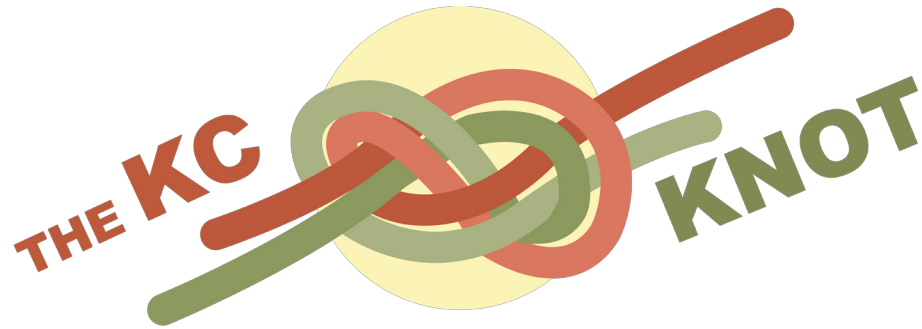


Development and Design Narrative



The *KC Knot* envisions an East Village that embraces *socioeconomic and racial diversity, encourages sustainable transportation, and supports equitable job growth and innovation*. A series of complete street axes weave together communities that have been historically segregated by redlining and automobile-oriented development, creating a fertile ground for next-generation life science research and enterprises to take root. Altogether, the KC Knot lays the groundwork for the next generation of equitable economic development in downtown Kansas City.

Connectivity: Tying Together Kansas City

The Study Area is currently an urban island surrounded by multi-lane highways that separate distinct neighborhoods and communities of Kansas City from its urban core. Kansas City's historic policies and past urban planning have created a fractured urban fabric through automobile-oriented development and redlining. The KC Knot seeks to create connections between the East Village, Paseo West, Columbus Heights, Downtown, and East Crossroads/Hospital Hill neighborhoods. Tied together by a series of pedestrian and bicycle-friendly axes and mixed-income housing, the KC Knot creates a vibrant common ground for these communities to live, work, play, and grow together.

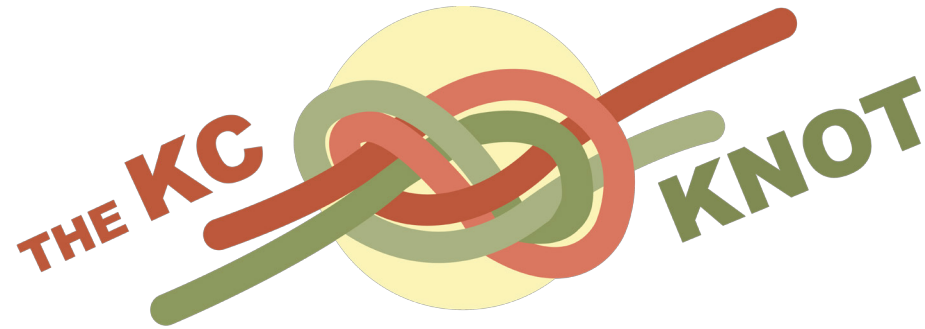
Sustainability: Transit-Oriented Community

Anchored by the newly constructed East Village Transit Center, the KC Knot challenges historic automobile-centric norms through transit-oriented design and development. The entrance to the KC Knot sits diagonally from the new Transit Center and hosts a multi-modal hub with RideKC bicycles and a drop-off zone for transportation network companies. The car-free Holmes Greenway runs along the spine of the KC Knot, connecting historically disenfranchised eastern neighborhoods with job opportunities via the 9th and Charlotte Street bike arterials. Limited underground automobile parking incentivizes visitors, employees, and residents to choose alternative modes of transportation when traveling to and from the site. The KC Knot will hire a Transportation Demand Management Coordinator to facilitate carpooling, commuter benefit programs, and alternative transportation education for resident and employee tenants. Building off of recent investment in the RideKC system, the KC Knot imagines a lively, sustainable downtown, and centers the importance of multimodal transportation in realizing that vision.

Life Sciences: Past, Present, and Future

Honoring Kansas City's history as the heart of America's AgTech and Animal Health Corridor, the KC Knot reinvigorates this legacy with a focus on life science innovation. Addressing a demonstrated downtown need, new wet lab space enables full-time tenants and co-working innovators to advance their research enterprises. The life sciences promise to be a rich source of post-pandemic job growth, and the Sprout Workforce Development Center will ensure these opportunities are equitably distributed by training and placing residents from eastern neighborhoods in these new roles. The University of Missouri Kansas City's Office of Technology Commercialization, which supports University-affiliated entrepreneurs and academics in commercializing their research, will also occupy several floors to participate in the downtown life science economy. To complement the KC Knot's life science cluster, the Science City's GROW Extension and the Cow Town Sculptures, designed by local community groups, offer an accessible way for the public to experience and participate in the ongoing economic transformation.

Financing Narrative



The KC Knot is a 3.3 million square foot mixed-use development that seeks to revitalize the East Village neighborhood of Kansas City. This project will be completed in two phases with a total of four years of construction. Phase 1 will have a development of 2 million gross square feet, and Phase 2 will have a development of 1.25 million gross square feet, with a total square footage of 3.25 million. The KC Knot consists of 11 buildings, which include a mix of affordable and market-rate rental housing, office space, shared wet laboratories, a UMKC satellite campus, the Sprout Workforce Development Center, and Science City's GROW extension.

The Phase 1 capital stack consists of \$118 million in developer equity, \$8.2 million in federal Low-Income Housing Tax Credits (LIHTC), and \$800,000 in Surface Transportation Block Grant Program funds in partnership with MARC and BikeWalkKC. The remaining \$289 million (70% loan to cost) will be raised through a construction loan, which will be converted to a permanent loan after the construction period is completed.

The Phase 2 capital stack consists of \$62 million in developer equity, \$8 million in federal LIHTC, and \$11.5 million in New Market Tax Credits. The remaining \$186 million will be raised through a construction loan, which will be converted into a permanent loan.

Despite being eligible for more LIHTC, we have restricted our use of tax credits to reflect the competitive state and local allocation process. We have also assumed real property tax abatement on improvements up to 75% for the 10-year period in accordance with the East Village PIEA. Further, we anticipate that some construction materials and equipment will be purchased from the municipal government via the Chapter 100 Sales Tax Exemption process, reducing project-wide construction costs. Finally, we intend to use Minority & Women-Owned Business Enterprises (MWBE) for at least 30% of construction and engineering services.

Phase 1 focuses on office and lab space development, as well as development adjacent to the East Village Transit Center, to strategically increase the number of employees and activities in and around the site. This will increase the demand for residential apartments that will be constructed in Phase 2, reducing residential vacancy and increasing rental prices. The community-focused buildings, including the Science City's GROW extension and the Sprout Workforce Development Center, will also be constructed in Phase 2.

The life science business incubator will offer co-working space at a 50% market rate to early-stage companies, many of which will be eligible for tax abatement from the Missouri Works program. This pricing structure, designed

specifically with small businesses in mind, leads us to project competitive vacancy rates throughout the Knot.

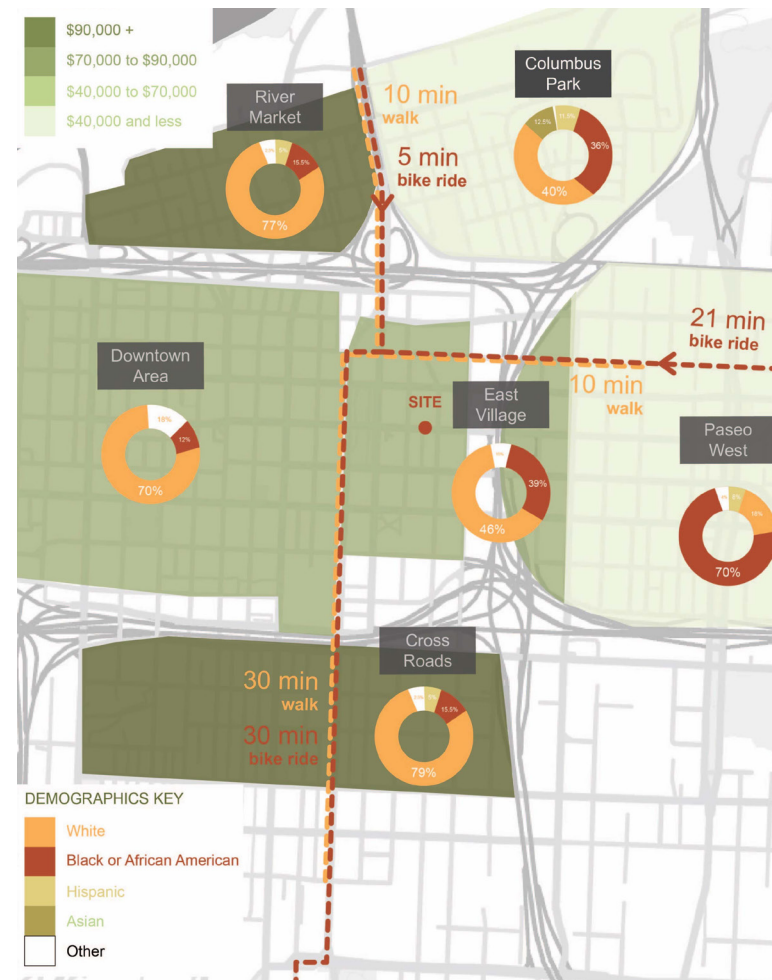
Taken together, we believe that the KC Knot will not only harken the development of an equitable and innovative transit-oriented community, but will also provide robust returns for investors. Based on our projected cash flows, we expect an unleveraged IRR of 12% and leveraged IRR of 23%.

Team #2021-2664



DEMOGRAPHICS & DISTANCE

Race & Income in surrounding neighborhoods and distance time it takes to travel to the site.



TRANSIT

Existing Connection Lines: Transit & Bicycle.



CIRCULATION

Density of visitors from surrounding neighborhoods.



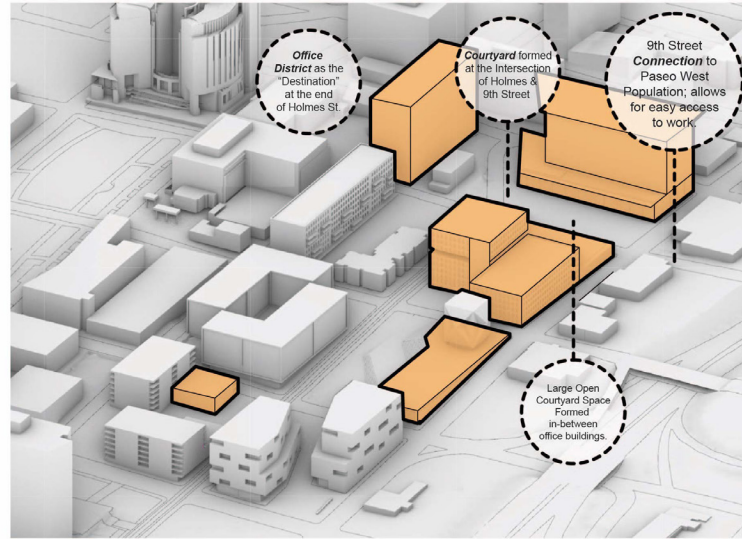
THE GREEN SPINE

Multiple pedestrian streets that run through the site & are lined with cow sculptures to capture the history of Kansas City.



Life Sciences

Past, Present, and Future

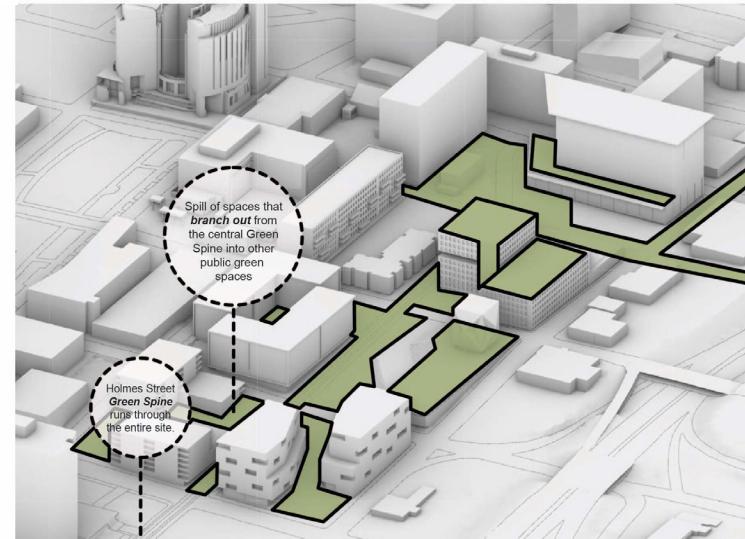


Innovation

- Bio-Science Research
- Bio-Tech Research
- Maker Space
- Collab Lab
- Co-Working Innovators
- Post-Pandemic Job Growth
- Sprout Workforce Development Center
- Equitable Education Training
- University of Missouri Kansas City
- Supporting Future Entrepreneurs

Sustainability

Transit-Oriented Community

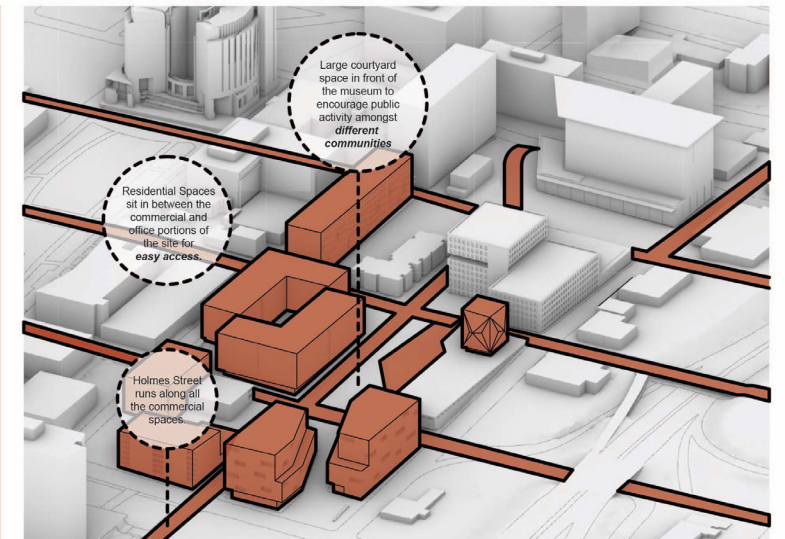


Complete Streets

- RideKC Bicycles
- Electric Vehicle Car Share System
- Pedestrian-Bicycle-Transit-Greenway Connection
- Commuter Benefit Programs
- Alternative Transportation Education
- Rain Gardens
- Stormwater Catchment
- Green Roof
- Solar Energy
- Native Planting
- Permeable Surfaces
- Walkable Downtown

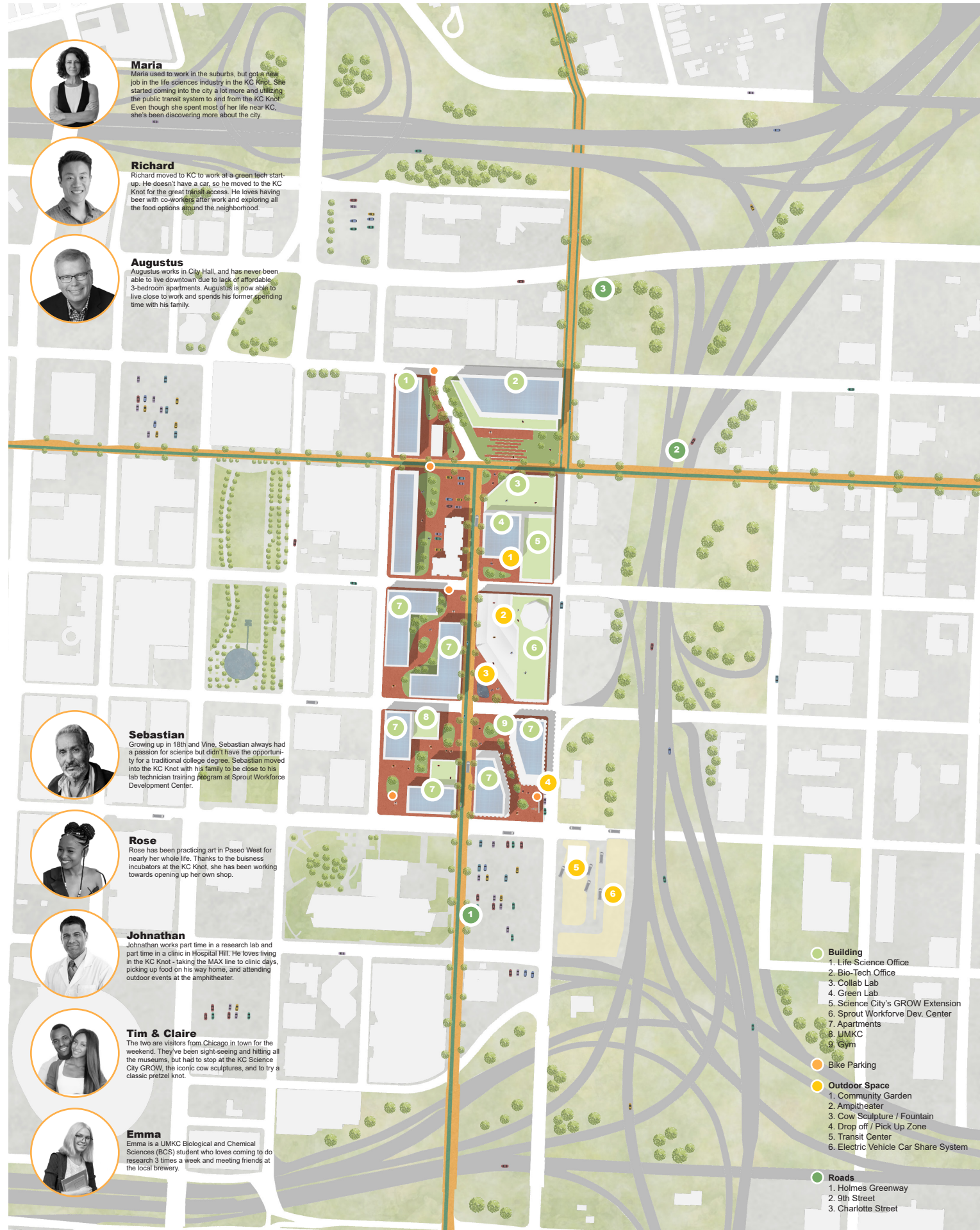
Connectivity

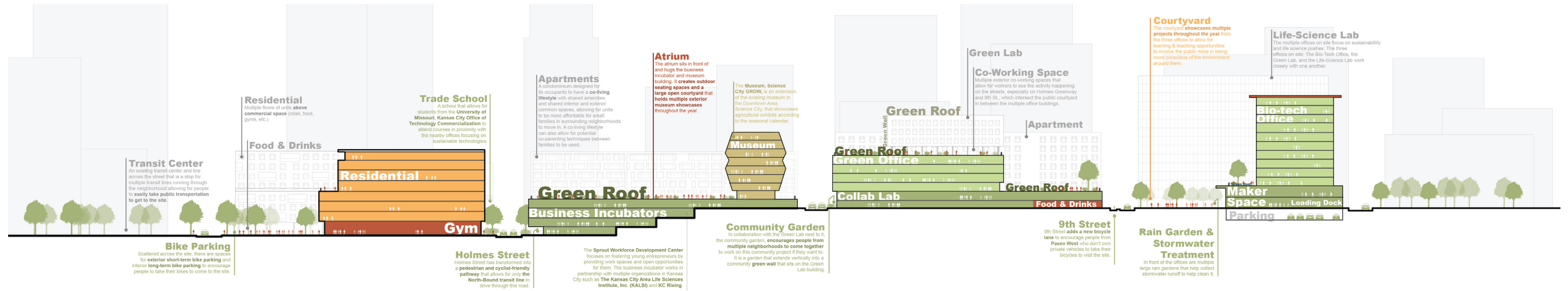
Tying together Kansas City

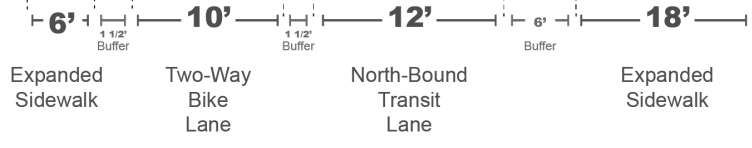
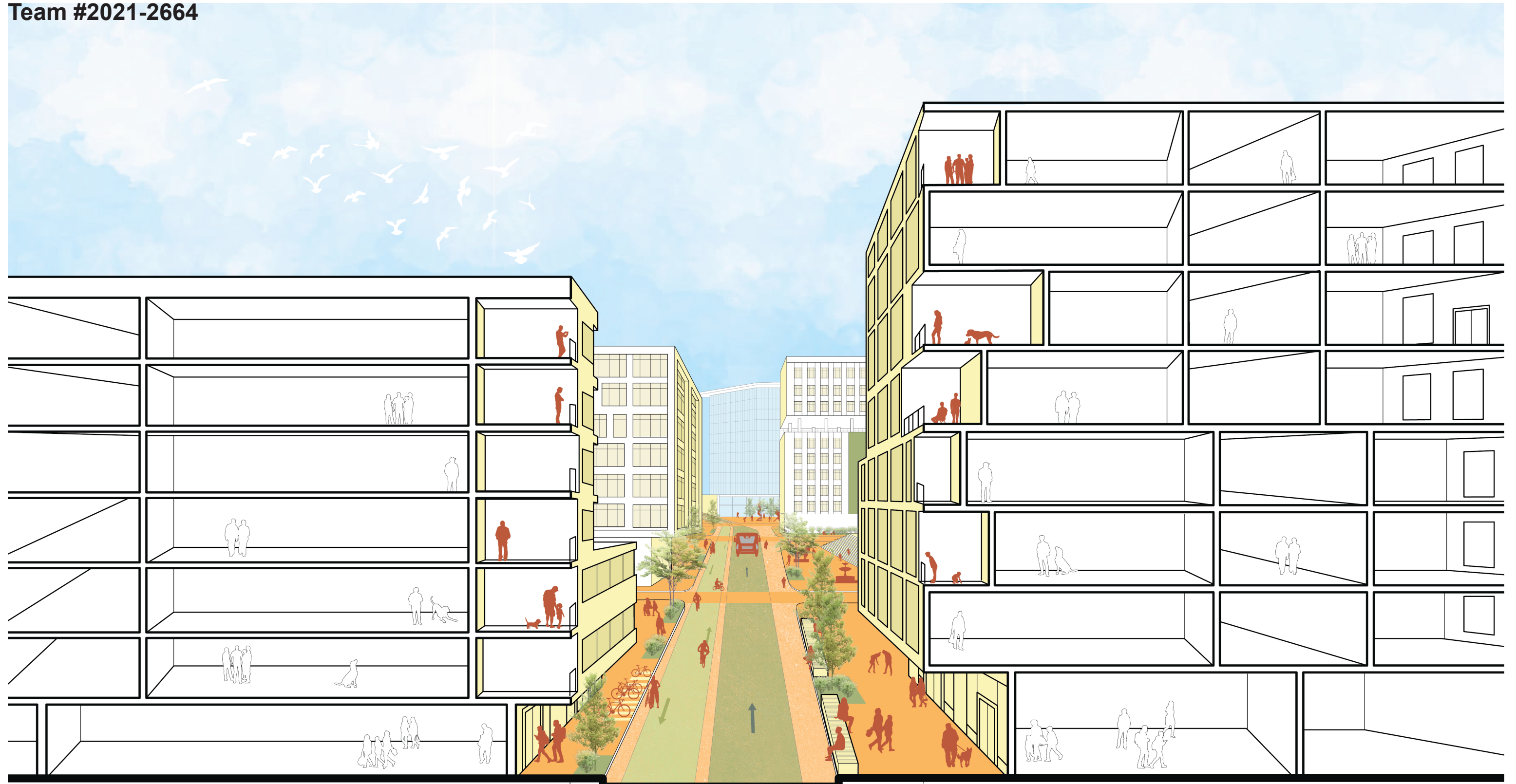


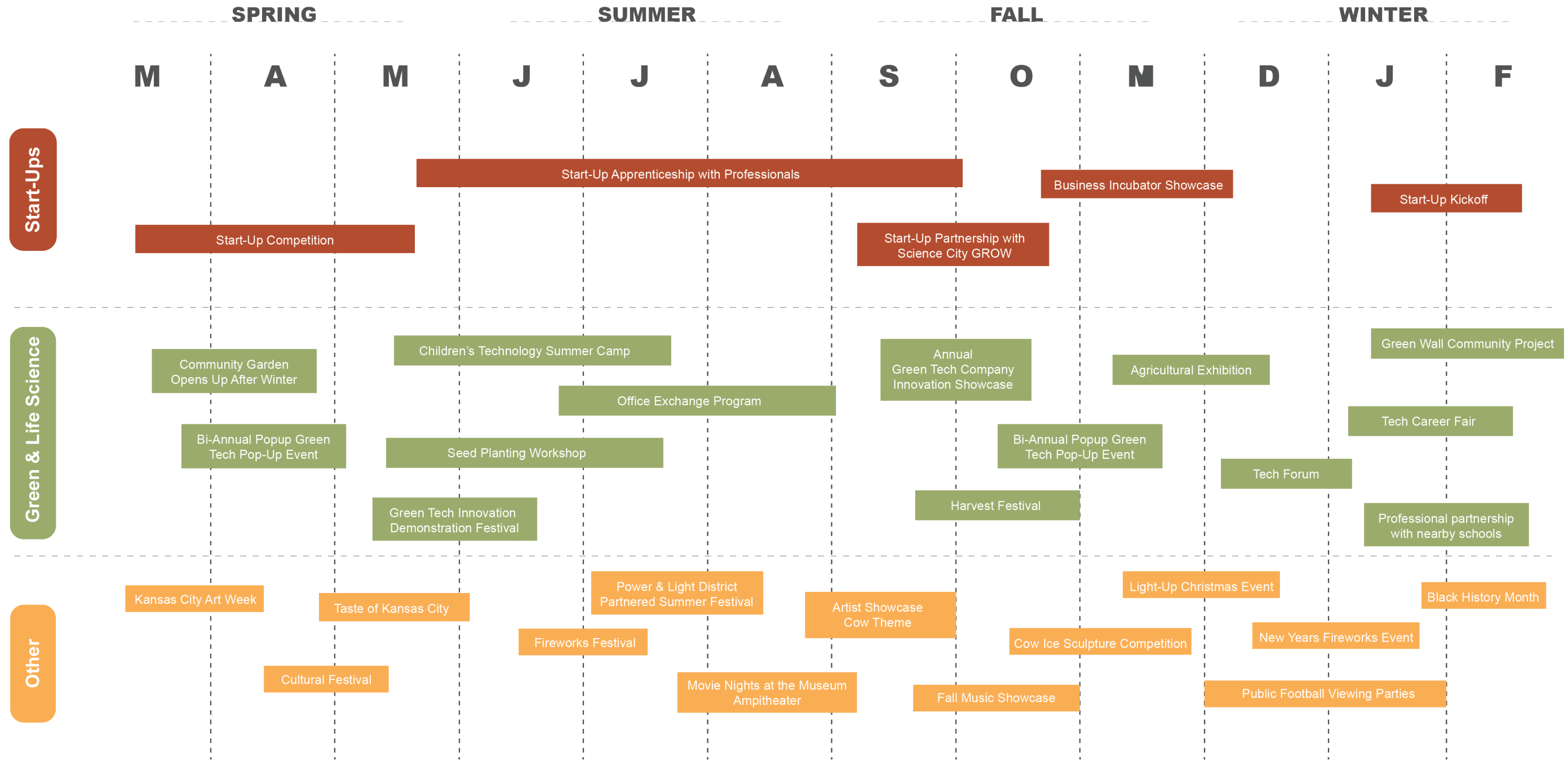
Inclusivity & Community

- Connection to surrounding Neighborhoods.
- Pedestrian & Bicycle-Friendly Axes
- Work, Play, & Grow Spaces
- Diversity of People, Opportunities, & Transportation
- Low Income Housing
- Annual Outdoor Innovation Exhibits
- Trade School
- Access to Green Space & Garden









Start-Up
 Considering that start-ups are becoming an important part of Kansas City's economy, these events engage and catalyze creativity between start-ups in the KC Knot, the Crossroads neighborhood, and the Keystone Innovation District. Events at the Knot will connect and encourage partnership between the existing tech community in the central city with the neighborhoods of Columbus Heights, River Market, and Paseo West.

Green Tech and Life Science
 These events focus on the growing Green Tech and Life Science industries. Events in this category will connect companies to foster collaboration and ideation. Further, events such as the Harvest Festival, Community Garden Workshops, and Agricultural Exhibition can have interactive components that act as an educational resource to the surrounding area.

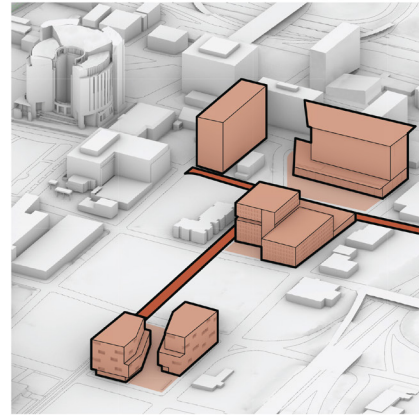
Other
 Events under the "other" category are multidisciplinary in nature and use the public spaces and built environment to host community building events. The amphitheater, business incubators, retail, and food infrastructure allow for flexible cultural events to be hosted at the KC Knot.





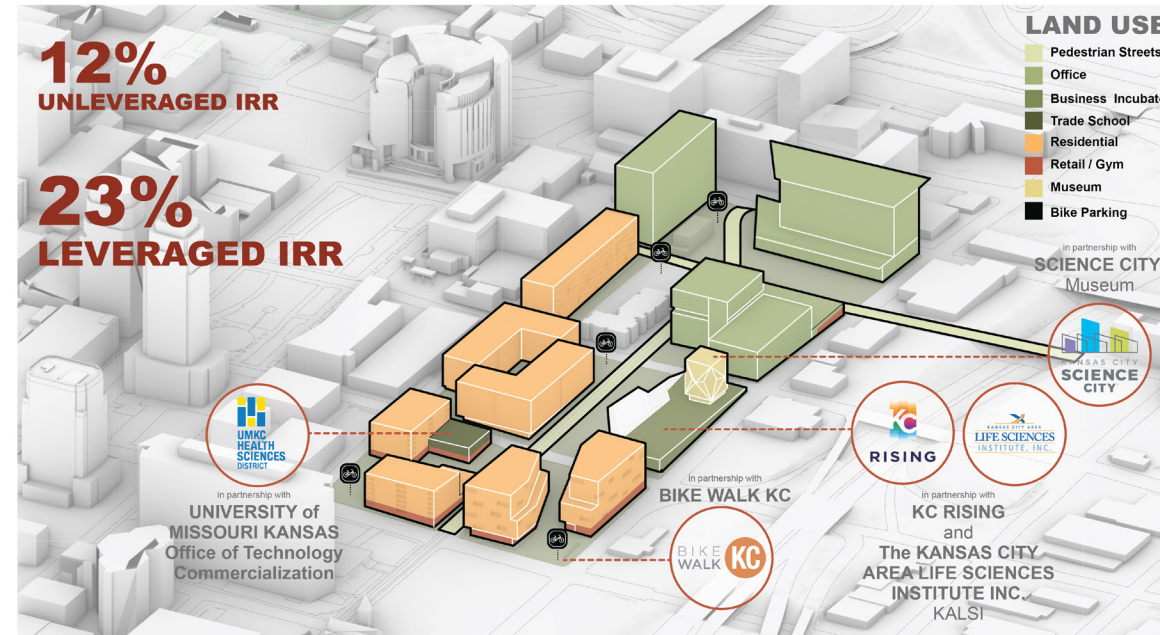
PHASE 1 - "Building Enterprise"

Phase 1 focuses on office and lab space development, as well as development adjacent to the East Village Transit Center, to strategically increase the number of employees and activities in and around the site. This will increase the demand for residential apartments that will be constructed in Phase 2, reducing residential vacancy and increasing rental prices. Most of the Holmes Greenway will be constructed in Phase 1.

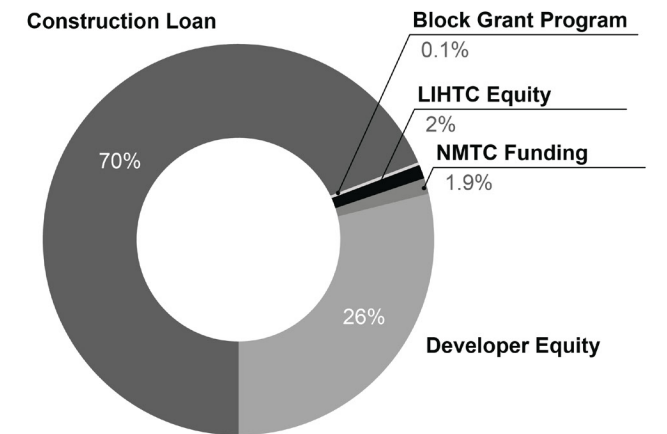


PROGRAM	sf
Pedestrian Streets	78,321
Office	1,524,901
Business Incubator	0
Trade School	0
Residential	336,540
Retail / Gym	50,429
Museum	0
Underground Parking	102,808
Total Sqft:	2,092,998

OVERALL SITE PROGRAM

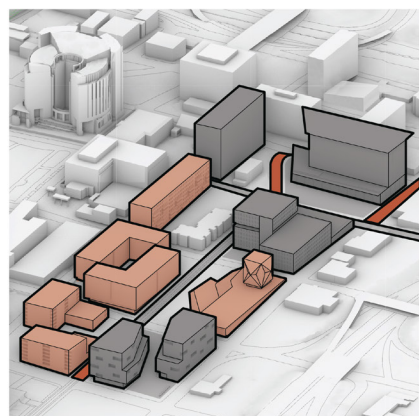


\$68,461,623 Sources



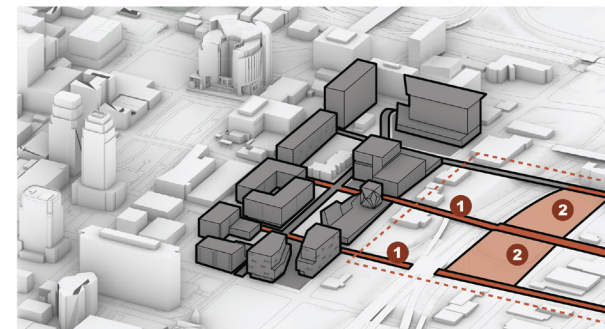
PHASE 2 - "Building Community"

In Phase 2, the majority of the mixed-income rental housing will be constructed. The community-focused buildings, including the Science City's GROW extension and the Sprout Workforce Development Center, will also be constructed in Phase 2. The final portion of the Holmes Greenway and the protected bike lanes on 9th and Charlotte Streets will be constructed in Phase 2.



PROGRAM	sf
Pedestrian Streets	57,179
Office	0
Business Incubator	140,400
Trade School	30,000
Residential	943,681
Retail / Gym	55,106
Museum	23,312
Underground Parking	80,232
Total Sqft:	1,329,867

LONG-TERM VISION



Over time the goal is to expand the project by transforming more connecting roads into pedestrian and cyclist-friendly roads, such as 10th street and 11th street. By doing this, the project hopes to also expand into the space across the highway with the existing children's park to deepen the connection between the Downtown Area and Paseo West. These two neighborhoods are currently strongly separated by the highway. Also this additional space could allow for more community-oriented buildings and activities that would further engage the multiple neighborhoods that are being brought together at The KC Knot.

- 10th & 11th Street Expansion: Pedestrian Streets
Added Bike Lanes & Expanded Sidewalks
- Flexible Community Space
Potential for Community Gardens
Potential Future Life Science & Community Engagement Cluster

Low Income Community Development
Market Rate vs. Affordable Housing
 \$1,258 vs. \$968
 For a 2-bedroom unit...

Office Space vs. Business Incubator
 \$20 vs. \$10
 Per Year Per Sqft

Uses

