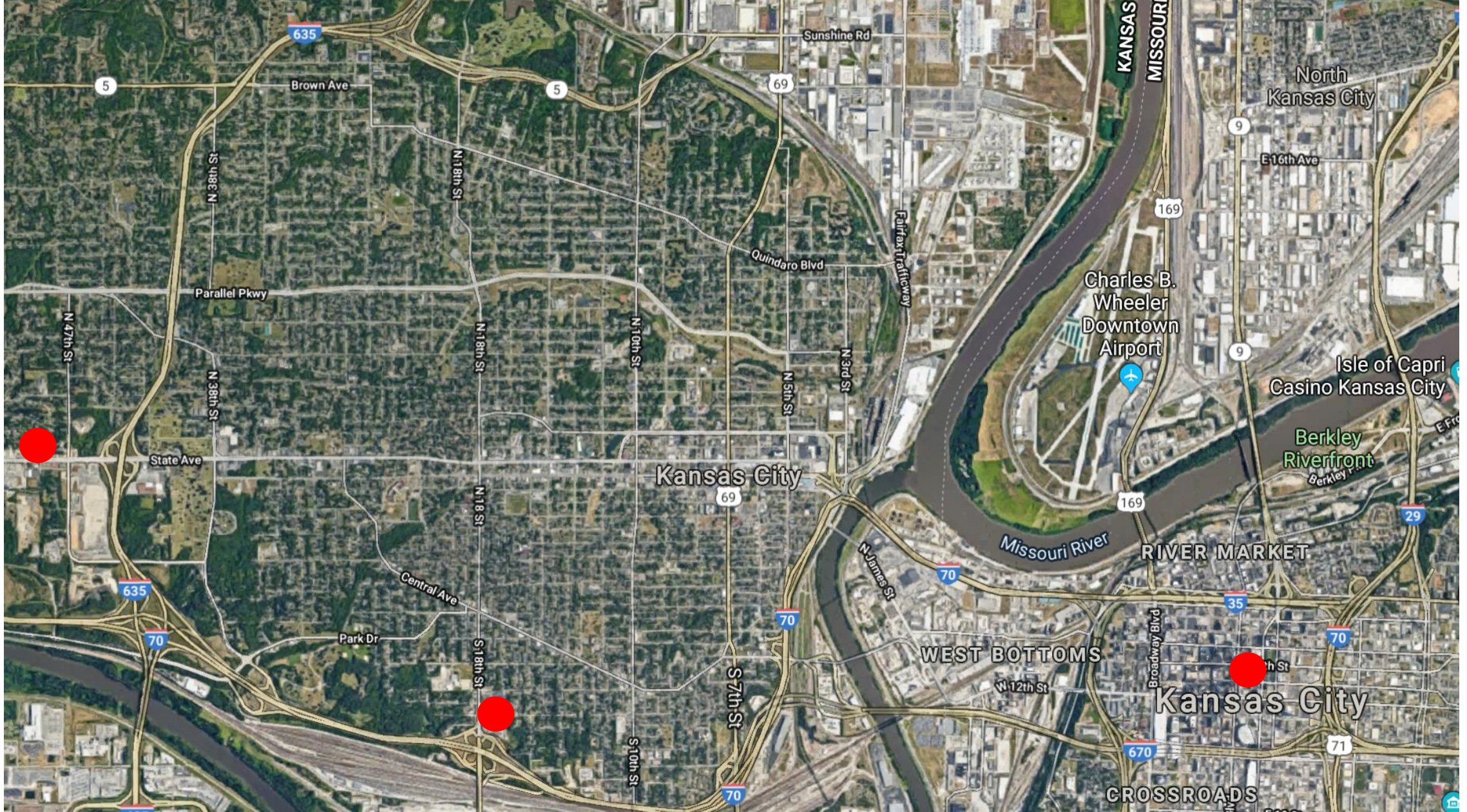


Downtown Grocery Store

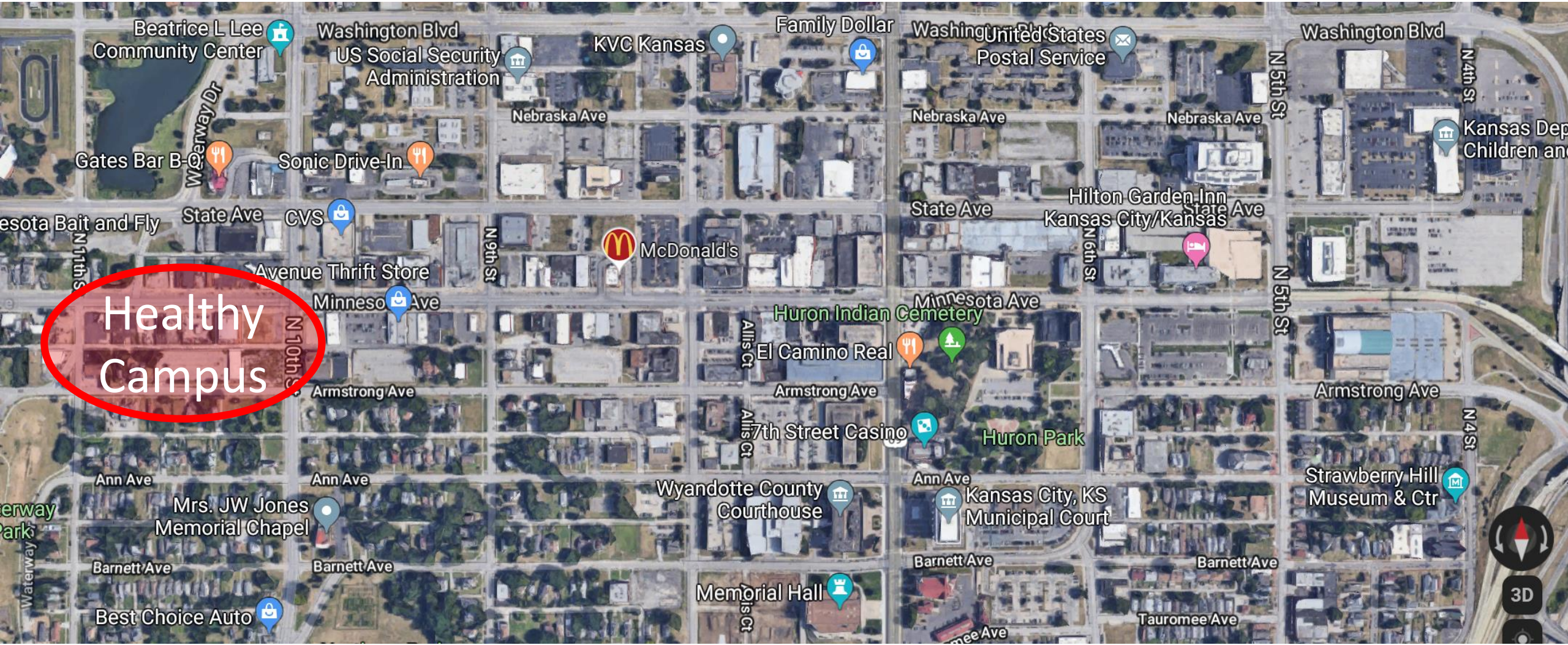
Kansas City, Kansas

2019 CCEKS/KEDA Joint Annual Conference
Tuesday, November 4

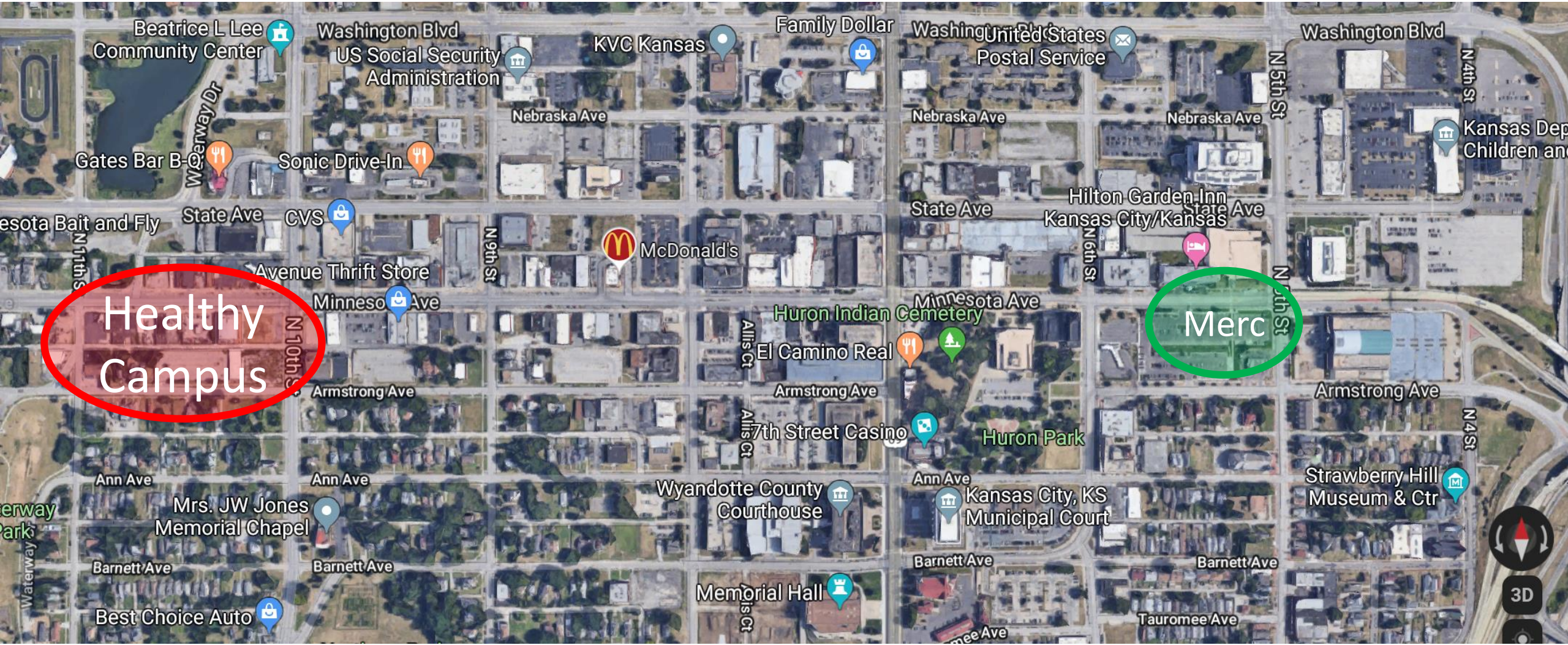
How did we get here?



How did we get here?



How did we get here?



The Project

How we are building a sustainable and successful downtown grocery store

The Merc Co+op will provide our community a place to shop, gather, eat and learn by offering real food and sustainable products at reasonable prices through cooperative ownership and responsible commerce.

The UG will develop a proposed 14,000 sq/ft full-service grocery store.

The Merc will operate under a Management Agreement.

The project was proposed as a \$6 million development.

The cost includes all construction costs, FF&E, and stabilization fund.

The project will be funding through:

- Direct UG use of the Hotel Revenue Fund
- Sales Tax & Property Tax TIF will also be used to recoup expenditure.

No CID will be utilized to ensure sales tax on food is not increased

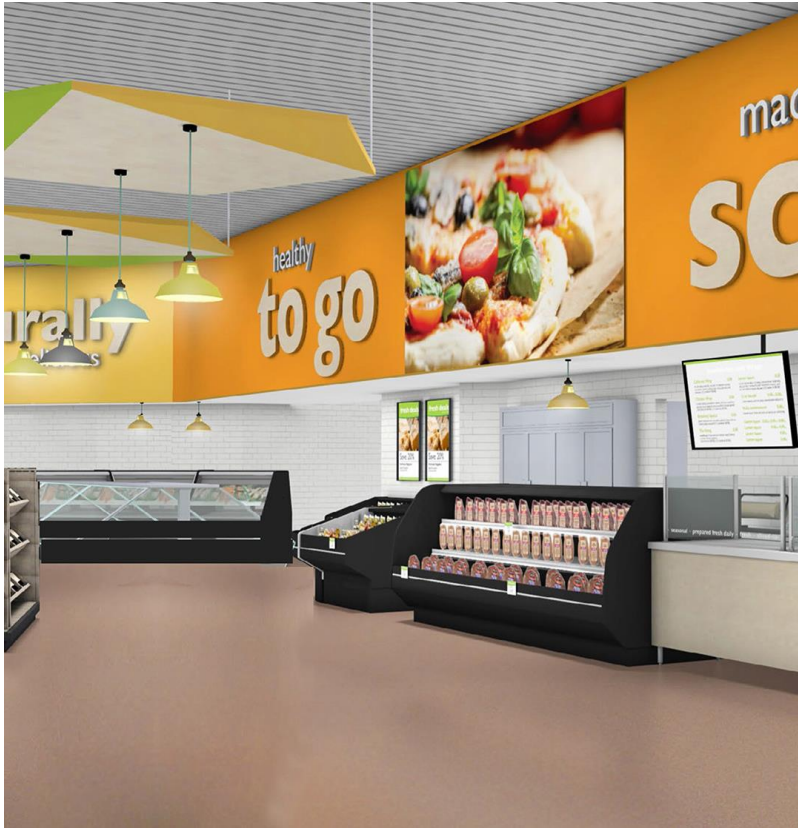
Project is designed to provide for a long-term stable and successful grocery downtown.

Project is designed so that the building can be sold to a private entity in the future and the revenue redeployed to future UG development needs.



The Merc Co+Op Options





The Merc Co+Op

Closing the Financing Gap

- New Market Tax Credits!
 - Sunflower Development consulted the UG through the process
 - \$7,000,000 allocation via Central Bank of Kansas City
 - Capital One purchased the bonds
 - Gross NMTC Equity is approximately \$2,200,000
 - Net Net NMTC Equity is approximately \$900,000
 - Closed the gap and allowed us to move forward without dramatic retooling of the capital

Groundbreaking – August 15th



everyone welcome

