Design Narrative

**AN INCLUSIVE COMMUNITY**

Royals Landing connects East Village assets to adjacent communities and integrates affordable housing into the neighborhood. Ground floor commercial services along 10th Street corridor will link and elevate economic and social relationships with contiguous neighborhoods. At the center of Royals Landing is an anchor public plaza and park linking Ilius W. Davis Park on the West and the Kemp Playground on the East side of I-70 highway. This dynamic space will bridge the physical and economic divide of East Village and Paseo West Neighborhoods, connecting food and commercial services to food desert communities to the east. The program includes 25% affordable units located on 366,777 sf of building area.

**A WALK-FIRST AND BIKE-FIRST NEIGHBORHOOD**

Royals Landing is a pedestrian-priority, ecologically minded district meeting the assertive target of Climate Action KC. The entire neighborhood is supported by a parking district managed to share parking. In addition, the parking program assumes a forward-leaning vision of a district with fewer spaces for residential and nonresidential uses. By extending Charlotte Street from the North River Market to the South Union Station, the site creates a reliable transit, pedestrian and bikeable system. By creating a walk-first neighborhood, residents, employees, and visitors can find other affordable and healthy modes reducing noise, auto-related fatalities, greenhouse gases, and air pollution. Finally, Royals Landing is conceived as an environmentally responsible and resilient district that reduces energy needs and provides renewable sources and reduces stormwater impacts. Rooftops include photovoltaic panels and green roofs; and the ground plain has permeable paving and integrating stormwater planter to streetscape design. Rainwater is collected and clean rainwater stored at on-site cisterns for future reuse.

**Eaviro** is a mixed-used, mixed income neighborhood that sets to redefine the built environment and quality of life within the city through economic development, sustainable and resilient design initiatives, and creating inclusive communities. The proposed development aims to create mixed used, open, and multi-functional spaces will implement a living framework where locals can work during the day, socialize, and enjoy the vitality of the sports district after dark.

Located in the heart of Downtown Kansas City, Eaviro is a mixed-used, mixed income neighborhood that sets to redefine the built environment and quality of life within the city through economic development, sustainable and resilient design initiatives, and creating inclusive communities. The proposed development will create new local jobs, provide stability through affordable housing options, and access to day-to-day services such as grocery and retail stores that will contribute to the livelihood of the residents in the Central Business District as well as the residents living across I-70 highway towards the east end of downtown. These mixed used, open, and multi-functional spaces will implement a living framework where locals can work during the day, socialize, and enjoy the vitality of the sports district after dark.

**ROYLAS BASE BALL PARK AS AN ECONOMIC ANCHOR**

The project presents a state-of-the-art Kansas City baseball stadium that is envisioned as a new economic driver that will have a catalytic and valuable impact to the future of KC. This project is expected to create new local jobs and bring substantial national publicity that will encourage visiting tourists and businesses to invest in the surrounding area given the sporting and cultural events that may happen throughout the year.
Financial Narrative

Eaviro a 3.2 million square foot mixed-use development project, will be built in three phases over six years of construction. As previously mentioned, the main emphasis of the development will be the new state-of-the-art Kansas City Royals’ Stadium. In order to complete this development, we will acquire a majority of the surrounding lots, mainly the lots between Charlotte and I-70, bringing the total land size to just under 26 acres. Phase I will have 1.1 million gross square feet, Phase II will have 996,000 gross square feet, and Phase III will have 1.1 million gross square feet, for a total development square footage of 3.27 million. These phases will include several public plazas and roof terraces / gardens totaling nearly 240,000 square feet.

The project’s capital stack will be comprised of $141.3 million in developer equity, $24.8 million in land contribution equity, $50.4 million in 9% Low Income Housing Tax Credit ("LIHTC") Equity that will go towards the affordable housing component of the project, and a $402.1 million construction to mini-perm loan at 65 percent loan-to-cost.

In order to have the stadium as a main driver for the project, the 11.2 acres on which the stadium will be built, is to be ground leased to the Jackson County Sports Complex Authority. As it stands, the Royal’s current lease ends January 31, 2031, with team ownership making it clear that there is hope to bring a baseball team to Downtown Kansas City. We anticipate executing a 40-year ground lease with the Authority commencing 2028, thus allowing for a 3-year construction phase to be completed at the time of the Royal’s current lease expiration. The ground lease will entail of annual payments of $1.0 million increasing at 3% per year. The Authority will cover all construction costs as well as the operations of the stadium. The unlevered returns on East Side Landing are 13.4% with the levered returns coming in at 19.9%.
Bird’s Eye View
Design Concept
**PRO FORMA**

**Total Project Returns / Metrics**
- Unlevered IRR: 13.42%
- Levered IRR: 19.95%
- Equity Multiple: 3.07x
- Total Development Cost: $616,587,003
- Stabilized NOI: $57,004,009

**Underwriting Assumptions**
- Efficiency: 85%
- Vacancy: 4% to 12%
- Average Rent Increase: 3%
- Expense Inflation: 2%

**Construction Financing**
- Interest Rate (1M LIBOR + 400bps): 4.15%
- Origination Fee: 1%
- Loan to Cost (LTC): 69%

**Land Use Breakdown (SF)**

**IRR PERFORMANCE BY REAL ESTATE ASSET TYPE**
Phase I
Unlevered IRR: 10.94%
Levered IRR: 21.99%
Equity Multiple: 3.99x
Total Phase Cost: $212,383,218w
Phase II

Unlevered IRR: 11.53%
Levered IRR: 27.65%
Equity Multiple: 4.50x
Total Phase Cost: $192,944,966

Parcel 4
Development Phase: Phase II
Total GSF: 315,469 SF
Parking Garage 99,440 SF
Office 50,700 SF
Retail 19,400 SF
Hotel 19,400 SF
Multifamily-Affordable 19,400 SF
Multifamily-Market Rate 117,329 SF

Parcel 5
Development Phase: Phase II
Total GSF: 293,720 SF
Parking Garage 73,680 SF
Office 46,912 SF
Retail 23,664 SF
Hotel 23,456 SF
Multifamily-Affordable 23,456 SF
Multifamily-Market Rate 117,329 SF

Parcel 6
Development Phase: Phase II
Total GSF: 137,645 SF
Parking Garage 34,815 SF
Office 27,040 SF
Retail 13,980 SF
Hotel 13,980 SF
Multifamily-Affordable 13,980 SF
Multifamily-Market Rate 64,905 SF

Parcel 7
Development Phase: Phase II
Total GSF: 8 SF
Parking Garage 2 SF
Office 2 SF
Retail 2 SF
Hotel 2 SF
Multifamily-Affordable 2 SF
Multifamily-Market Rate 2 SF

Parcel 8
Development Phase: Phase II
Total GSF: 286,167 SF
Parking Garage 111,417 SF
Office 55,915 SF
Retail 27,958 SF
Hotel 27,958 SF
Multifamily-Affordable 27,958 SF
Multifamily-Market Rate 64,905 SF
Phase III

Unlevered IRR: 11.98%
Leveled IRR: 23.05%
Equity Multiple: 3.14x
Total Phase Cost: $210,699,623