

December 13, 2013

Mr. David L. Corliss, City Manager
Lawrence City Hall
P.O. Box 708, 6 E. 6th Street
Lawrence, KS 66044-0708

Re: Proposal to Utilize Historic Preservation Grant Funds

Please accept this letter as our proposal to utilize historic preservation grant funds provided by the City of Lawrence for a very important historic preservation project.

Scope of Work

1. Property address and description

1106 Rhode Island Street

This property is directly east of the Douglas County Judicial Center and Court House. It is a contributing property to the North Rhode Island Street Historic District, with the house, barn, and garage identified as contributing structures to the district. The property consists of two 50'x117' Original Townsite lots at the southeast corner of 11th Street and Rhode Island Street. The house has been in disrepair and vacant for many years. The property was declared "blighted" by the Lawrence City Commission on November 6, 1985, due to the dozens of junked Packard automobiles on the open portion of the lot, which were behind a 6' wooden privacy fence and dense vegetation until the summer of 2012.

2. Property Owner Information and Contact

The property is currently owned by the heirs of Raymond Barland and is in the process of being acquired by the City of Lawrence through the Eminent Domain process. Stan Hernly, Mike Myers, and three other individuals intend to purchase the property from the City of Lawrence when it becomes available, assumedly through an RFP process. Stan Hernly can be reached by email at stan@hernly.com or by cell phone at 785-218-4574.

3. Statement of Project Scope

Hernly, Myers, and partners intend to rehabilitate the existing historic house, barn, and garage on the property, and plan to construct an addition to the house. The total probable construction cost for rehabilitation, new construction, and site work is approximately \$660,000, with \$380,000 of that for rehabilitation/preservation costs. The project scope includes rehabilitation of the house into a three-bedroom, two-bath rental housing unit; construction of an addition to the house consisting of a two-car garage and a one-bedroom, one-bath rental apartment; and rehabilitation of the barn and garage into a professional office for Hernly Associates, a local architecture firm owned by Stan Hernly, and specializing in historic preservation projects. The project also includes site improvements for parking.

4. Schedule of Costs and Pro Forma

Attached to this proposal is a spreadsheet of **Probable Cost** for complete rehabilitation of the 1106 Rhode Island Street property, including new construction and site work. The entire project is extensive, and the proposed grant request is for a small portion of the total project cost. Stan Hernly has met several times with two local banks, both of which are interested in providing financing for rehabilitation of the property. Please feel free to contact Ernesto Hodison (Vice President, Douglas County Bank, 785-865-1030) or Doug Dawson (Community Bank President, CornerBank, 785-865-1533) to discuss their interest in providing financing for the project.

Along with the spreadsheet of Probable Cost we have also prepared a detailed **Pro Forma**, which analyzes the cash-flow position of the property after rehabilitation; a copy is attached. Due to the great expense of rehabilitating the property, in addition to conventional financing, the project needs economic incentives to generate a positive cash flow for the development investors. We have discussed potential incentives with the City of Lawrence and expect some level of support will be provided through the Neighborhood Revitalization Act tax rebate program, and through the rebate of City fees required for the project (site plan application fees, building permit fees, etc.).

The total probable construction cost for the project is approximately \$660,000 and there are three potential components which grant funds from this RFP are being requested. These are:

1. Barn and Garage: Roof framing repairs and roofing **\$18,000**.
2. Barn and Garage: Foundation and floor framing repairs **\$24,000**.
3. Barn and Garage: Wall framing repairs **\$30,000**.

We understand the money available through this grant is limited, and we request that as much funding as possible be awarded to this project. If funding of even the least costly option is not possible, any grant amount will be helpful, and we can adjust our request to allocate the funds toward a smaller aspect of the project.

5. Timeline

We believe the eminent domain process will be complete and the property will be acquired by the Hernly group early in 2014. After acquisition of the property, we will move quickly to submittal and review process by the Historic Resources Commission, Board of Zoning Appeals, staff level site plan review, and KSHS/NPS Preservation Tax Credit review. Once the development team takes ownership of the property, we anticipate preparation and approval of final development plans will take six months and that construction will take twelve months.

6. Furthering Historic Preservation

The property is currently a contributing property to the North Rhode Island Street Historic District listed on the Kansas Register of Historic Places and on the National Historic Register. It is not currently listed on the Lawrence Register of Historic Places, but the new owners/development team will submit an application for local listing as soon as the property is in their possession. The proposed rehabilitation project directly addresses five of the seven purposes of the Historic Resources Code. These include:

- (1) *Providing a mechanism to identify and conserve the distinctive historic and architectural characteristics and other historic resources of the city which represent elements of the city's cultural, social, economic, political, and architectural history.*

From 1871 to 1963 1106 Rhode Island was the home of the Delahunty Transport Company. As part of the rehabilitation of this property, the Hernly redevelopment group intends to highlight the historic role of the property in the development of Lawrence. We will promote the historic use of

the property as a transport company responsible for delivery of many goods and products throughout the town via horse-drawn wagon in the early years, and with one of the first large delivery trucks in later years.

- (2) *Fostering civic pride in the beauty and noble accomplishments of the past as represented in the City's landmarks, historic districts, and historic resources.*

Since at least 1985 this property has been an eyesore directly adjacent to downtown. The proposed rehabilitation project will transform the property from a derelict condition to a place of pride and an attractive presence in the city. It will rehabilitate a property that many people think cannot be rehabilitated.

- (3) *Conserving and improving the value of property in and around designated landmarks, historic districts, and within the community.*

Not only is this property a contributing historic property within the North Rhode Island Historic District, it is also adjacent to the historic listed Douglas County Court House and the English Lutheran Church. This property is a keystone property at the entrance to East Lawrence from downtown Lawrence on 11th Street. Its rehabilitation will transform two lots from blighted to righted.

- (4) *Enhancing the attractiveness of the city to residents, current and prospective home owners, visitors, and shoppers, and thereby supporting and promoting business, commerce, industry, and providing economic benefit to the City.*

This property has visually detracted from downtown Lawrence for more than 30 years. While those of us who live here have long since relegated its appearance to our visual background, visitors to downtown notice it as they drive past on 11th Street. The improvement of this property will greatly benefit the economic value of downtown Lawrence and the neighboring properties.

- (5) *Fostering and encouraging preservation, restoration, and rehabilitation of structures, areas, and neighborhoods.*

Rehabilitating a property that appears to be lost to neglect makes a strong statement for preservation. It shows that through creative approaches our cultural heritage can be highlighted in a positive way. This is another project, like the East Lawrence Historic Industrial District, which honors East Lawrence as the city's historic manufacturing and distribution center. Hernly Associates has worked on many preservation projects in East Lawrence; Mike Myers has resided in the neighborhood for twenty years and has been active in ELNA the entire time.

7. Statement of Ability

Stan Hernly and Mike Myers are both architects with Hernly Associates, and they will head up the development team. They have designed many historic preservation projects in and around downtown Lawrence, including:

- Eldridge Hotel - 1986
- 721 Massachusetts Street (Buffalo Bob's)
- 729-731 Massachusetts Street (House Building)
- 800 Massachusetts Street (Lawrence Building and Loan Trust Company Building)
- 814 Massachusetts Street
- 825-827 Massachusetts Street (Montgomery Ward Building)
- 920-922 Massachusetts Street (C.H. Hunsinger Garage Building)
- 936-938 Massachusetts Street (Eriksen Building)

- Douglas County Court House
- St. Luke A.M.E. Church – Roof & Sanctuary Ceiling Rehabilitation
- Santa Fe Station – CD's for Rehabilitation
- Plymouth Congregational Church
- 804-806 Pennsylvania Street (Poehler Fireworks and Explosives Storage Building)
- 830-832 Pennsylvania Street (Lawrence Poultry Company Building)
- 1312 New Hampshire Street (Myers Residence)
- 1007 Tennessee Street (former Hernly Residence)

Stan and Mike each have rehabilitated their own private residences, both of which are in historic districts (Oread Historic District, and South Rhode Island and New Hampshire Street Historic Residential District), acting as general contractors for those projects. For this project they will act as the general contractor, obtaining a Class B Contractor License from the City of Lawrence.

8. List of Similar Projects Completed in Last Three Years

Historic preservation projects that Stan Hernly and Mike Myers have designed in the past three years include:

- 720-722 Main Street – Historic Structure Report, Eudora, KS
- 814 Massachusetts Street – Restaurant and Apartment Rehabilitation, Lawrence, KS
- 920 Massachusetts Street – The Roost Restaurant Rehabilitation, Lawrence, KS
- 1031 Massachusetts Street – Harbour Lights Rehabilitation, Lawrence, KS
- 1145 Indiana Street – Apartment House Rehabilitation, Lawrence, KS
- Douglas County Court House – Phase 1 Exterior Stone Restoration, Lawrence, KS
- First Presbyterian Church – Electrical Rehabilitation, Leavenworth, KS
- Robert Hall Pearson Farmhouse – Preservation Project, Baldwin City, KS
- Santa Fe Station – CD's for Rehabilitation, Lawrence, KS
- Shaft House – Historic Structure Report & CD's for Framing/Waterproofing, Chase Co., KS
- St. Martha's A.M.E. Church – Roof Structure Rehabilitation, Highland, KS
- Wellsville Bank – Existing Conditions Assessment, Wellsville, KS
- White School House – Rehabilitation, Lawrence, KS
- Wilson Czech Opera House – Master Plan for Rehabilitation, Wilson, KS

9. Plans, Elevations, Graphics

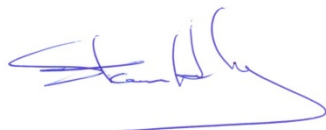
Attached are Floor Plans, Site Plan, and 3-D Model Images for the proposed rehabilitation of 1106 Rhode Island Street.

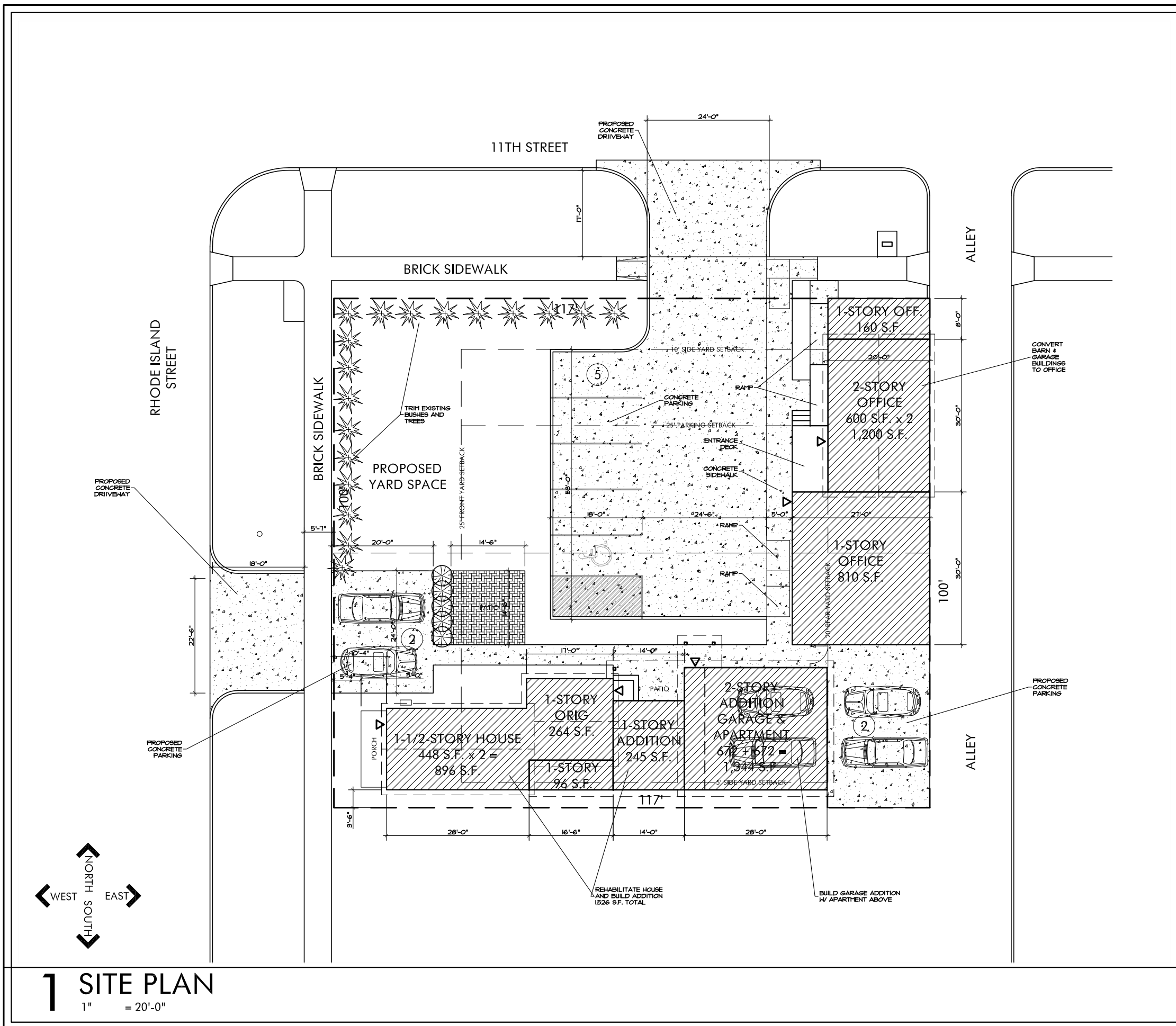
Thank you for considering our project for award of Historic Preservation Grant Funds. We believe this property has the potential to become a source of great pride for the City of Lawrence, showing what can be accomplished when targeted incentives are used in strategic ways. On the following pages you will find:

- Schematic design plans and computer model images
- Probable construction cost spreadsheet
- Proforma spreadsheet
- Photos of the existing buildings on the property

Sincerely,

Stan Hernly





REHABILITATION OPTION C:

- REPAIR HOUSE FOUNDATION
- REHABILITATE AND ADD SPACE TO HOUSE, INCLUDING GARAGE WITH APARTMENT ABOVE
- REPAIR HOUSE SIDING, ROOF, AND WINDOWS
- DEMOLISH SHEDS AND outhouse
- REPAIR ROOF, SIDING, AND WINDOWS ON WAREHOUSE AND GARAGE
- REPLACE ELECTRICAL, WATER AND SEWER SERVICES AS NEEDED
- CONVERT WAREHOUSE AND GARAGE TO OFFICE
- PAINT WAREHOUSE AND HOUSE
- REMOVE SOME SMALLER SITE TREES
- TRIM AND THIN BUSHES
- ADD SOME NEW LANDSCAPING
- REMOVE PRIVACY FENCE
- ADD NEW CONCRETE PARKING AREAS
- REPLACE EXISTING GRAVEL DRIVES WITH CONCRETE
- GRADE AND SEED LOT AS NEEDED

USES:

- HOUSE: 3-BEDROOM, 2 BATH RENTAL, 1,547 S.F. TOTAL FINISHED (1,162 S.F. REHAB + 385 S.F. NEW) 315 S.F. BASEMENT (UNFINISHED EXIST.) 228 S.F. GARAGE
- APARTMENT: 1-BEDROOM, 1 BATH 718 S.F. NEW 228 S.F. GARAGE
- PROFESSIONAL OFFICE IN BARN/GARAGE 2,170 S.F. REHAB
- EXISTING OPEN AREA OF LOT AT N.W. CORNER REMAINS OPEN SPACE, GARDEN, ETC...

REQUIRED AMINISTRATIVE PROCESS:

CITY OF LAWRENCE:
 CITY COMMISSION
 MINOR SUBDIVISION RE-PLAT
 STANDARD SITE PLAN
 REZONE FROM RM-12 TO RMO
 BOARD OF ZONING APPEALS
 HISTORIC RESOURCES COMMISSION
 DEMOLITION PERMITS
 BUILDING PERMIT

STATE HISTORICAL SOCIETY:
 PARTS 1, 2, AND 3 OF HISTORIC TAX CREDIT APPLICATIONS.

NATIONAL PARKS SERVICE:
 PARTS 1, 2, AND 3 OF HISTORIC TAX CREDIT APPLICATIONS (SUBMITTED TO STATE HISTORICAL SOCIETY)

HISTORIC DELAHUNTY COMPLEX
 1106 RHODE ISLAND
 LAWRENCE, KANSAS

Hernly ASSOCIATES

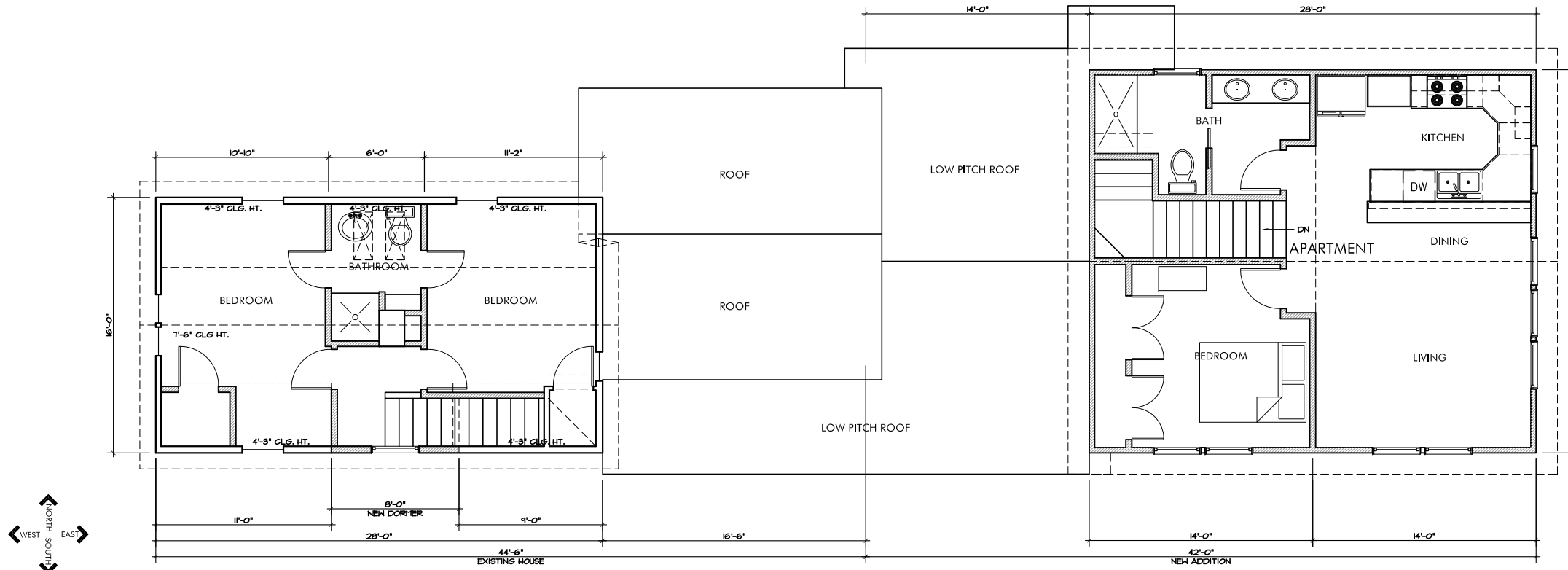
920 Massachusetts
 Lawrence, Kansas
 66044
 785 - 749 - 5806
 FAX 785 - 749 - 1515

SITE PLAN

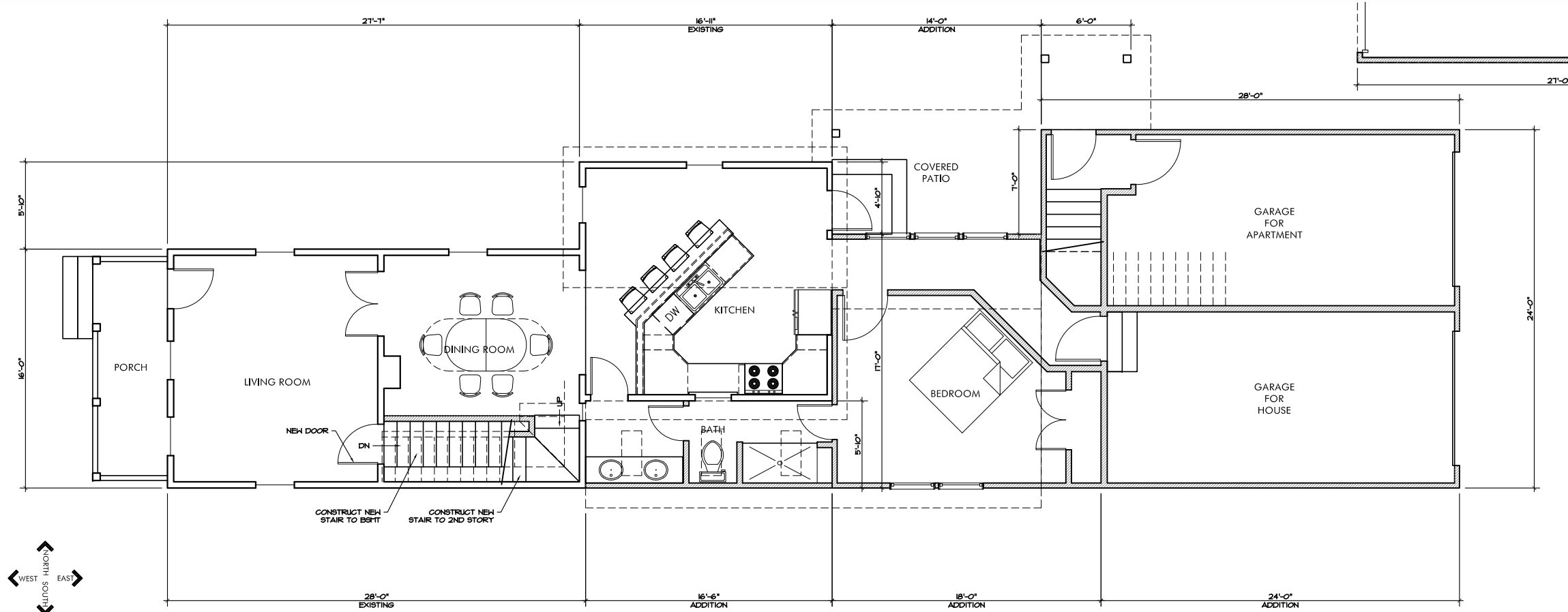
Date: 2013/04/22
 Drawn by: SCH
 Checked by:
 Revisions:

C1.0

1 SITE PLAN
 1" = 20'-0"



2 2ND STORY PLAN
1/4" = 1'-0"



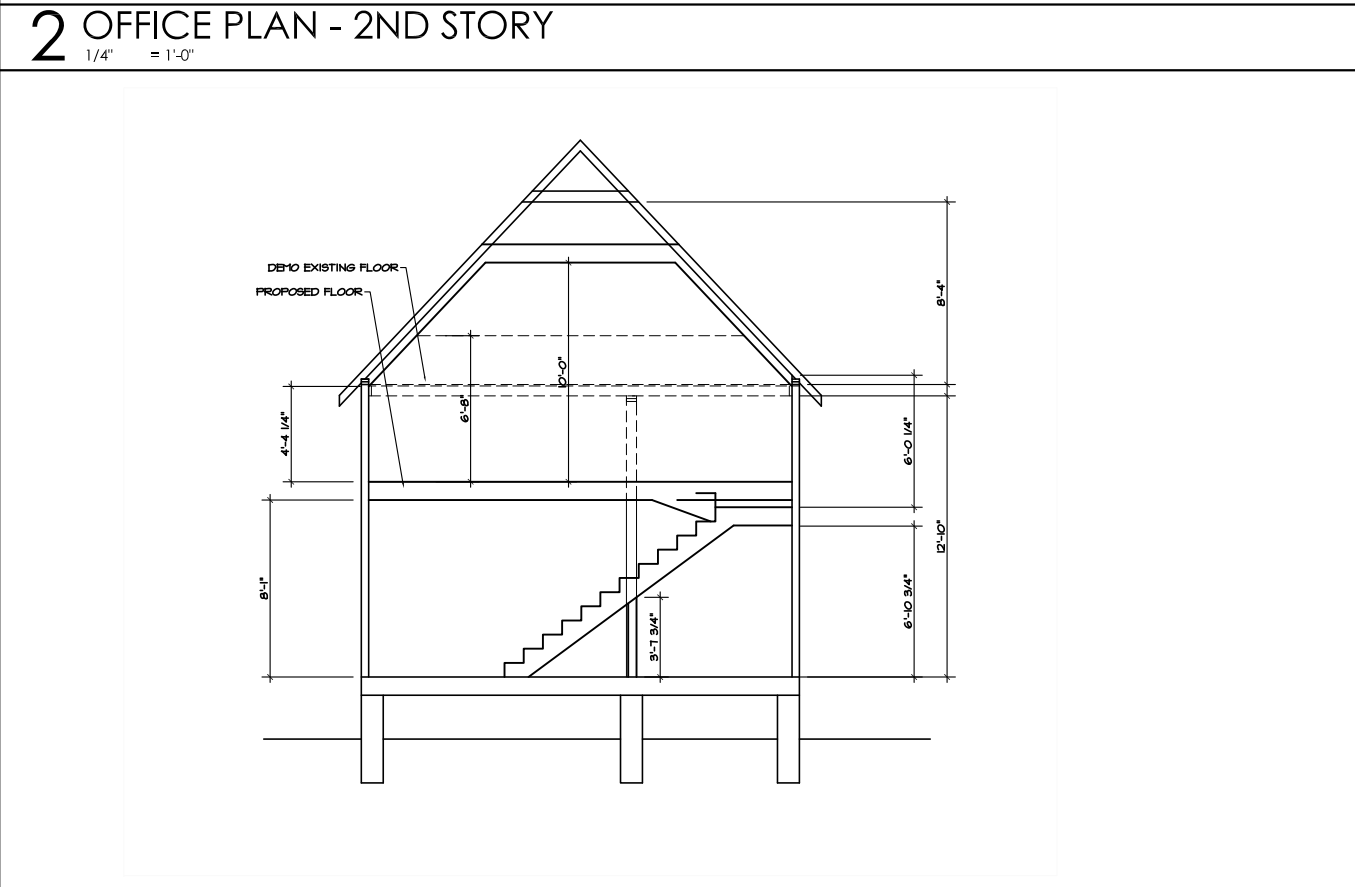
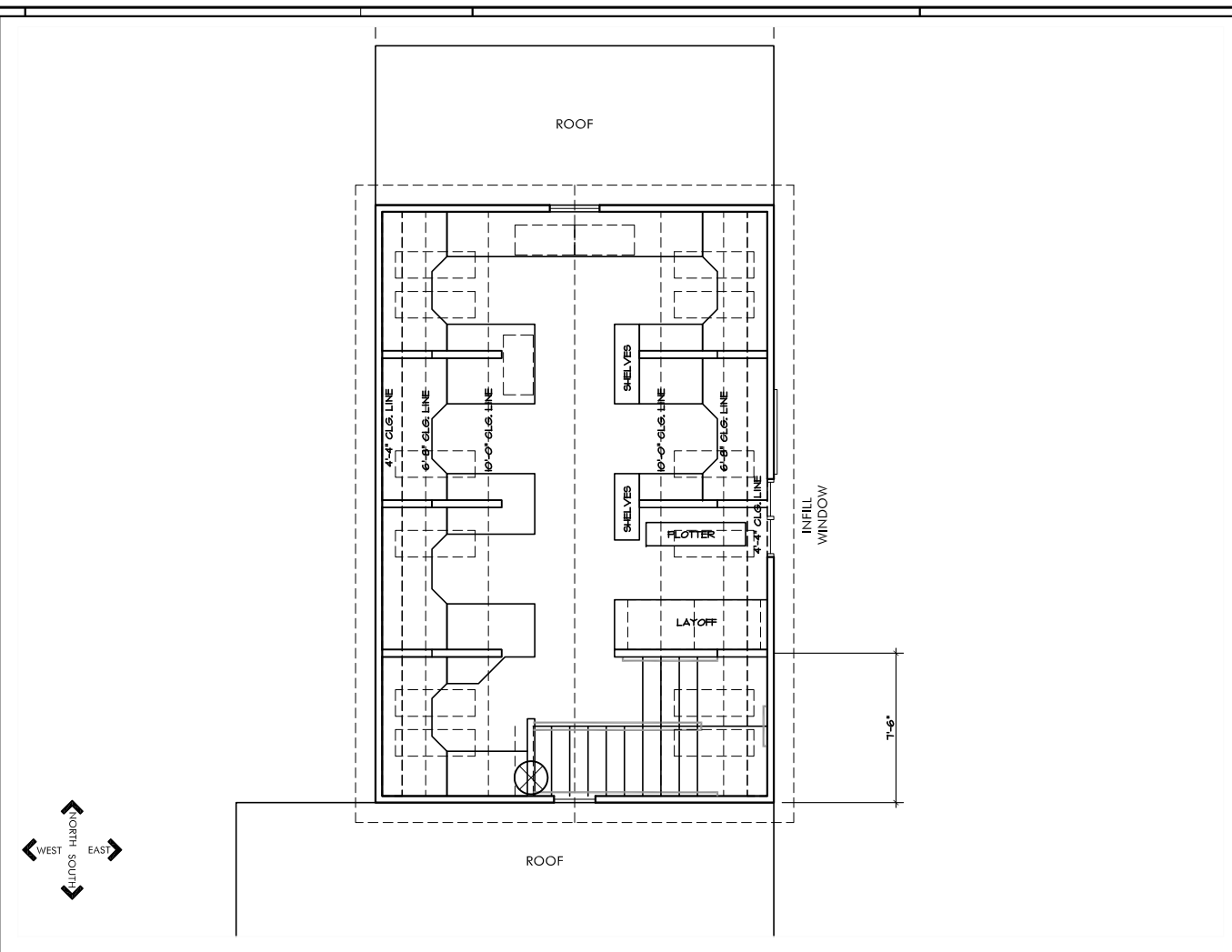
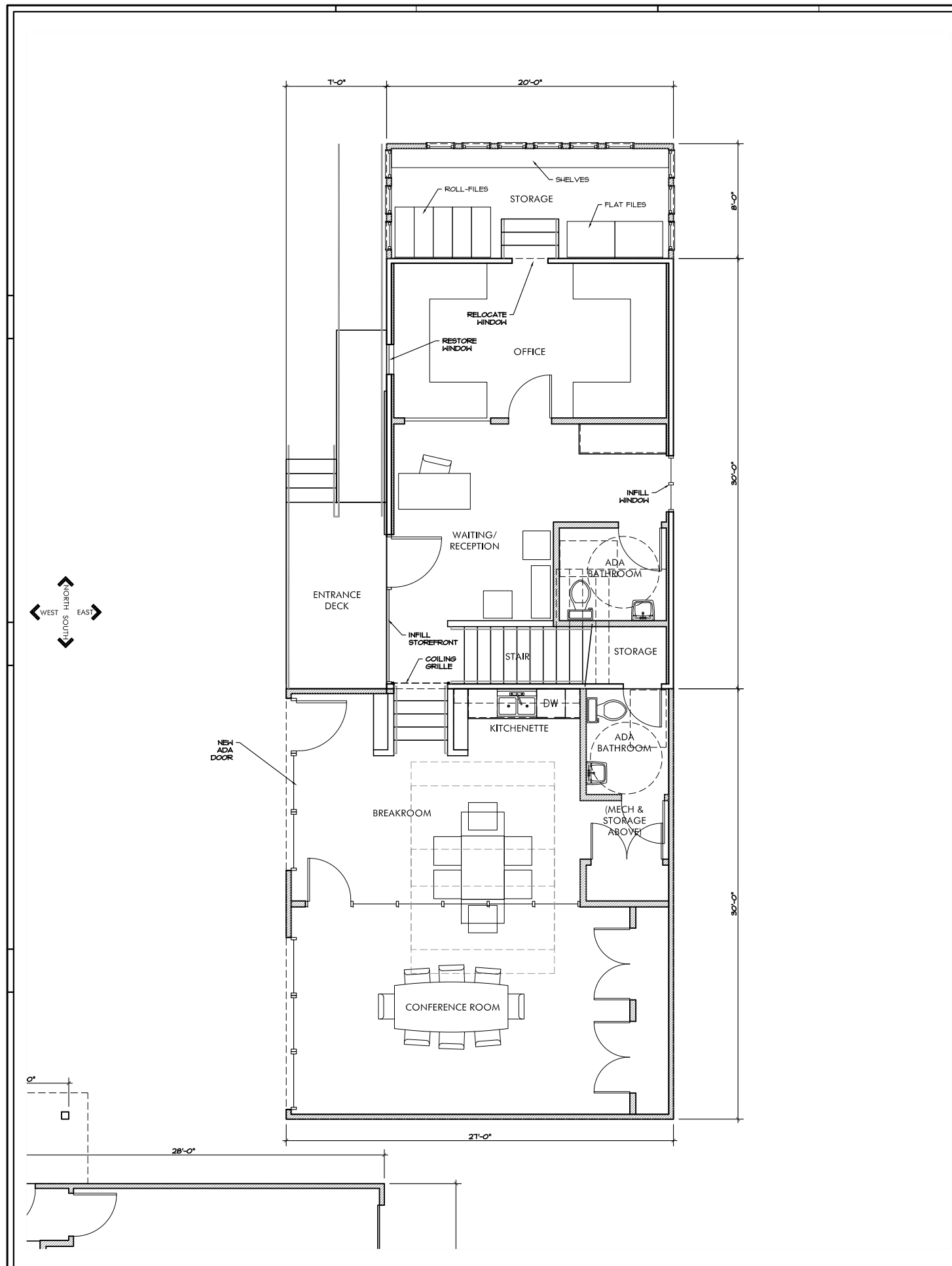
1 FIRST STORY PLAN
1/4" = 1'-0"

HISTORIC RHODY DELAHUNTY COMPLEX
1100 - 1106 RHODE ISLAND
LAWRENCE, KANSAS

Hernly ASSOCIATES
920 Massachusetts
Lawrence, Kansas
66544
785 - 749 - 5806
FAX 785 - 749 - 1515

HOUSE PLAN
Date: 2018/04/02
Drawn by: SCH
Checked by:
Revisions:

A1.0



HISTORIC RHODY DELAHUNTY COMPLEX
1100 - 1106 RHODE ISLAND
LAWRENCE, KANSAS

Hernly ASSOCIATES
920 Massachusetts
Lawrence, Kansas 66044
785 - 749 - 8806
FAX 785 - 749 - 1515

Date: 2018/07/03
Drawn by: SCH
Checked by:
Revisions:

A1.1



Rhode Island St

Rhode Island St

222

0.11























Table with columns: B, C, D, E, F, G, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, X, Y, Z, AA, AB, AC, AD. It lists construction items such as 'GEN CONDITIONS' and 'SITE WORK' with associated costs and quantities.

1	B	C	D	E	F	G	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	X	Y	Z	AA	AB	AC	AD
	H, A, O ALL	T, NT, PT	City Rebate	RSMDiv	Component	Sub-component	Additional Information	Recommendations	Quan	Unit	Sub\$	\$ Source	Sub\$Line	GC %	ConstCost	Cont %	Contingcy	Total w/ Contingcy	A/E%	Full A/E Fee	TotalCost	House	Apartment	Office	Tax Credit	Non-Tax Credit	
112	H	T		Shell	Storm windows		Alum DH white	Install storm windows at original wood windows	12	EA	138.00	Means	1,656.00	0%	1,656.00	5.00%	82.80	1,738.80	0%	0.00	1,738.80	1,738.80	0.00	0.00		1,738.80	0.00
113	H	T		Shell	Alum Clad Wood Windows			New alum clad wood window at dormer	1	EA	750.00	Means	750.00	0%	750.00	5.00%	37.50	787.50	0%	0.00	787.50	787.50	0.00	0.00		787.50	0.00
114	H	T		Shell	Alum Clad Wood Skylites			New alum clad wood skylites	2	EA	500.00	Est	1,000.00	0%	1,000.00	5.00%	50.00	1,050.00	0%	0.00	1,050.00	1,050.00	0.00	0.00		1,050.00	0.00
115	H	T		Shell	Roof	Sister rafters		288 lf sister existing rafters except at new dormer	0	LF	5.00	Est	0.00	0%	0.00	5.00%	0.00	0.00	0%	0.00	0.00	0.00	0.00	0.00		0.00	0.00
116	H	T		Shell	Roof sheathing			1,008 sf OSB sheathing at existing roof	1,008	SF	1.25	Means	1,260.00	0%	1,260.00	5.00%	63.00	1,323.00	0%	0.00	1,323.00	1,323.00	0.00	0.00		1,323.00	0.00
117	H	T		Shell	Roof Coverings		Laminated shingles and #30 underlay	30 yr shingles at existing roof	1,008	SF	2.12	Means	2,136.96	0%	2,136.96	5.00%	106.85	2,243.81	0%	0.00	2,243.81	2,243.81	0.00	0.00		2,243.81	0.00
118	H	T		Shell	Roof Coverings		Mtl, color 28ga	Metal roofing at dormer	120	SF	3.96	Means	475.20	0%	475.20	5.00%	23.76	498.96	0%	0.00	498.96	498.96	0.00	0.00		498.96	0.00
119	H	T		Shell	Gutters & Downspouts			New gutters and downspouts	160	LF	8.00	Means	1,280.00	0%	1,280.00	5.00%	64.00	1,344.00	0%	0.00	1,344.00	1,344.00	0.00	0.00		1,344.00	0.00
120	H	T		Shell	Chimney			Replace missing, broken, cracked, and spalled bricks.	21	SF	7.75	Means & Est	162.75	0%	162.75	5.00%	8.14	170.89	0%	0.00	170.89	170.89	0.00	0.00		170.89	0.00
121	H	T		Shell	Chimney			Install a chimney cap to reduce water infiltration into the chimney.	1	EA	175.00	Means	175.00	0%	175.00	5.00%	8.75	183.75	0%	0.00	183.75	183.75	0.00	0.00		183.75	0.00
122	H	T		Shell	Porch	Front porch	repair framing	100 sf self perform Repair porch floor, posts, ceiling, & roof	0	SF	15.00	Estimate	0.00	0%	0.00	5.00%	0.00	0.00	0%	0.00	0.00	0.00	0.00	0.00		0.00	0.00
123	H	T																			0.00	0.00	0.00		0.00	0.00	
124	H	T																			0.00	0.00	0.00		0.00	0.00	
125	H	T		Interiors	Basement	Bsmt Walls	640 s.f. x 25%	Point deteriorated foundation joints (approximately 25%).	160	SF	7.75	Means & Est	1,240.00	0%	1,240.00	5.00%	62.00	1,302.00	0%	0.00	1,302.00	1,302.00	0.00	0.00		1,302.00	0.00
126	H	T		Interiors	Basement	Chimney		Point deteriorated chimney joints and replace cracked, missing, or deteriorated bricks to match original.	100	SF	7.75	Means & Est	775.00	0%	775.00	5.00%	38.75	813.75	0%	0.00	813.75	813.75	0.00	0.00		813.75	0.00
127	H	T		Interiors	Crawl Space	Footings		New footings at removed stone frdn, at center beam, & at stair	6	EA	250.00	Estimate	1,500.00	0%	1,500.00	5.00%	75.00	1,575.00	0%	0.00	1,575.00	1,575.00	0.00	0.00		1,575.00	0.00
128	H	T		Interiors	Crawl Space	Posts		New stl posts for new beams	6	EA	80.00	Estimate	480.00	0%	480.00	5.00%	24.00	504.00	0%	0.00	504.00	504.00	0.00	0.00		504.00	0.00
129	H	T		Interiors	Crawl Space	Beams	LVL beams 3.5"x11.785"	New LVL beams at removed stone frdn walls	32	LF	23.50	Means	752.00	0%	752.00	5.00%	37.60	789.60	0%	0.00	789.60	789.60	0.00	0.00		789.60	0.00
130	H	T		Interiors	Crawl Space	Beams		New LVL beam at center point	16	LF	23.50	Means	376.00	0%	376.00	5.00%	18.80	394.80	0%	0.00	394.80	394.80	0.00	0.00		394.80	0.00
131	H	T		Interiors	Basement	Beams		New beam at stair opening	12	LF	23.50	Means	282.00	0%	282.00	5.00%	14.10	296.10	0%	0.00	296.10	296.10	0.00	0.00		296.10	0.00
132	H	T		Interiors	Basement	Stair		New wood framed stair using treated lumber; extend the run of the stair to reduce the rise/run ratio.	10	T&R	173.00	Means	1,730.00	0%	1,730.00	5.00%	86.50	1,816.50	0%	0.00	1,816.50	1,816.50	0.00	0.00		1,816.50	0.00
133	H	T		Interiors	Basement	Stair		Handrail at stair to bsmt, one side	14	LF	30.00	Estimate	420.00	0%	420.00	5.00%	21.00	441.00	0%	0.00	441.00	441.00	0.00	0.00		441.00	0.00
134	H	T		Interiors	Basement	Floor framing		Install joist hangers at headed off joists around the chimney.	6	EA	25.00	Means	150.00	0%	150.00	5.00%	7.50	157.50	0%	0.00	157.50	157.50	0.00	0.00		157.50	0.00
135	H	T		Interiors	Basement	Floor framing	assume 25% sisters	64 lf new sister joists	64	LF	14.61	Means	935.04	0%	935.04	5.00%	46.75	981.79	0%	0.00	981.79	981.79	0.00	0.00		981.79	0.00
136	H	T		Interiors	Basement	Sump pump		New sump pit and pump	1	EA	600.00	Estimate	600.00	0%	600.00	5.00%	30.00	630.00	0%	0.00	630.00	630.00	0.00	0.00		630.00	0.00
137	H	T																			0.00	0.00	0.00	0.00		0.00	0.00
138	H	T		Interiors	1st & 2nd	Trim	Demo	Remove and salvage interior trim for wall repair work.	560	LF	1.81	Means	1,013.60	0%	1,013.60	5.00%	50.68	1,064.28	0%	0.00	1,064.28	1,064.28	0.00	0.00		1,064.28	0.00
139	H	T		Interiors	1st & 2nd	Floor	Demo self perform	Remove 1,162 sf existing finished flooring to orig wood flooring.	0	SF	0.62	Means	0.00	0%	0.00	5.00%	0.00	0.00	0%	0.00	0.00	0.00	0.00	0.00		0.00	0.00
140	H	T		Interiors	1st & 2nd	Floor	Assume 20% replace. Assume 1.5x price for patch work	232 s.f. Patch wood flooring with like material.	0	SF	7.73	Means	0.00	0%	0.00	5.00%	0.00	0.00	0%	0.00	0.00	0.00	0.00	0.00		0.00	0.00
141	H	T		Interiors	1st & 2nd	Floor		Clean and finish wood flooring in a manner similar to the original finish.	1,162	SF	2.03	Means	2,358.86	0%	2,358.86	5.00%	117.94	2,476.80	0%	0.00	2,476.80	2,476.80	0.00	0.00		2,476.80	0.00
142	H	T		Interiors	1st story	Stair		New wood framed stair to 2nd story	15	T&R	173.00	Means	2,595.00	0%	2,595.00	5.00%	129.75	2,724.75	0%	0.00	2,724.75	2,724.75	0.00	0.00		2,724.75	0.00
143	H	T		Interiors	1st story	Stair		Handrail at stair to 2nd story, one side	17	LF	30.00	Estimate	510.00	0%	510.00	5.00%	25.50	535.50	0%	0.00	535.50	535.50	0.00	0.00		535.50	0.00
144	H	T		Interiors	1st story	Stair		Finished wood treads & risers, and finish	15	T&R	175.00	Means	2,625.00	0%	2,625.00	5.00%	131.25	2,756.25	0%	0.00	2,756.25	2,756.25	0.00	0.00		2,756.25	0.00
145	H	T		Interiors	1st & 2nd	Walls	Demo lath & plaster	Remove all wood lath & plaster	1,952	SF	1.08	Means	2,108.16	0%	2,108.16	5.00%	105.41	2,213.57	0%	0.00	2,213.57	2,213.57	0.00	0.00		2,213.57	0.00
146	H	T		Interiors	1st story	Walls	Wall header Kit/Dining	Frame opening Kit/Dining	1	EA	300.00	Estimate	300.00	0%	300.00	5.00%	15.00	315.00	0%	0.00	315.00	315.00	0.00	0.00		315.00	0.00
147	H	T		Interiors	1st story	Walls	Wall header Kit/Addition east	Frame opening Kit/Addition east	1	EA	300.00	Estimate	300.00	0%	300.00	5.00%	15.00	315.00	0%	0.00	315.00	315.00	0.00	0.00		315.00	0.00
148	H	T		Interiors	1st story	Walls	Wall header Kit/Addition south	Frame opening Kit/Addition south	1	EA	300.00	Estimate	300.00	0%	300.00	5.00%	15.00	315.00	0%	0.00	315.00	315.00	0.00	0.00		315.00	0.00
149	H	T		Interiors	1st story	Walls	Insulate	Insulate exterior walls	1,184	SF	0.76	Means	899.84	0%	899.84	5.00%	44.99	944.83	0%	0.00	944.83	944.83	0.00	0.00		944.83	0.00
150	H	T		Interiors	1st story	Walls	New wall Dining	New framed wall Dining/Stair	160	SF	2.11	Means	337.60	0%	337.60	5.00%	16.88	354.48	0%	0.00	354.48	354.48	0.00	0.00		354.48	0.00
151	H	T		Interiors	1st story	Walls	New wall Kitchen	New half-high framed wall	56	SF	2.11	Means	118.16	0%	118.16	5.00%	5.91	124.07	0%	0.00	124.07	124.07	0.00	0.00		124.07	0.00
152	H	T		Interiors	2nd story	Walls	New walls	New framed walls	400	SF	2.11	Means	844.00	0%	844.00	5.00%	42.20	886.20	0%	0.00	886.20	886.20	0.00	0.00		886.20	0.00
153	H	T		Interiors	1st story	Walls		1/2" GWB	1,720	SF	1.42	Means	2,442.40	0%	2,442.40	5.00%	122.12	2,564.52	0%	0.00	2,564.52	2,564.52	0.00	0.00		2,564.52	0.00
154	H	T		Interiors	2nd story	Walls		1/2" GWB	1,120	SF	1.42	Means	1,590.40	0%	1,590.40	5.00%	79.52	1,669.92	0%	0.00	1,669.92	1,669.92	0.00	0.00		1,669.92	0.00

Table with columns: H, A, O, ALL; T, NT, PT; City Rebate; RSMDiv; Component; Sub-component; Additional Information; Recommendations; Quan; Unit; Sub\$; \$ Source; Sub\$Line; GC %; ConstCost; Cont %; Contingcy; Total w/ Contingcy; A/E%; Full A/E Fee; TotalCost; House; Apartment; Office; Tax Credit; Non-Tax Credit.

	A	B	C	D	E	F
1	PRO FORMA FOR HOUSE, APARTMENT, AND OFFICE				WITH CITY REBATES AND NRA	
2	PROJECT INFORMATION					
3	Type of project				Rehabilitation & New Construction	
4	Location				Lawrence, Kansas	
5	Address				1106 Rhode Island	
6	Project Use				Residential & Office	
7						
8	PROJECT CONSTRUCTION COSTS			Const Cost	Tax Cred Ineligible	Tax Cred Eligible
9	General Conditions			\$14,540	\$6,834	\$7,706
10	Site Work			\$88,931	\$88,931	\$0
11	House Rehab Work			\$129,609	\$9,429	\$120,180
12	House/Apartment New Work			\$176,120	\$176,120	\$0
13	Office Work			\$251,033	\$34,826	\$216,207
14	TOTAL ALL WORK			\$660,234	\$316,140	\$344,093
15						
16	PRESERVATION TAX CREDIT INELIGIBLE DEVELOPMENT COSTS					Total Project
17	Property acquisition cost					\$90,000
18	Ineligible Construction Cost					\$316,140
19	Ineligible A/E fee				5%	\$15,807
20	Ineligible Construction Interest					\$10,000
21	TOTAL INELIGIBLE COSTS					\$431,947
22						
23	PRESERVATION TAX CREDIT ELIGIBLE DEVELOPMENT COSTS					Total Project
24	Rehab or Construction hard costs					\$344,093
25	Eligible A/E fee				5%	\$17,205
26	Boundary Survey					\$1,500
27	Topographic Survey					\$0
28	Replat					\$3,500
29	Platting Fee (CR)					\$200
30	Rezoning Fee (CR)					\$200
31	Site Plan Review Fee (CR)					\$200
32	BZA Fee (CR)					\$200
33	Geotechnical Report					\$0
34	Phase 1 Env w/ lead & asbestos					\$1,500
35	Appraisal					\$2,750
36	Legal Fees					\$1,500
37	Bidding Expenses					\$0
38	Construction Geotech Expenses					\$0
39	Clearance Testing (lead)					\$650
40	Eligible Construction Interest					\$10,000
41	Fed Pres Tax Credit - App Fee					\$800
42	Fed Pres Tax Credit - Consultant					\$1,000
43	KS Pres Tax Credit - App Fee					\$900
44	KS Pres Tax Credit - Consultant					\$1,000
45	Other eligible soft cost contingency				0.00%	\$0
46	Developers fee (% of all other eligible costs, may be deferred & paid from cash flow)				20.00%	\$77,440
47	TOTAL ELIGIBLE COSTS					\$464,638
48						
49	TOTAL DEVELOPMENT COSTS WITH DEVELOPER'S FEE					\$896,585
50	TOTAL DEVELOPMENT COSTS WITH DEVELOPER'S FEE DEFERRED & PAID FROM CASH FLOW					\$819,145

	A	B	C	D	E	F
51						
52		PRESERVATION TAX CREDIT PROJECTIONS				
53		Gross preservation tax credit eligible amount				\$464,638
54		Less eligible work paid for by grants				\$76,100
55		Net preservation tax credit eligible amount				\$388,538
56		Federal Preservation Tax Credit (eligible costs > adj basis)			20.00%	\$77,708
57		State Preservation Tax Credit			25.00%	\$97,134
58		TOTAL GROSS PRESERVATION TAX CREDITS				\$174,842
59						
60		Preservation tax credit equity contribution to development costs				
61		Value of federal preservation tax credits to partners			\$0.90	\$69,937
62		Value of state preservation tax credits transferred			\$0.85	\$82,564
63		TOTAL PRESERVATION TAX CREDIT EQUITY CONTRIBUTION				\$152,501
64						
65		PROJECT FUNDING PROJECTIONS				
66		Project Funding				
67		Investor's Equity - cash			18.31%	\$150,000
68		Fed Tax Credits Loaned			8.54%	\$69,937
69		KS Tax Credits Transferred			10.08%	\$82,564
70		Grants (City, DCCF, DCCHF, HTF, NTF, Miller)			6.10%	\$50,000
71		City Rebate Fees		0	3.19%	\$26,100
72		Mortgage			53.78%	\$440,544
73		TOTAL PROJECT FUNDING			100%	\$819,145
74						
75		ESTIMATED MAXIMUM BANK FINANCING	House	Apartment	Office	Total
76		Estimated As-completed As-stabilized appraised value	\$1,299 /mo	\$704 /mo	2,170 s.f.	
77		Res 120x monthly rent, Off \$150/s.f.	120	120	\$150.00 /s.f.	
78			\$155,938	\$84,437	\$325,500	\$565,874
79		Estimated maximum bank financing				80.00%
80						\$452,700
81						

	A	B	C	D	E	F
82		EXPENSE PROJECTIONS - YRS 1-3				
83		Mortgage expenses				
84		Mortgage cash to project			440,544	
85		Mortgage expenses (@ 1% of mortgage)			4,405	
86		Total mortgage			444,950	OK
87		Mortgage loan rate (annual)			4.50%	
88		Mortgage loan amortization length (yrs) (5 yrs fixed then refinance)			20	
89		Mortgage loan payment				\$2,815 /mo
90		Cash flow to achieve debt coverage ratio			8.00%	\$225 /mo
91		TOTAL MONTHLY MORTGAGE EXPENSE				\$3,040 /mo
92		Operating expenses				
93		Property tax - mill levy per \$1000 assessed			124.8080	
94		Appraised Value - Improvements (w/o land)				524,674
95		Co Appraised Value - Land				41,200
96		Total Appraised Value				565,874
97		Loan to Appraised Value Ratio				78.63%
98		Residential assessment			11.5%	\$4,061 /yr
99		Commercial assessment			25.0%	\$8,828 /yr
100		Property tax annually				\$12,889 /yr
101		Property tax monthly				\$1,074 /mo
102		Insurance (Property)			\$1,836 /yr	\$153 /mo
103		Management fee			\$1,800 /yr	\$150 /mo
104		Interest on bank loan for fed tax credits		36 /mo	\$3,000 /yr	\$250 /mo
105		Payment of Deferred Developer Fee		120 /mo	\$7,744 /yr	\$645 /mo
106		Maintenance/Reserves			\$3,600 /yr	\$300 /mo
107		GROSS EXPENSES (w/o utilities) \$/mo				\$5,613 /mo
108						
109		INCOME PROJECTIONS - YRS 1-3		House	Apartment	Office
110				3 BR, 2 Bath	1 BR, 1 Bath	
111		Gross lease \$/s.f./yr. (Res 80% of high 2012 s.f. rents per Keller)		\$10.08 /s.f.	\$11.76 /s.f.	\$16.30 /s.f.
112		Leasable Areas		1,547 s.f.	718 s.f.	2,170 s.f.
113		Gross lease \$/yr.		\$15,594 /yr	\$8,444 /yr	\$35,371 /yr
114		Gross lease \$/mo.		\$1,299 /mo	\$704 /mo	\$2,948 /mo
115						
116		TOTAL INCOME PROJECTION PER MONTH				\$4,951 /mo
117						
118		NRA REFUND PROJECTIONS - YRS 1-3				
119		Current annual property tax (2012) - W/O LAND				\$570 /yr
120		Projected annual property tax - W/O LAND				\$12,319 /yr
121		Projected annual property tax increment				\$11,749 /yr
122		Potential NRA annual rebate on increment	75%			\$8,811.89
123		Potential NRA monthly rebate				\$734 /mo
124						
125		GROSS ANNUAL/MONTHLY INCOME - YRS 1-3				\$5,685 /mo
126		NET CASH FLOW (w/ debt coverage ratio & maintenance reserve)			\$869 /yr	72 /mo
127		GROSS CASH FLOW (w/o debt coverage ratio)			\$3,571 /yr	298 /mo
128		GROSS CASH FLOW (w/o debt coverage ratio or maintenance reserve)			\$7,171 /yr	598 /mo
129						
130		ESTIMATED CASH TO PARTNERS - YRS 1-3		Number of partners		5
131		Payment of Deferred Developer Fee				\$645 /mo
132		Net cash flow from rents				\$72 /mo
133		Net cash from project				\$718 /mo
134		Net income per partner per month				\$143.55
135		Net income per partner per year				\$1,722.55
136		Original total partner investment				\$150,000.00
137		Original investment per partner				\$30,000
138		Return on investment per year				5.74%











