

BOARD OF DIRECTORS MEETING AGENDA
SALINA AREA CHAMBER OF COMMERCE - VISIT SALINA ANNEX
MARCH 16, 2023 AT 9:30 AM

- 1. CALL TO ORDER AND ROLL CALL @ 9:30 AM**
 - (1.1) Confirmation of Meeting Notice/ Visitor Introductions
 - (1.2) Public Comments

- 2. APPROVAL OF MINUTES**
 - (2.1) February 16, 2023 Minutes

- 3. APPROVAL OF FINANCIAL STATEMENT & ACCOUNTS PAYABLE**
 - (3.1) February Financial Reports

- 4. DIRECTOR'S REPORT**
 - (4.1) Lee Lofts Phase 2 & 3 Sales Tax Abatement Request via IRB Process
 - (4.2) Beck Hybrids Update
 - (4.3) Project DORI Warehouse Update
 - (4.4) City of Salina Housing RFP
 - (4.5) Prospect Updates - See Attached Chart

- 5. BOARD MEMBER DISCUSSION/QUESTIONS**

- 6. ADJOURNMENT**



**CITY OF SALINA, KANSAS
REGULAR MEETING OF THE SALINA COMMUNITY ECONOMIC DEVELOPMENT
ORGANIZATION, INC.**

February 16, 2023 --Via in person and Zoom Link

CALL TO ORDER AND ROLL CALL

The Regular Meeting of the Salina Community Economic Development Organization, Inc. was called to order at 9:30 AM by Brian Richardson, Board President.

(1.1) Confirmation of Meeting Notice

Robinson confirmed that the meeting notice was made public via email, news release, and social media.

Those present and comprising a quorum:

In person:

Brian Richardson
Frank Hampton
Jim Maes
Tom Dill
Brian Schwarz
Brian Weisel

Zoom (Z):

Daran Neuschafer (Z)

Also present:

Mitch Robinson, Salina Community Economic Dev. Organization, Executive Director
Robin VanAtta, Salina Community Economic Dev. Organization Administrative Assistant
Bill Longbine, City Commissioner, City of Salina (*out at 10:00 AM*)
Robert Vidricksen, County Commission Chair, Saline County
Tim Rogers, Executive Director, Salina Airport Authority
Melissa Bixby, Senior Vice President of Lending, Exchange Bank (Z)
Lloyd Davidson, Salina citizen (Z)
Renee Duxler, Interim President/CEO, Salina Area Chamber of Commerce
Greg Bengtson, lead counsel for the City of Salina, Clark, Mize and Linville Chartered

Absent:

Paula Fried, Max Wellbrock-Talley, Rob Exline

(1.2) Public Comment

No Public Comment

APPROVAL OF MINUTES

(2.1 & 2.2) Moved by Maes, seconded by Schwarz to approve the January 19, 2023 minutes and the January 26, 2023 minutes. Aye: (7). Nay: (0). Motion carried.

APPROVAL OF FINANCIAL STATEMENT AND ACCOUNTS PAYABLE

(3.1) January Financial Reports

Moved by Maes, seconded by Hampton to approve the January 2023 financial reports. Aye: (7). Nay: (0). Motion carried.

DIRECTOR'S REPORT

(4.1) Beck's Hybrid Update

The final agreement is scheduled to be completed on Tuesday, February 14th, 2023.

(4.2) Warehouse Project Update

Project Dori is being presented the City Commission on February 6th, 2023 to move forward to a February 27th public hearing.

(4.3) Industrial Revenue Bond Revisions/Updates

Robinson presented the recommended Abatement Guidelines Chart to the Commissioners during a study session on Monday, February 6th, 2023. The commissioners had a few questions centered around the low job numbers starting point and low investment threshold. Robinson explained that job numbers reflect modern practices of automation positions to minimize workforce needs. Those positions are typically at a higher rate of pay than regular manufacturing positions based on the technical skill set needed. The lower investment threshold is to help entrepreneurs and startups succeed among the larger corporations.

(4.4) City Housing RFP

City staff are reviewing the RFPs.

(4.5) Prospect Updates - See Chart

Robinson reviewed the prospect table.

(4.6) Kansas Open Meetings Overview - Tim Rogers / Greg Bengtson

Rogers and Bengtson reviewed some of the components of the Open Meetings Act, including keeping the door open at all times and removing the "Executive Session" verbiage from the agenda unless it is a true agenda item. EDO staff can have copies of the executive session verbiage on hand for when it's necessary. Bengtson also described the Attorney General's process for enforcing possible violations.

BOARD MEMBER DISCUSSION/QUESTIONS

N/A

ADJOURNMENT

Moved by Maes, seconded by Weisel to adjourn the meeting at 10:42 AM. Aye: (7). Nay: (0). Motion carried.

Brian Richardson, Board President

ATTEST:

Rob Exline, Secretary

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION
Salina, Kansas

COMPILED FINANCIAL STATEMENTS
February 28, 2023

WOODS & DURHAM, CHARTERED
Certified Public Accountants
Salina, Kansas

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION
Salina, Kansas

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ACCOUNTANT'S COMPILATION REPORT

To the Members of
Salina Community Economic Development Organization
Salina, Kansas

Management is responsible for the accompanying financial statements of Salina Community Economic Development Organization (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets - tax basis as of February 28, 2023, and the related statement of revenues, expenses, and changes in net assets - tax basis for the one month and two months then ended and determining that the tax basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements

The financial statements are prepared in accordance with the tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in the financial statements prepared in accordance with the tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's assets, liabilities, net assets, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was not subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not independent with respect to the Salina Community Economic Development Organization.

Woods & Durham, Chartered
Certified Public Accountants

March 7, 2023

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION
Salina, Kansas

STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS - TAX BASIS
February 28, 2023

ASSETS

Current Assets

Cash	\$ 325,473
Unconditional promises to give:	
Member contributions receivable - current	<u>351,211</u>

Total Current Assets 676,684

Long-term Unconditional Promises to Give

Member contribution receivable - non-current	<u>259,516</u>
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Property and Equipment

Furniture and equipment	7,413
Less: accumulated depreciation	<u>(6,396)</u>

Net Property and Equipment 1,017

Total Assets \$ 937,217

LIABILITIES AND NET ASSETS

Current Liabilities

Payroll liabilities	<u>\$ 610</u>
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Net Assets

Without donor restrictions	677,091
With donor restrictions	<u>259,516</u>

Total Net Assets 936,607

Total Liabilities and Net Assets \$ 937,217

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION
Salina, Kansas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - TAX BASIS
For the One Month and Two Months Ended February 28, 2023

	Period Ended Feb. 28, 2023	Year to Date Feb. 28, 2023
Net Assets Without Donor Restrictions		
Revenues and Support Without Donor Restrictions		
Start Up Salina income	\$ -	\$ 8,000
Member contributions	-	1,765
Gifts in kind	1,667	3,334
Interest income	328	628
Total Revenues and Support Without Donor Restrictions	1,995	13,727
Net Assets Released From Restrictions		
Restrictions satisfied by payments	-	352,941
Total Revenues and Support Without Donor Restrictions	1,995	366,668
Expenses		
Business expenses	-	8,180
Contract services	1,880	1,880
Facilities and equipment	1,667	3,334
Operations	3,839	4,909
Other expenses	88	177
Payroll expenses	18,407	35,024
Travel and meetings	350	861
Total Expenses Without Donor Restrictions	26,231	54,365
Change in Net Assets Without Donor Restrictions	(24,236)	312,303
Net Assets With Donor Restrictions		
Unconditional promises to give - restrictions satisfied by payments	-	(352,941)
Net Assets - Beginning of Period	960,843	977,245
Net Assets - End of Period	\$ 936,607	\$ 936,607

SUPPLEMENTARY INFORMATION

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION
Salina, Kansas

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - PRIOR YEAR AND BUDGET COMPARISON - TAX BASIS
For the One Month and Two Months Ended February 28, 2023 and February 28, 2022

	Period Ended Feb. 28, 2023	Period Ended Feb. 28, 2022	Year to Date Feb. 28, 2023	Year to Date Feb. 28, 2022	Budget YTD Feb. 28, 2023	Budget 2023 Approved
Revenues						
Start up Salina Income	\$ -	\$ -	\$ 8,000	\$ -	\$ 667	\$ 4,000
Member Contributions	-	-	1,765	-	90,000	360,000
Investments - Interest	328	30	628	67	250	1,500
Gifts in Kind	1,667	-	3,333	-	-	-
Total Revenues	<u>1,995</u>	<u>30</u>	<u>13,726</u>	<u>67</u>	<u>90,917</u>	<u>365,500</u>
Expenses						
Business Expenses						
Memberships	-	-	455	300	188	1,125
Marketing Events	-	-	7,225	550	1,000	6,000
Miscellaneous Expense	-	-	-	-	83	500
Business Registration Fees	-	-	500	-	7	40
Total Business Expenses	<u>-</u>	<u>-</u>	<u>8,180</u>	<u>850</u>	<u>1,278</u>	<u>7,665</u>
Contract Services						
Accounting fees	1,880	217	1,880	785	2,000	12,000
Outside Contract Services	-	-	-	7,475	2,217	13,300
Total Contract Services	<u>1,880</u>	<u>217</u>	<u>1,880</u>	<u>8,260</u>	<u>4,217</u>	<u>25,300</u>
Facilities & Equipment						
Computer Replacement	-	-	-	-	250	1,500
Donated Facilities	1,667	-	3,333	-	-	-
Office Equipment	-	-	-	-	133	800
Total Facilities & Equipment	<u>1,667</u>	<u>-</u>	<u>3,333</u>	<u>-</u>	<u>383</u>	<u>2,300</u>
Operations						
StartUp Salina Expenses	-	-	-	84	667	4,000
Donations (Outgoing Board Recognition)	100	-	100	-	17	100
Dues & Subscriptions	7	-	33	195	167	1,000
Training Fees	-	-	-	-	250	1,500
Advertising/Promotion	-	1,869	515	3,449	5,000	30,000
Repairs & Maintenance	-	-	-	-	83	500
Books, Subscriptions, Reference	3,540	11	3,540	3,289	917	5,500
Postage, Mailing Service	-	-	-	-	23	135
Printing and Copying	39	-	105	-	58	350
Supplies	-	132	278	632	417	2,500
Telephone, Telecommunications	152	180	338	510	533	3,200
Total Operations	<u>3,838</u>	<u>2,192</u>	<u>4,909</u>	<u>8,159</u>	<u>8,131</u>	<u>48,785</u>
Other Expenses						
Depreciation	88	34	177	68	167	1,000
Other Costs	-	-	-	-	42	250
Insurance - Liability, D and O	-	-	-	344	1,000	6,000
Total Other Expenses	<u>88</u>	<u>34</u>	<u>177</u>	<u>412</u>	<u>1,208</u>	<u>7,250</u>
Payroll Expenses						
Retirement Contribution	-	-	-	-	1,917	11,500
Employee Health Ins	1,350	520	1,972	2,660	1,283	7,700
Director Health & List Ins	1,350	844	1,972	4,308	1,833	11,000
Car Allowance	500	500	750	1,000	1,000	6,000
Payroll Taxes	1,196	1,081	2,498	2,142	2,500	15,000
Wages & Salaries	14,011	13,628	27,832	26,993	30,833	185,000
Total Payroll Expenses	<u>18,407</u>	<u>16,573</u>	<u>35,024</u>	<u>37,103</u>	<u>39,367</u>	<u>236,200</u>
Travel and Meetings						
Meals	80	37	261	172	333	2,000
Conference, Convention, Meetings	39	-	369	-	167	1,000
Travel	231	-	231	131	667	4,000
Travel and Meetings - Other	-	-	-	-	167	1,000
Total Travel and Meetings	<u>350</u>	<u>37</u>	<u>861</u>	<u>303</u>	<u>1,333</u>	<u>8,000</u>
Total Expenses	<u>26,230</u>	<u>19,053</u>	<u>54,364</u>	<u>55,087</u>	<u>55,917</u>	<u>335,500</u>
Changes in Net Assets without Donor Restriction	<u>(24,235)</u>	<u>(19,023)</u>	<u>(40,638)</u>	<u>(55,020)</u>	<u>35,000</u>	<u>30,000</u>
Board Designation - Reserve Funds	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>
Changes in Net Assets	<u>\$ (54,235)</u>	<u>\$ (49,023)</u>	<u>\$ (70,638)</u>	<u>\$ (85,020)</u>	<u>\$ 5,000</u>	<u>\$ -</u>

March 2023 REPORT

MARKETING / LEGISLATIVE

The community partners have been working with Lobbyist Eric Sexton on several bills supporting issues of interest to the Salina/Saline community including projects at KState Salina, the Salina Airport Authority and other important issues like childcare.

WORKFORCE TALENT / HOUSING / CHILDCARE

On Monday, March 6th the City Commission discussed the review process for the finalists for the housing RFP which will use the \$25 million in state assistance. The Commissioners have selected reviewing the top three applications in a public meeting at a date to be announced. Area industries have provided additional information that the SCEDO, the Chamber and the SAA helped to provide to the City Commission on current job numbers expressing the need for additional housing in Salina.

The United Way has approved taking the lead on childcare and held a meeting with community leaders in the Chamber Annex on Thursday, March 9th. The Chamber and the SCEDO worked to invite community leaders to discuss the need for assistance for wage assistance for workers in the childcare field. Approximately 40 representatives from non-profits, local employers and area governmental units attended the session.

ETREPRENEURSHIP / SMALL BUSINESS DEVELOPMENT

The March 1st meeting of Startup Salina meeting focused on a Senior Core of Retired Executives (SCORE) presentation dealt with tax and financial questions of interest to those seeking to startup a new business. An educational seminar on the 2023 Charlie Walker Pitch Challenge was held on Tuesday, February 28th at KState Salina. Applications are due March 10th. This year's event will be on Friday, March 24th at KWU.

PROSPECT MANAGEMENT

Beck's Hybrids is still working with the property owner John Ward to get a deal made on acreage adjacent to Interstate 70. A final decision is getting reviewed on the legal aspects of the purchasing agreement. Department of Commerce has funding available for the company via one of their incentive programs.

Great Plains continues to work on several project options concerning their railroad access.

On March 6th the SCEDO presented Project Dori to the Salina City Commission for their public hearing and first approval of the Industrial Revenue Bond process. The City Commission passed it 5-0. This is for IRB's for a 243,000 square foot tilt up concrete warehouse that will be built on the south side of the Superior property along Vortex Avenue.

Held a zoom call with two representatives of the Department of Commerce concerning the possible funding for Project Imagination and K State Salina. Final funding for the project has been competed with final review locally of the funding for the project. Final funding will be done by the legislature later this spring.

Working on review of incentives for the Phase 2 and 3 of the Lee Loft project. This is the next steps by Overland Property Group for this apartment building using the former Lee Warehouse building. The company is asking for sales tax abatement for construction materials used in these two phases of their project.

SITES / BUILDINGS / TOOLS:

Continue to monitor sites and available buildings within the community.

MONTHLY WEB/SOCIAL MEDIA STATISTICS

Website – (reported February 2023)

125 users 121 New Users 146 Sessions 3.64 Pgs/Session 1:09 Avg Session
532 Pageviews

Website –2/11/2023 – 3/8/2023

149 users 146 New Users 161 Sessions 3.34 Pgs/Session 1:08 Avg Session
538 Pageviews

Facebook – (reported February 2023)

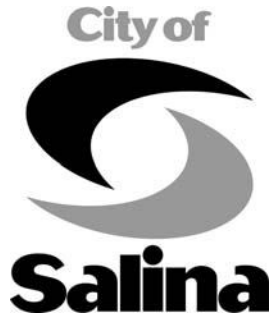
441 Page Reach 65 Post Reach 87 Page Visits 803 Followers

Facebook – 2/11/2023 – 3/8/2023

277 Page Reach 314 Post Reach 76 Page Visits 807 Followers

Start Up Salina Facebook Group

4/15/2022 – 322 members (+5)
5/13/2022 – 326 members (+4)
6/9/2022 – 330 members (+4)
7/18/2022 – 334 members (+4)
8/11/2022 – 334 members (--)
9/13/2022 – 338 members (+4)
10/11/2022 – 339 members (+1)
11/11/2022 – 347 members (+8)
12/12/2022 – 352 members (+5)
1/16/2023 – 352 members (--)
2/10/2023 – 356 members (+4)
3/9/2023 – 361 members (+5)



APPLICATION FOR INDUSTRIAL REVENUE BONDS

I. GENERAL INFORMATION

1. OPG Lee Lofts Partners II, LLC 3/7/2023
Name of Applicant Firm Date of Request

2. 254 N Santa Fe Avenue, Suite A, Salina, KS 67401 913-396-6310
Firm Address Phone Number Fax Number

3. Austin Kack 785-201-4046
Contact person/title Phone Number Fax Number

4. Names and Addresses of other contacts:

Tony Krsnich

Name Address Phone/Fax

Name Address Phone/Fax

Name Address Phone/Fax

5. Names and address of the principal owners, officers and directors of the firm requesting the Industrial Revenue Bonds:

Name	Title	Address
<u>Matt Gillam</u>	<u>Manager</u>	<u>254 N Santa Fe Avenue, Suite A, Salina, KS 67401</u>

6. Sam Thompson - Winthrop & Weinstine 612-604-6407
Applicant's Attorney Phone Number Fax Number

7. _____
Applicant's Underwriter (or Purchaser) Phone Number Fax Number

Contact Person Address

II. NATURE OF PROJECT FINANCING (if refunding/refinancing, skip to section III)

1. Briefly describe the proposed financing:

Construction will be financed via a two-tranched term loan from Bennington State Bank, a local lender. An equity investment from two partners, Redstone Equity and Commerce Bank, will be utilized as well. A local non-profit CHDO, CHDC of Central Kansas, will also provide a loan to support this development.

2. Is the proposed project a new facility, expansion, or replacement of another existing facility?

This project is a second phase of affordable housing development at the Lee Complex in downtown Salina. Phase II is a "mirror" of Phase I, providing 50 new affordable housing units to the community. There is also 9,000 SF of commercial space available for local businesses to operate in.

Please state the reason for the establishment of the new facility, expansion or replacement of the existing facility:

Lee Lofts Phase II is being constructed to help address the historic need for affordable housing in the City of Salina. As a mixed used space, this development not only provides much needed housing, but provides a unique opportunity for local commercial operations to take place in the downtown area.

3. Is the applicant's understanding that the interest on the proposed issue is tax-exempt or taxable?

(Consult Bond Counsel).

4. Proposed number of years to amortize the bond issue:

5. Describe proposed call features:

6. Describe the proposed security for the bonds (i.e., pledge of collateral, corporate/personal guarantees, debt service reserve fund, credit enhancements, etc.).

7. Proposed date of issue: _____

8. Will the bonds be rates? _____ By whom? _____

9. Interest rate to be fixed or variable rate _____. If variable, please describe:

10. Please attach proposed debt service schedule, if available.

11. Anticipated source and use of project financing.

Sources:

Bond proceeds	\$ _____
Cash	_____
Other	_____
Interest on Bond Proceeds during construction	_____
TOTAL =	\$ _____

Uses:

Land cost	\$ _____
Construction Costs	_____
Machinery/Equipment	_____
Cost of Issuance (specify)	_____

Capitalized Interest	_____
Debt Service Reserve Fund	_____
Underwriting Fee	_____
Other	_____
TOTAL =	\$ _____

10. Please indicate proposed Trustee.

III. REFUNDING/REFINANCING (fill out this section if transaction is refunding of an existing bond issue)

1. Which form of refunding is proposed?

- a. Advance Refunding
- b. Current Refunding

2. Current Principal Outstanding \$_____.

3. Purpose of Refunding:

Interest savings (attach proposed savings schedule)

Extend or shorten repayment (attach debt service schedule)

Change indenture covenants (specify)

Other (specify)

4. Was the City of Salina the original Issuer? Yes_____ No_____

Original date of issue: _____

5. If an advance refunding is proposed:

Who is the proposed Escrow Trustee?

Who is proposed to provide escrow verification?

What is the length of escrow account?

6. When are the refunding bonds callable? _____

7. Is there a call premium? Yes_____ (if so, _____%) No _____

8. List estimated sources and uses of refunding bond proceeds:

Sources:

Uses:

TOTAL = \$_____

TOTAL=\$_____

9. Please list the proposed security of the refunding issue:

10. Proposed offering date of the bond issue:

11. Please describe any material changes that have occurred to the company since the original bond issue, (i.e., new products or services, increase or decrease in employment, changes in sales revenue, net worth, profitability, new locations, etc.).

IV. PROPOSED USE

1. Location of the proposed facility. 254 North Santa Fe, Salina, KS 67401

2. Size of the proposed facility (include size of building and amount of real property):
62,300 SF

3. Name of the Architect and Contractor, if designated:

JGR Architects	730 N 9th St., Salina, KS 67401	785-827-0386
Name	Address	Phone/Fax
MCP Build, Inc	3501 SW Fairlawn Rd, Suite 100	785-273-3882
Name	Address	Phone/Fax

4. What business is proposed by the applicant at this location?
Mixed Use Space - Affordable Housing Apartments and Commercial Operations Space

5. List the products or services to be rendered. (Include details of the nature and scope of the operation of the business):

Residential use is housing restricted to tenants making between 30% and 80% of Area Median Income and Commercial space will be open for leasing. The proposed uses for the Commercial space could be office space, retail, restaurant, etc.

6. What percentage of the facility will be occupied by the Applicant? (If less than 100%, please specify other occupants):

80% will be occupied by applicant, or tenants of the applicant. The commercial space will be subleased to an other user.

7. Describe type of building construction proposed:

Adaptive reuse of the historic Lee Buildings in Downtown Salina.

8. Current zoning: C-4

9. Anticipated date of completion: July 2024

V. ORGANIZATIONAL

1. Describe the organizational structure of the firm (proprietorship, partnership, subsidiary, corporation, not-for-profit, etc.)

Single Purpose LLC

2. Is the Applicant's stock publicly held? No

If so, which stock exchange? N/A

3. In what state is the Applicant incorporated? Delaware

4. Date of incorporation. July 27th, 2020

5. Indicate Applicant's principal bank. Bennington State Bank

6. Which CPA firm does the accounting/audit?

Kari Wolff - MarksNelson	6800 W 115th St, Suite 3511, Overland Park, KS 66211	Kwolff@mnadvisors.com
Contact person	Address	Phone/Fax

7. Please indicate what company will be performing the environmental audit:

Diana Hedrick - Phase Engineering	5524 Cornish Street, Houston, TX 77007	832.485.2225
Contact person	Address	Phone/Fax

8. Describe and pending or threatened litigation:

N/A

9. Total employment of Applicant. Approximately 20

10. How many locations does applicant currently have?

List locations:

3 - Salina, Denver, and Kansas City

VII. MARKETING OF THE BONDS

1. Has the applicant retained a financial advisor, instead of or in addition to an underwriter?

Company name	Phone/Fax
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Contact person	Address
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2. Please indicate the proposed marketing arrangement:

_____ Retail public offering _____ Institutional offering

_____ Private Placement _____ Applicant purchases issue (indicate %)
_____ Other (please describe)

- 3. Proposed date of issue: _____
- 4. Proposed date of offering: _____
- 5. Proposed date of closing: _____
- 6. Is the issue to be sold interstate or intrastate? _____
- 7. If other underwriters are going to participate in the offering please list:

Company	Principal location
_____	_____
_____	_____
_____	_____

VIII. MEASURE OF ECONOMIC GROWTH AND BENEFIT

- 1. Number of expected new additional employees to be hired at this site:

	Year 1	Year 2	Year 3
Professional	_____	_____	_____
Technical	_____	_____	_____
Clerical	_____	_____	_____
Laborers	_____	_____	_____

- 2. Please indicate any notable characteristics of the employees for this facility:

As a mixed use space, the commercial space will likely be entirely staffed by local citizens of Salina. The tenants for the affordable housing portions will all be residents of Salina earning between 30% and 80% of the area median income.

- 3. Describe the economic benefits to the City's economy if the transaction is completed:

This development contributes to the growth of downtown Salina, offering tenants a place to both live and work. The Lee Buildings have been unoccupied for a significant period of time, and the redevelopment of these spaces will add another commercial offering to downtown while also preserving a founding pillar in the local community.

IX. POTENTIAL CONFLICTS

1. Is any City Commissioner an officer, director or employee of the Applicant or hold an ownership interest in Applicant's firm? If so, please identify the individual and the nature of the relationship.

No

2. Please describe any other known circumstances that would create a conflict of interest:

N/A

PLEASE NOTE: Any potential conflicts as disclosed above do not necessarily negate the approval of the Issue, but are pertinent for determining those conflicts for the purpose of public disclosure.

X. OTHER INFORMATION

Specify below any other data or information you deem pertinent for the City's consideration in passing upon the approval of the proposed project for financing:

N/A

XI. ATTACHMENTS

To facilitate the processing of the application, please attach the following items to the application.

1. Certified copies of applicant's financial audits for the past three (3) years.
2. Applicant's most recent annual or quarterly financial report.
3. Financial Statement, current to date, for each personal guarantor.

4. Pro forma statements for the first five (5) years of operation after issuance of Bonds, including revenue projections, operating expense projections and a debt amortization schedule.
5. Interim financial statements to date, for the current fiscal year.

XII. APPLICANT'S AGREEMENT

In consideration for the City's acceptance, processing and consideration of this application, Applicant agrees, represents and warrants as follows:

Applicant acknowledges that City of Salina policy requires a full payment in lieu of ad valorem property taxes otherwise exempt under Kansas law as a result of the industrial revenue bond financing. Applicant acknowledges having read the City's tax abatement policy set forth in the attached City of Salina Resolution Number 91-4265, including the conditions upon which Applicants project may qualify for partial property tax abatement. **Is the applicant requesting partial property tax abatement pursuant to the City's policy?**

Applicant agrees and understands that Applicant shall be responsible for paying all expenses incurred by the City for professional services pertaining to this application and Applicants project regardless of whether or not the project is approved or a closing on the sale of the contemplated bonds takes place. Applicant represents and warrants that all statements of fact contained in this application are true to the Applicants best knowledge and belief.

Partial completion of this application is permitted, however, prior to the adoption of the bond ordinance, the remaining supplementary information to complete this application must be furnished. Additional information may be required by Bond Counsel and the Financial Advisor.

It is understood and agreed the information required in Section XI or any other information will be disclosed to the financial team and may be disclosed to the public.

DATED this 7th day of March, 2023.

Austin J Kack

Applicant's signature

Development Associate

Title

Return this application to:

Shandi Wicks
City Clerk
City of Salina
P.O. Box 736
Salina, Ks. 67402-0736

City Of Salina: Residential Housing Incentive Request Form

Project Name:			
Land Owners			
Name: OPG Lee Lofts Partners II, LLC		Phone Number: 913.396.6310	
Address: 254 N Santa Fe Suite A, Salina, KS 67401		E-mail:	
Developer			
Name: Overland Property Group and Flint Hills Holding Group		Phone Number: 913.396.6310	
Address: 254 N Santa Fe Suite A, Salina, KS 67401		E-mail:	
Builder			
Name: MCP Build, Inc		Phone Number: 785.273.3882	
Address: 3501 SW Fairlwan Rd, Suite 100, Topeka, KS 66614		E-mail:	
Project Main Contact			
Name: Austin Kack		Phone Number: 785-201-4046	
Address: 5341 W. 151st Terrace, Leawood, Kansas 66224		E-mail: akack@overlandpg.com	
Property Information:			
Project Address: 250 N Santa Fe, Salina, KS 67401		Total Project Acreage: Approximately 5 acres	
Within the City: <input checked="" type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	Within Area of Change: <input type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	Within NRA/SRA: <input checked="" type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	Census Tract Number: 20169000100
Zoning/Current: C-4	Zoning/Needed: C-4	Platting: <input type="radio"/> Need/Not Needed <input checked="" type="radio"/>	
Water Installed: <input checked="" type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	Sewer Installed: <input checked="" type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	Streets Installed: <input checked="" type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	
Perimeter Street Specials: <input type="radio"/> Applied / <input type="radio"/> Applicable / <input checked="" type="radio"/> Not Applicable		Other Existing Special: <input type="radio"/> Applied / <input type="radio"/> Applicable / <input checked="" type="radio"/> Not Applicable	
Within Floodplain or Floodway: <input type="radio"/> Y / <input checked="" type="radio"/> N <input type="radio"/> O		If yes, which applies: <input type="radio"/> Floodplain / <input type="radio"/> Floodway <input type="radio"/>	
If within Floodplain, what is the identified flood hazard zone?			

Project & Product Information									
Total Number of Units: 50					Number of Lots: 2				
Total Gross Residential Area (Sqft): 51,178					Total Net Residential Area (Sqft): 36,600				
Total Number of Parking Spaces (Sqft): 70					Number of Parking Spaces Per Unit (Sqft): 1.4				
Project Duration: 15 Months			Start Date: 4/1/2023			End Date: 7/1/2024			
Phases: <input checked="" type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O			Number of Phases: 3			Phase Duration: 15 Months			
Unit Type	Total # Of Units – By Type	Production Type	Basement	Total Units Produced Per Year	Occupancy Type: Own/Rent/Lease	Rent (Monthly)Or Purchase Price	Unit Size	Cost Per Sqft	Total Cost Per Unit
<i>SFR, multifamily, duplex, townhomes, triplex, other</i>		<i>Stick built, modular, prefab, other</i>	<i>Y/N</i>	<i>Can use months or years for most accurate calculation</i>			<i>Square feet (sqft)</i>		<i>Unit size * Cost per sqft = total unit cost</i>
1) 1 BR	40	Masonry Rehab	N	40	Rent	325-800	660	176	116,160
2) 2 BR	8	Masonry Rehab	N	8	Rent	400-1100	950	176	167,200
3) 3 BR	2	Masonry Rehab	N	2	Rent	1050	1300	176	228,800
4) Commercial	1	Masonry Rehab	N	1	Lease	5 / SF	9000	176	1,584,000

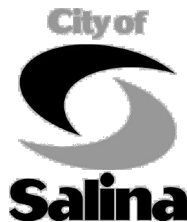


Project Finances				
Land Acquisition Cost: 800,000		Building Construction Cost: 10,600,000		Infrastructure: 300,000
Parking Cost: 100,000		Soft Costs: 4,500,000		Other Site Development Cost: 0
Total Project Cost: 16,300,000				
Equity: 13,790,000			Debt: 2,400,000	
Mortgage Loan Rate: 6.42%		Permanent Loan Term: 16 Yr		Permanent Loan, Take-Out Year: 2024
Construction Loan Cost: 15,300,000			Construction Loan Fee: 115,000	
Annual Debt Service: 167,000			Annual O&M: 225,000	
Annual Property Tax: 5,000			ROI: 1.15 DCR	
Total Annual Fixed Cost:			Total Leasable Area:	
Unit Type:	Revenue – Needed Annually:	Revenue – Needed Per Sqft:	Revenue – Needed Per Unit:	Average Monthly Rent Or Purchase Price:
1) 1 BR	305,000	11.50	\$7627.50	635
2) 2 BR	79,200	10.42	6600	825
3) 3 BR	25,200	9.69	12,600	1050
4) Commercial	45,000	60	N/A	5 / SF / Yr

Incentives Request				
<i>Please indicate below each incentive being requested for this project and provide additional information where applicable...</i>				
RHID	Already Within A District: <input type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	Percentage:	Term Length(Years):	Pay As You Go: <input type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O
IRB	Percentage:	Term Length(Years):	Pay As You Go: <input type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	Sales Tax Included: <input type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O
CID	Within Designated Area Of Change: <input type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	Already Within A District: <input type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	If No, Attach Proposed District Boundaries	Percentage Of Property Generating Sales Tax:
Sales Tax Waiver	Total Construction Material Costs: ~\$5.5M	Percent Of Construction Materials Purchased Or Delivered To Salina: 100%	Anticipated Sales Tax Generated By Construction Materials: ~\$550K	
SRA	Within SRA Area: <input type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	Number of Building Permits Anticipated:	Total Cost of Anticipated Building Permits:	
NRA	Within NRA Area: <input checked="" type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	Improvement of 10K: <input checked="" type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	Increase of %10 or more in property assed value post construction: <input checked="" type="radio"/> Y / <input type="radio"/> N <input type="radio"/> O	

References			
<i>Please provide three reference projects and local contact information</i>			
Project Name	Location (Full Address)	Project Description (product types, number of units, total project duration with starts and end dates)	Local Municipal Contact (name, title, e-mail, phone)
Lee Lofts Phase I	254 N Santa Fe, Salina, KS 67401	50 Affordable Housing Units, Adaptive Reuse, 2018	
Residence 600	600 East Elm Street, Salina, KS 67401	24 Affordable Housing Units, Senior, 2013	
Heritage at Hawthorn	715 North 9th Street, Salina, KS 67401	48 Affordable Housing Units, Family. 2017	

DEVELOPMENT SERVICES
PLANNING AND COMMUNITY DEVELOPMENT
Dean Andrew, Planning and Zoning Administrator
300 West Ash · P.O. Box 736
Salina, Kansas 67402-0736



TELEPHONE · (785) 309-5720
FAX · (785) 309-5713
TDD · (785) 309-5747
E-MAIL · dean.andrew@salina.org
WEBSITE · www.salina-ks.gov

May 4, 2022

Lauren Jensen
Development Coordinator
Overland Property Group, LLC
254 N Santa Fe Avenue, Suite A
Salina, KS 67401

RE: Neighborhood Revitalization Area Status
Lee Lofts Apartments
248 – 254 N. Santa Fe Avenue

Dear Lauren:

This letter is to confirm the Neighborhood Revitalization Program (NRA) status of the Lee Lofts Apartment buildings at the southeast corner of North Santa Fe Avenue and Elm Street in Salina. This property is located in Area A of Salina's Neighborhood Revitalization Area, and as a building that is more than 50 years old, it would be eligible for a property tax rebate if renovations to the building increase its assessed valuation by at least 10%. The tax rebate percentage would be based on the increase in assessed valuation over the base (pre-renovation) value.

It also appears that the Lee Lofts project would potentially be eligible for a 15 year tax rebate of 95% as a project of "Exceptional Community Significance." This requires:

- Creation of a minimum of 50 housing units (75 proposed)
- Demonstration of blight conditions in the area
- An investment of \$10 million or more
- Preservation of a designated historic landmark (Lee Lofts are on the National Register of Historic places)
- Demonstration of vacancy for at least 5 years

The final determination of this project's eligibility for an enhanced property tax rebate would be made by the Salina City Commission upon receipt of an application.

If you or the Kansas Housing Resources Corporation have any additional questions about Salina's Neighborhood Revitalization Area please feel free to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Dean Andrew". The signature is fluid and cursive, with a large initial "D" and "A".

Dean Andrew
Planning and Zoning Administrator



Prospect Table

This information is strictly CONFIDENTIAL. Discussion of this information outside of this meeting could jeopardize the progress of these pending projects.

Color Key: ACTIVE INACTIVE NEW OUT SUCCESS DELAYED DEFUNCT

Code #	Project Name	Client Source	Project Status	Contact Date	Milestone / Decision Date	Project Objective	Business Description	Jobs (New)	Average Salary	Investment	Niche	Acreage Required	Square Footage
21-10	Project Storage	Direct Contact	Active	7/29/2021	Next Visits in March & April	Visited August 23rd	Energy Storage 3-4 years for approval	3	Above Average	\$330M	Energy	20-40 acres under option	NA
21-18	Project JR/ Beck's Hybrids	KC Realtor	Active	11/19/2021	Lawyers Reviewing Contract	Warehouse for existing company from outside the region.	Warehouse seeking rural location on Interstate	5 Warehouse Positions + 15 Sales	?	\$20 Million	Warehouse & Regional Office 60,000 SF Rural Location	150 acres on Interstate interchange for warehouse and test plots	60,000 SF
22-01	Project Big Rig	Direct Call	Active	1/19/2022	Reviewing Sites	Seeking site for Travel Plaza	High quality C Store with lots of services	150-200	?	\$35-\$50 M	C Store w/hotel	20 acres on Interstate	Undisclosed
22-11	Project Imagination	KSU Salina	Active	7/5/2022	Ongoing	CA based company provide services to KS Salina	High Tech Imaging	100 estimated	\$100K+	\$50 M	High Tech Image	KSU Salina/SAA Property	KS Salina Hanger
22-14	Project DORI	Direct / SAA	Active	12/1/2022	Numerous Meetings	Warehouse Project	Warehouse Space for Local Companies	?	?	\$19M	Local Co.	13 acres	250,000 SF
22-15	Project Celebrate	KDOC - JF	Active	12/8/2022	Submitted 12/12/2022	Metal Fabrication	Nashville, TN Based	100	?	?	Need rail	50 acres	200,000 SF Build
23-01	Project Houston	SAA- Tim Rogers	Active	1/26/2022	Reviewed 1/26/2022	Maintenance Hub	New Hub	6	\$25+/hr	?	MRO	Use Local Company	Use Existing Building
23-02	Project Nita	KDOC - BJ	Active	2/10/2023	Target April	Ag-related project conducting a search in Wichita and KC metro areas for a rail-served greenfield	Rail is required , anticipate 80-85 inbound & 25-30 outbound cars/month; Outside storage of raw materials must be allowed	150	\$20/hour, but will change based on local wages		Ag-related	Greenfield site 35-60 acres rail required	200,000-300,000 SF Build

Kansas Labor Force & Unemployment Rates

January 2023

Kansas Statewide Labor Force Data

(Seasonally Adjusted)

Civilian Labor Force: 1,507,732

Employment: 1,464,056

Unemployment: 43,676

Unemployment Rate: 2.9%

*Please note, current month data is Preliminary.

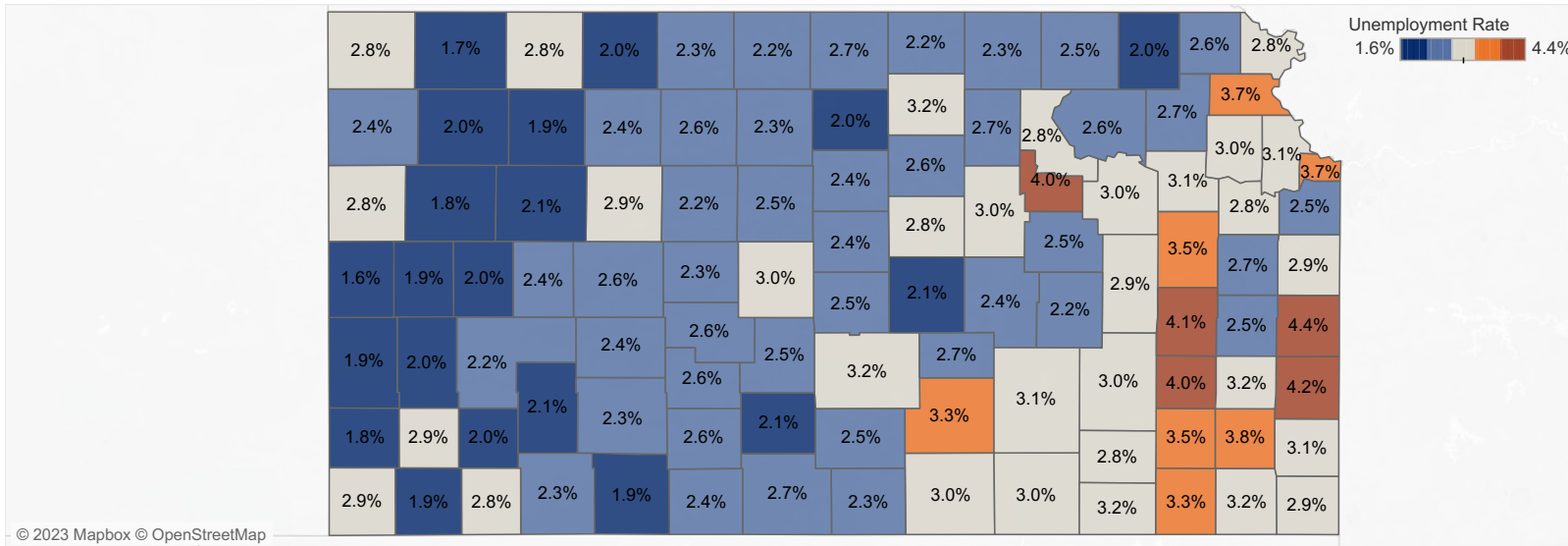
**All County and Local Area data is Not Seasonally Adjusted.

Statewide and County	Local Area	Resources
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Month, Year
January 2023

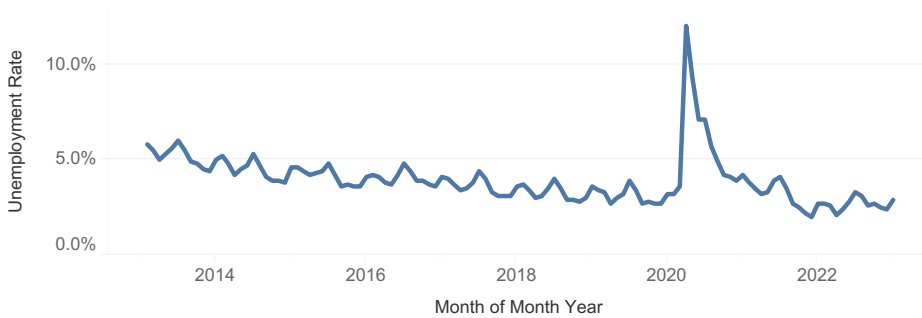
County Map

January 2023*



Kansas Statewide Unemployment Rate Timeline

(select seasonally adjusted or not seasonally adjusted below)



Seasonally Adjusted (○) Month and Year
 Not Seasonally Adjusted (●) January 2013 to January 2023

County Data Table

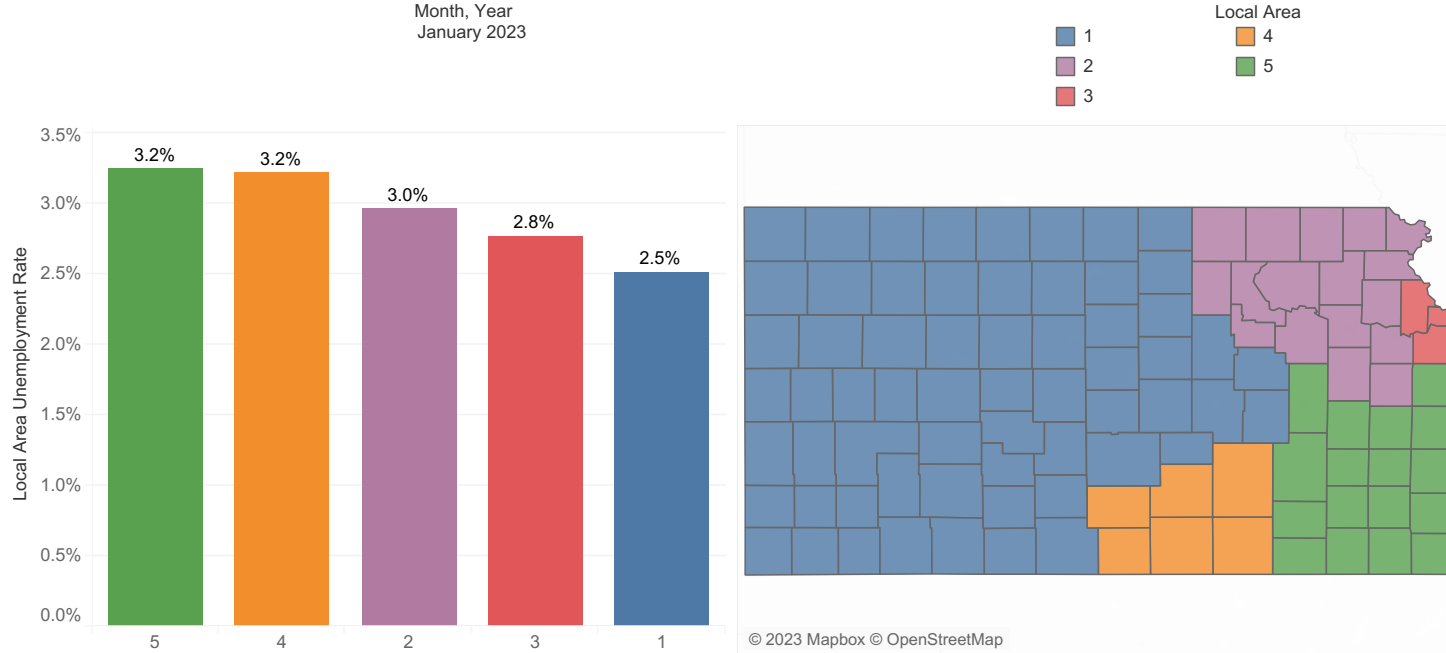
January 2023*

County	Labor Force	Employed	Unemployed	Unemployment Rate
Allen	6,236	6,039	197	3.2%
Anderson	4,256	4,149	107	2.5%
Atchison	6,694	6,444	250	3.7%
Barber	2,265	2,204	61	2.7%
Barton	12,980	12,585	395	3.0%
Bourbon	6,184	5,925	259	4.2%
Brown	5,056	4,924	132	2.6%
Butler	32,830	31,811	1,019	3.1%
Chase	1,326	1,297	29	2.2%
Chautauqua	1,417	1,371	46	3.2%
Cherokee	9,772	9,484	288	2.9%

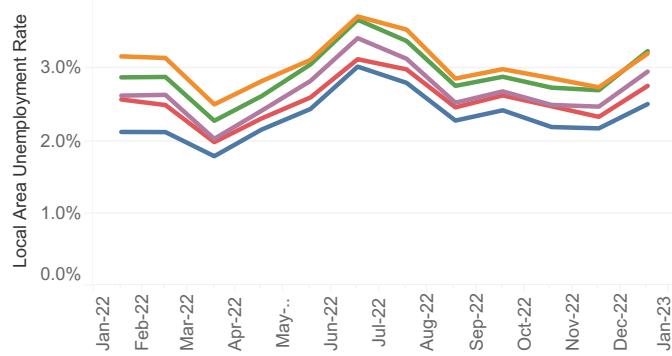
Kansas Labor Force & Unemployment Rates

Statewide and County | Local Area | Resources

Month, Year
January 2023



Local Area Unemployment Rate Timeline



Local Area & County Data Table

January 2023*

Local Area	County	Labor Force	Employed	Unemployed	Unemployment Rate
1	Barber	2,265	2,204	61	2.7%
	Barton	12,980	12,585	395	3.0%
	Chase	1,326	1,297	29	2.2%
	Cheyenne	1,277	1,241	36	2.8%
	Clark	1,135	1,114	21	1.9%
	Cloud	3,845	3,723	122	3.2%
	Comanche	859	838	21	2.4%
	Decatur	1,159	1,127	32	2.8%
	Dickinson	8,528	8,272	256	3.0%
	Edwards	1,403	1,367	36	2.6%
Ellis	16,877	16,505	372	2.2%	
Ellsworth	2,626	2,562	64	2.4%	