lots that comprise the site pay annual property taxes of \$5,977. The County Appraiser estimates the projected taxes to range from \$116,295 to \$182,793 per year once the building is completed. Therefore completion of this project assures the City of a nice increase to the tax base.

This project will definitely help support the long term viability of Downtown Lawrence, enhancing a soft area of Vermont Street by offering living space opportunities, encouraging high tech entrepreneurship, and greatly contributing to the long term sustainability of Downtown Lawrence.

815 Vermont Parking Structure

Take Off from B.A. Green Proposal

1. Shoring	\$487,500
2. Excavation	\$112,000
3. Backfill	\$ 50,000
4. Stripes	\$ 2,000
5. Deck Form	\$112,000
6. Sealer	\$ 20,944
7. Block Partitions	\$ 31,800
8. Erection	\$ 37,847
9. Hoisting	\$ 9,334
10. Elevators	\$175,750
11. Fire sprinkler	\$ 26,745
12. Sand/oil separator	\$ 7,500
13. Electrical	\$ 54,600
14. Fire pump	\$ 10,000
Total	\$1,138,020

$\$1,138,020 / 22 \text{ parking spaces} = \$51,728 \text{ each}$



May 2, 2016

Mayor Mike Amyx and Lawrence City Commissioners
City Hall
PO Box 708
Lawrence, KS 66044

Re: 815 Vermont Mixed Use Project

Dear Mayor and City Commissioners:

CornerBank is pleased to be considered as a potential participant in the proposed project known as Vermont Place to be developed by Bob and Sandra Schumm. We believe this project will be an enhancement to Downtown Lawrence and will support the vision laid out by the City Commission for a more diversified mix of residential, retail, and office space.

While the Schumm's are planning to use their equity in the project (land) and other owned real estate, as well as anticipated sales of project condo units, the project will rely heavily on an incentive package from the City to assure the likelihood for financing by our bank. In reviewing the proforma provided by the Schumms, it is imperative that this incentive package be made available to the project in order for it to be economically viable. Without this incentive package, it is unlikely that we will be able to provide the financing necessary to complete the project.

If additional information is needed from us to assist the city commission in addressing this request from Mr. and Mrs. Schumm, please contact me. We will be happy to work with the city to help make this project a success.

Sincerely,

Alex Goodpaster
Community Bank President

