

E. 29th Street

Gillham Road

# 2805 GILLHAM

OFFERING MEMORANDUM





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DISCLAIMER

This offering memorandum is subject to prior placement and withdrawal, cancellation or modification without notice. The information contained herein has been carefully compiled from sources we consider reliable, and while not guaranteed as to completeness or accuracy, we believe it to be correct as of September 12, 2016.

Neither this offering memorandum nor any part thereof, shall be reproduced or distributed without the written authorization of the owner (the “Owner”) of 2805-07 & 2809 Gillham Road, Kansas City, MO (the “Properties”), and Colliers International | Kansas City (the “Broker”).

**Further:**

This offering memorandum was prepared on September 12, 2016 by the Broker solely for the use of prospective purchasers of the Properties. Neither the Broker nor the Owner makes any representation or warranty, express or implied, as to the completeness or the accuracy of the material contained in this offering memorandum.

Prospective purchasers of the Properties are

advised (i) that changes may have occurred in the physical or financial condition of the Properties since the time this offering memorandum or the financial statements herein were prepared, and (ii) that the projections contained herein were made by Broker and not by Owner and are based upon assumptions of events beyond the control of Broker and Owner, and therefore, may be subject to variation. Other than historical revenue and operating expense figures for the Properties, Owner has not provided, and will not provide, Broker or any prospective purchaser with any income and expense figures, budgets or projections regarding the Properties. Prospective purchasers of the Properties are advised and encouraged to conduct their own comprehensive review and analysis of the Properties.

This offering memorandum is a solicitation of interest only and is not an offer to sell the Properties. The Owner and Broker expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Properties

and expressly reserve the right, at their sole discretion, to terminate discussions with any entity at any time with or without notice. The Owner shall have no legal commitment or obligations to any entity reviewing this offering memorandum or making an offer to purchase the Properties unless and until such offer for the Properties is approved by Owner and the signature of an authorized representative of Owner is affixed to a real estate purchase agreement.

This offering memorandum is confidential. By accepting this offering memorandum, you agree (i) that you will hold and treat this offering memorandum and its contents in the strictest confidence, (ii) that you will not photocopy or duplicate any part of this offering memorandum, (iii) that you will not disclose this offering memorandum or any of its contents to any other entity without the prior written authorization of the Owner, and (iv) that you will not use this offering memorandum in any fashion or manner detrimental to the interest of the Owner or Broker.

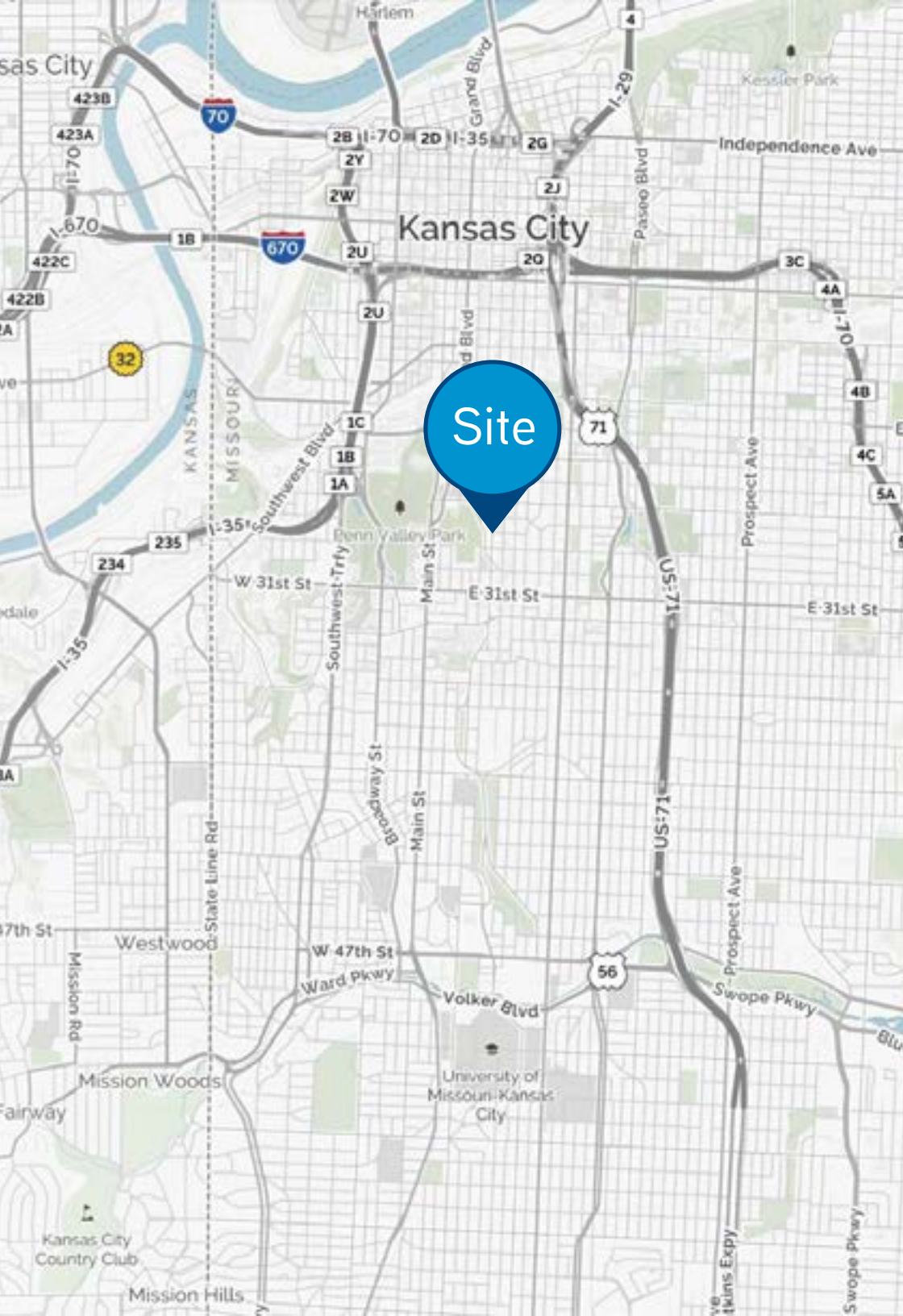


# Executive Summary

Colliers International | Kansas City is pleased to present an urban investment / redevelopment opportunity located at 2805-2807 & 2809 Gillham Road, Kansas City, Missouri (the "Property"). The Property is situated along Gillham Road between the Union Hill and Longfellow neighborhoods, an area that has undergone significant redevelopment throughout the last ten years. The Property consists of two lots and one building. The existing building serves as a market-rate apartment building and offers a developer ultimate flexibility to execute a master plan for the site. (Ownership will sell the fee-simple interest, however, desires to explore contributing to the Property in a joint-venture relationship.)









# Location Overview

ADDRESS	BUILDING SIZE	LAND AREA
2805-07 Gillham	-	12,636 SF
2809 Gillham	Vacant	7,847 SF
Offering Total	-	20,483 SF

- Retail
- Restaurant
- Office
- Hotel
- Public
- Medical







# Terms of Sale

**Interest Offered:** Joint-Venture or 100% fee-simple

**Offering Price:** Market

**Offering Procedure:** Seller and Broker will assess the qualifications of any party submitting a non-binding letter of intent in accordance with the seller's objectives. In making this assessment, consideration will be given to a number of factors, including, but not limited to, price, timing of closing, and the perceived ability of the developer to complete the proposed development.

**Request For Proposals:** Proposals should be submitted in the form of a non-binding letter of intent and should specify the following:

- > Property Valuation
- > Due Diligence Period (including inspections and municipal approvals)
- > Closing Period
- > Earnest Money Deposit (phased per approval process is encouraged)
- > Contingencies
- > Development concept with renderings
- > Development team and partners
- > Proposed partnership structure
- > Sources of funds
- > Consents and/or approvals required
- > Developer references

**Property Tours:** Do not explore property unaccompanied or disturb tenants. Guided property tours will be arranged on a reserved basis as requested by prospective developers. Please contact agents below to schedule a time:

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# Property Description

## Zoning District

Both of the Gillham Redevelopment parcels are zoned B4-5. The following descriptions of this zoning are further described in the City of Kansas City Missouri Zoning & Development Code.

### **Zoning District: B4**

The primary purpose of the B4, Heavy Business/Commercial district is to accommodate “heavier” commercial activities and a limited range of industrial uses with operating characteristics that make them generally incompatible with mixed-use or neighborhood-oriented environments.

### **Intensity Designator: 5**

*Section 88-120-04*

This number identifies basic lot and building standards. As derived from the Zoning & Development Code, the “5” indicates a Maximum Floor Area Ratio of 6.0 and no Maximum Height limit.

## Parcel 1 Data: 2805-07 Gillham (Building & Lot)

### **SITE & IMPROVEMENTS DESCRIPTION**

Address	2805-07 Gillham Road, Kansas City, MO 64108
Parcel ID	29-810-20-02-00-0-00-000
Zoning	B4-5
Building Area (SF)	8,771
Land Area (SF)	12,636
Number of Stories	3
Year Built	1901
Construction	Brick, wood frame and stone
Sprinkler	None
Roof	Flat
Parking	18 spaces
2015 Jackson County Taxes	\$1,769.51

## Parcel 2 Data: 2809 Gillham (Vacant Lot)

### **SITE & IMPROVEMENTS DESCRIPTION**

Address	2809 Gillham Road, Kansas City, MO 64108
Parcel ID	29-810-20-17-00-0-00-000
Zoning	B4-5
Land Area (SF)	7,847
2015 Jackson County Taxes	\$188.49



## Incentive District

The property is located within the Gillham Row PIEA. PIEA incentives offer a potential of up to 25 years of tax abatement – 100% for 10 years and 50% for 15 years. There is also potential for sales tax exemption on building materials, achieved through the issuance of industrial revenue bonds. Additional information is available through the Economic Development Corporation at [www.edckc.com](http://www.edckc.com).

2805-07  
Gillham Road

E 28TH ST

2809  
Gillham Road

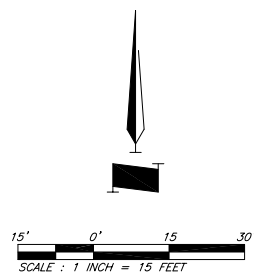
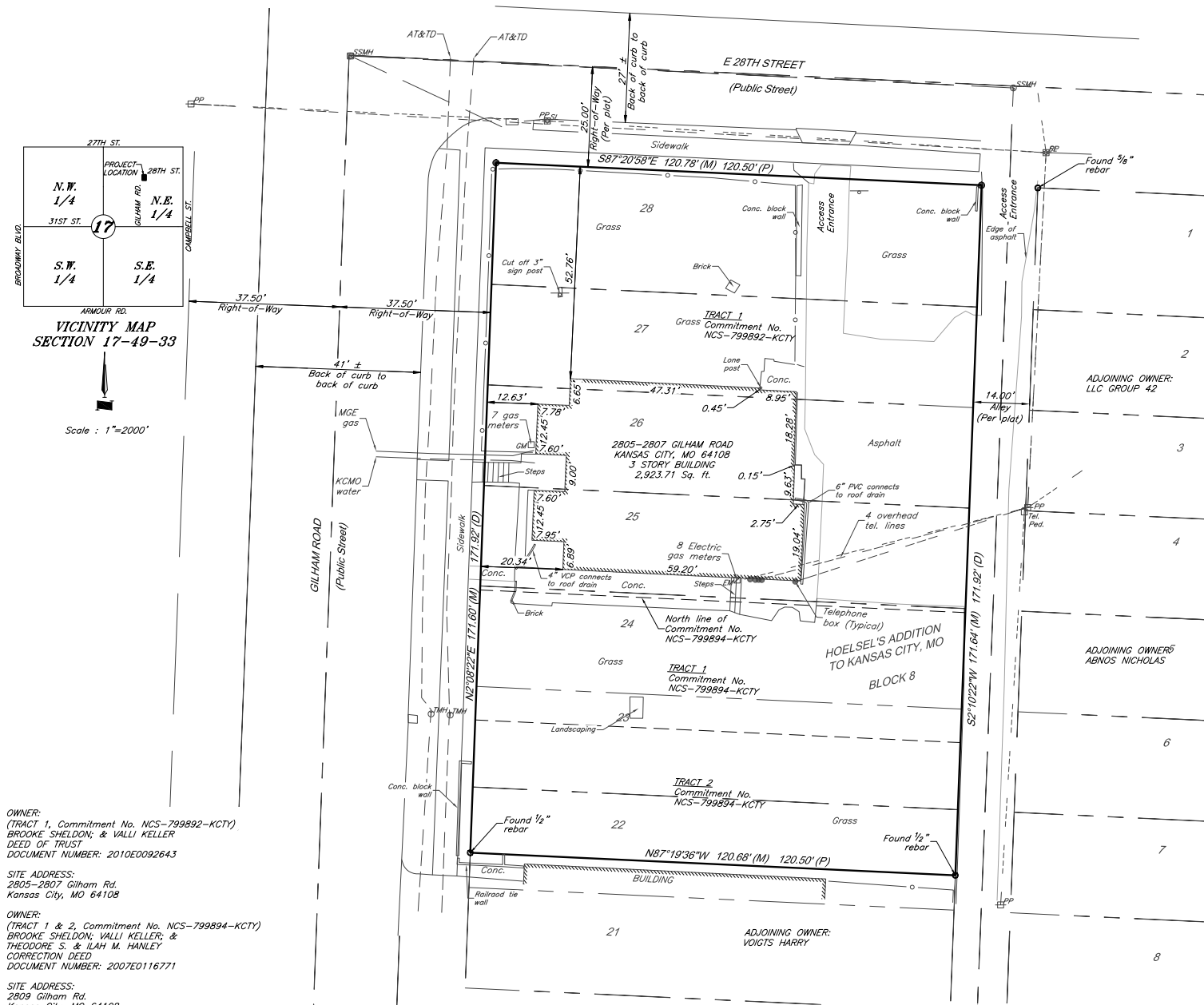
GILLHAM RD

CHERRY ST

E 29TH ST



# Survey



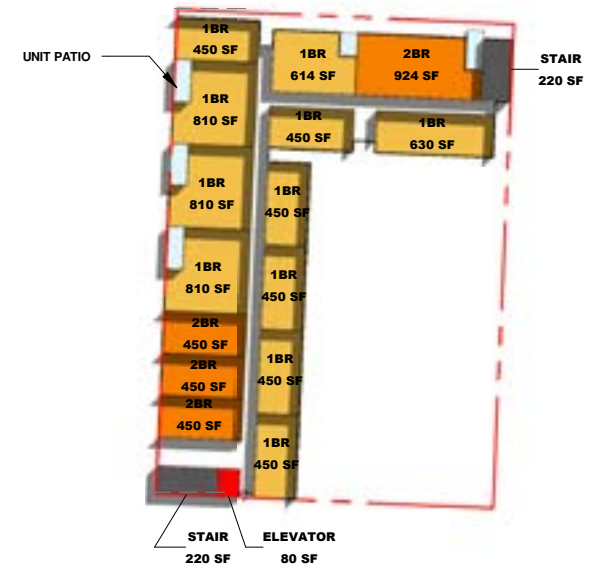
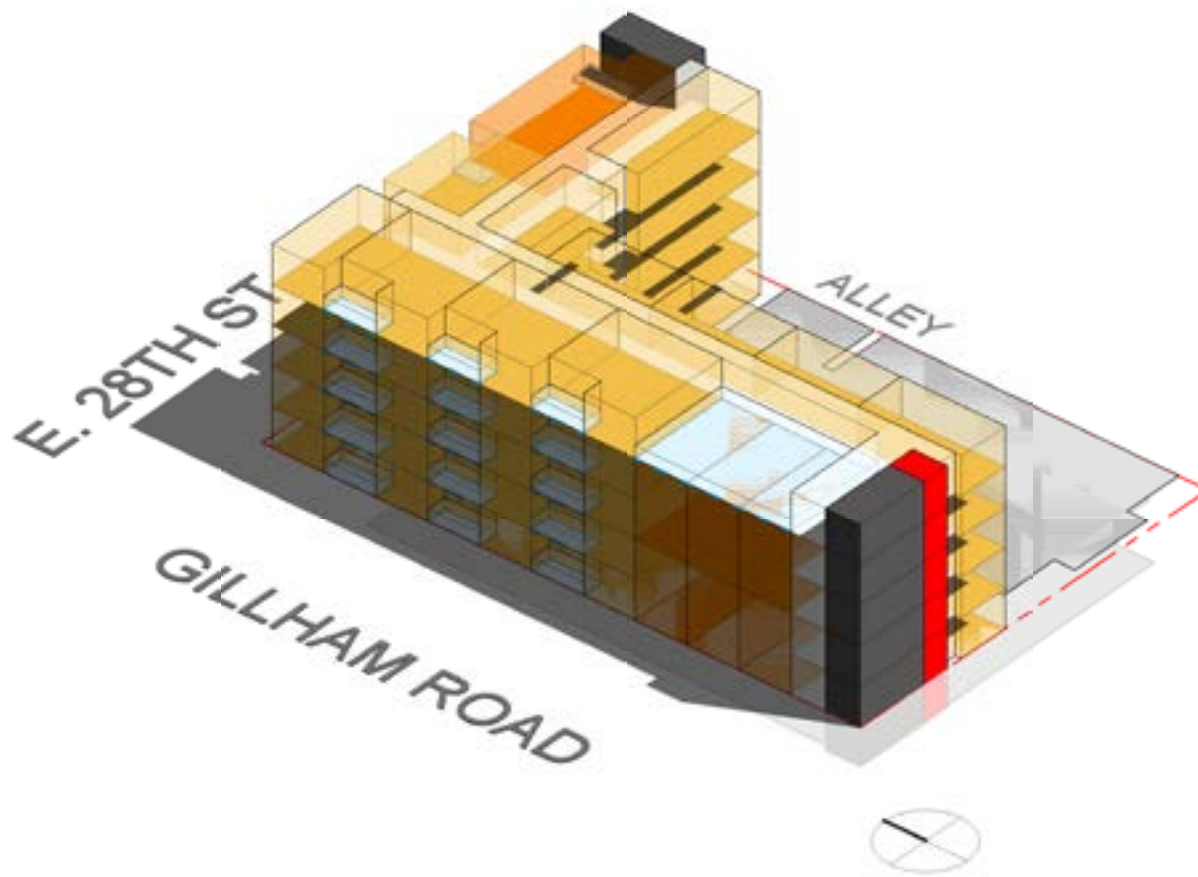




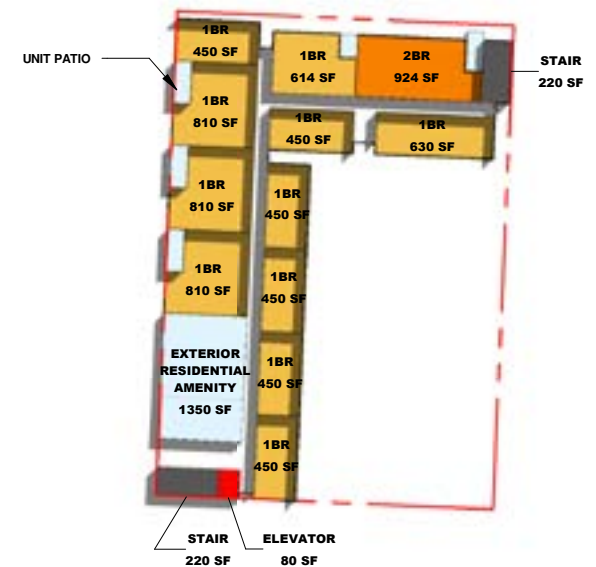


# Development Concept

The ownership engaged El Dorado Architects and Haren Laughlin Construction to study the site and create a development concept. The plan eliminates the existing structure, and creates 66 apartment units above two levels of parking. Contact listing agents for additional details.

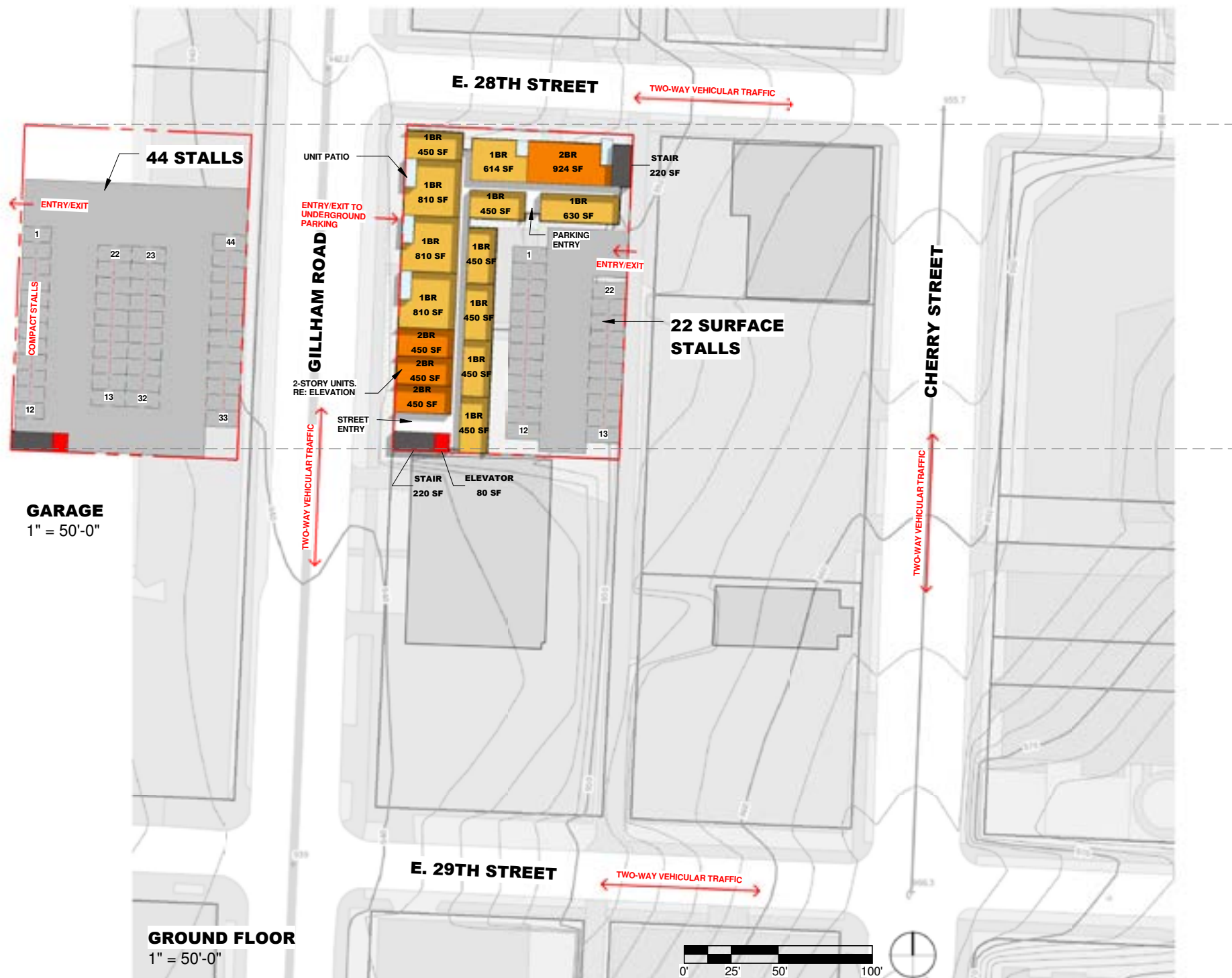


**FLOORS 2-4**  
1" = 50'-0"



**FLOOR 5**  
1" = 50'-0"

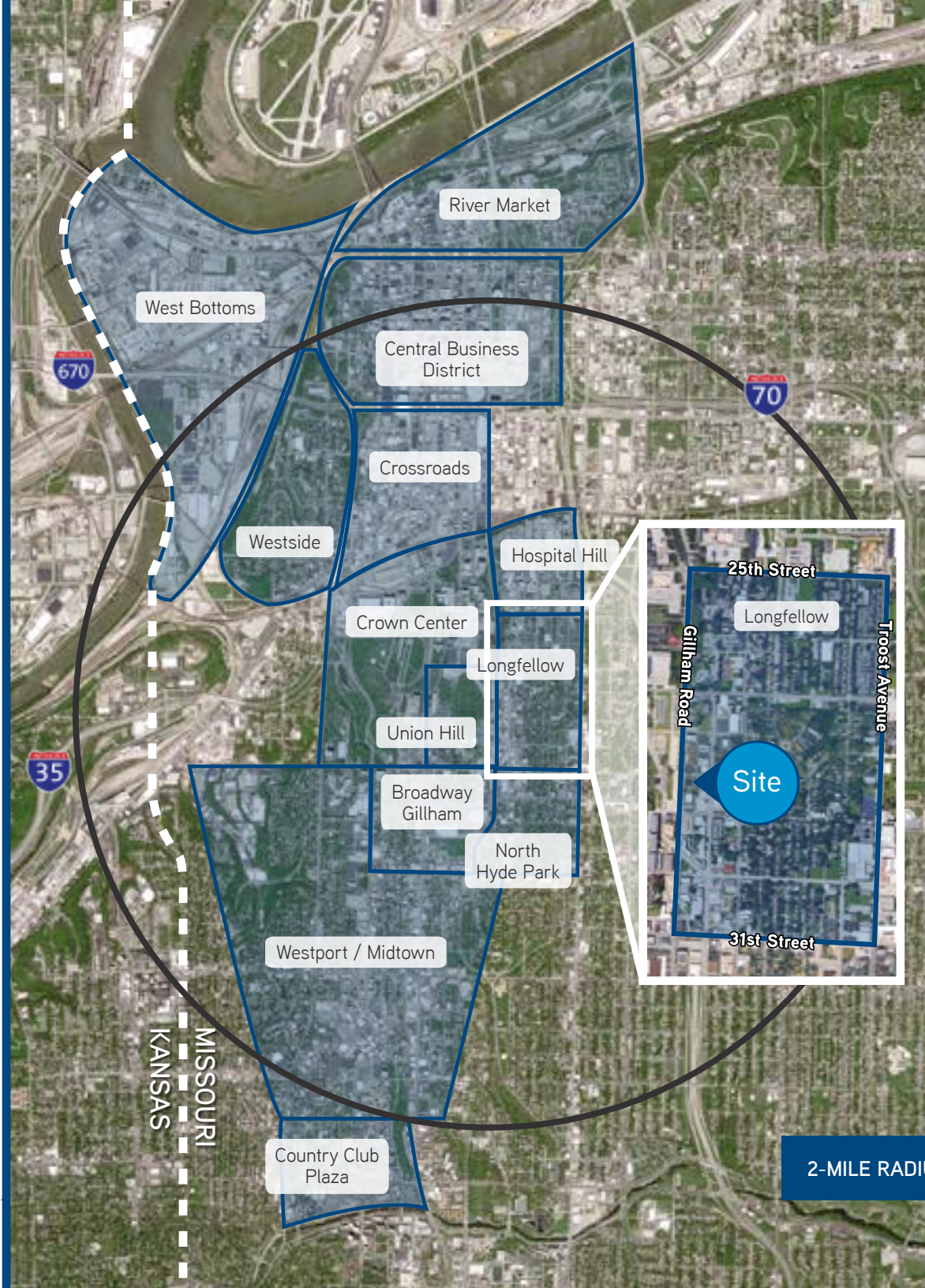






# Neighborhood Summary

The intersection of 31st & Gillham is the convergence of four distinct, yet complimentary neighborhoods: Union Hill, Longfellow, Broadway/Gillham, and North Hyde Park. The Property is located within the Longfellow neighborhood, which was settled in 1895 by German and Irish immigrants and William Rockwell Nelson (Kansas City Star) employees. The neighborhood expanded when people were relocated due to construction of the Liberty Memorial and Union Station, and today over 1,600 residents call the neighborhood home. Longfellow, and the three contiguous neighborhoods, have experienced significant commercial and residential development throughout the last ten years, creating an attractive environment for young professionals, working families, and retirees. Retail and entertainment abound in the area, with the largest being Crown Center to the north, offering a diverse mix of shopping, dining, and entertainment. Just a few blocks to the south is Martini Corner, an eclectic intersection of local eateries and bars. The area is an urban environment, yet large retailers such as Costco and Home Depot, along with major hospital systems and universities, are all within a short drive. For those looking to explore the Crossroads, Downtown, and River Market, an easy trip is afforded through the RideKC Streetcar with a line beginning at Union Station. Highway 71 provides quick access to the rest of the city.



2-MILE RADIUS



# Neighborhood Demographics

	½-mile ring	1-mile ring	1½-mile ring	2-mile ring
<b>POPULATION TREND</b>				
2000 TOTAL POPULATION	713	6,925	18,009	35,794
2015 TOTAL POPULATION	1,614	8,644	20,961	37,046
2020 TOTAL POPULATION	1,759	9,064	21,981	38,149
POPULATION CHANGE 2000 - 2015	126.4%	24.8%	16.4%	3.5%
POPULATION CHANGE 2015 TO 2020	18.5%	10.9%	10.4%	6.2%

<b>AVERAGE HOUSEHOLD INCOME TREND</b>				
2010 AVERAGE INCOME	\$53,874	\$54,144	\$49,009	\$45,379
2015 AVERAGE INCOME	\$56,678	\$57,778	\$53,190	\$48,919
INCOME CHANGE 2010 TO 2015	5.20%	6.71%	8.53%	7.80%

<b>2015 OCCUPATION</b>				
CIVILIAN EMPLOYED POPULATION (16 YEARS & OVER)	1,127	4,766	10,596	17,476
WHITE COLLAR	63.4%	68.9%	66.3%	61.9%
BLUE COLLAR	36.6%	31.1%	33.7%	38.1%

<b>2015 OCCUPANCY</b>				
HOUSEHOLDS	1,090	4,125	10,640	18,390
OWNER-OCCUPIED	35.9%	29.1%	27.8%	26.6%
RENTER-OCCUPIED	64.1%	70.9%	72.2%	73.4%

<b>OCCUPANCY BY NUMBER OF UNITS</b>				
1 UNIT, DETACHED	27.3%	19.3%	20.4%	24.6%
1 UNIT, ATTACHED	7.5%	5.1%	5.2%	4.7%
2 TO 9	20.2%	17.1%	18.1%	20.2%
10 TO 49	21.3%	26.3%	25.6%	23.9%
50 OR MORE UNITS	23.5%	31.9%	30.4%	26.2%



# Gillham Corridor Development Pipeline

Looking Southwest

E. 29th Street

## Twenty9 G (29<sup>th</sup> & Gillham)

- › 22 units
- › Ground-up development
- › First units delivered in 2015
- › Average rents reported at \$1.61 psf
- › Amenities include: Google Fiber, bike storage, stainless steel appliances, and gated parking

## Founders Phase I & II (30<sup>th</sup> & Gillham)

- › 408 units
- › Ground-up development
- › First units delivered in 2007, final phase delivering end of 2016
- › Average rents reported at \$1.46 psf
- › Amenities include: garage parking, each unit w/ private balcony/patio, swimming pool, fitness center, business center, roof-top deck

## 31 Levy (31<sup>st</sup> & Gillham)

- › 122 units
- › Historic rehab and ground-up redevelopment
- › First units to be delivered 4Q16
- › Amenities include: bike wash station, rooftop terrace, 1<sup>st</sup> floor retail



# Gillham Corridor Development Pipeline

Looking Northwest

## Gallery Green (27<sup>th</sup> & Gillham)

- › 425 units with 70 for-sale
- › Ground-up development with 30,000 SF of retail
- › First units to be delivered 2Q16
- › Amenities include: garage parking, pool, fitness center, first floor retail

## Gallery Green (28<sup>th</sup> & Gillham)

### PHASE II

- › Developer retains rights to second phase

Gillham Road

E. 28th Street



## Martini Corner

The northeast corner of 31st and Gillham Road is set to be redeveloped for 122 apartments and 8,000 SF of retail. 31 Levy, by Denver-based Epoch Developments, is located at the crossroads of four historic neighborhoods, Union Hill, Hyde Park, Longfellow, and Broadway/Gillham. Epoch plans to promote alternative transportation through installing a bike wash station, maintenance facility, and bicycle ramps in the buildings' stairwells. The project is slated to begin in September this year.

[click here to view full article](#)

## Gallery Green Development

Local developer, UC-B Properties is partnering with Indianapolis-based Milhaus LLC to develop 425 units and 30,000 SF of commercial space on a 5-acre site situated between Crown Center and Union Hill. The \$80 million project will include 70 for-sale units, and the developers have received approval from the Planned Industrial Expansion Authority for a 25-year, 60 percent tax abatement on the for-rent units and commercial space. Construction for Gallery Green is anticipated to commence in September.

[click here to view full article](#)

## Union Hill History

Local developer Bob Frye has been redeveloping properties in the Union Hill neighborhood for nearly 30 years. Throughout this time, he has worked on single-family homes, apartments, and commercial projects. By the end of the year, he will be completing the final phase of The Founders at Union Hill, a 181-unit apartment development along with 13 new single-family homes. In total, Frye and others have invested over \$200 million in the surrounding area, for much of what Frye calls "Kansas City's Lincoln Park."

[click here to view full article](#)







An aerial photograph of a city neighborhood. In the foreground, there's a large, empty, light-colored paved area. To the left, there are several multi-story brick buildings, some with flat roofs and others with gabled roofs. A red crane is visible in the upper left corner. In the center, there's a green grassy area with some trees. To the right, there's a parking lot with a few cars and a small building. The background shows more city buildings and a clear blue sky with some clouds. The text "Gillham Road" is written in white, bold, sans-serif font, slanted upwards from left to right, across the middle of the image.

**Gillham Road**

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