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March 7, 2024

Gina Pate  
Assistant City Administrator  
107 West Main Street  
Smithville, Missouri, 64089  
[GPate@smithvillemo.org](mailto:GPate@smithvillemo.org)

Re: Bid Proposal of 110 Smithville, LLC: RFP #24-12: Sale of City-Owned Property  
in Downtown District – Southside of Church Street (the “RFP”).

Our File No.: 10881.001

Dear Ms. Pate:

As you know, our firm is pleased to represent 110 Smithville, LLC (the “Bidder”). Enclosed please find our bid proposal to the RFP (the “Response”) for the property which is the subject of the RFP (the “Property”).

In response to Section III.A of the RFP, my firm will be the principal contact for the response, at the address, email, and phone listed above.

We acknowledge that if 110 Smithville, LLC is awarded the right to purchase the Property, the Property will be used in accordance with the terms and conditions of the RFP.

In addition to the attached Proposal Response Form, below is a complete list of the items submitted as a response:

- 1) Exhibit A: Name, title, street address, email address, and telephone number, for the principal contact concerning the Response, as well as a list of all persons authorized to make representations for the Bidder.
- 2) Exhibit B: Statement of Qualifications and experience.
- 3) Exhibit C: Legal Disclosure.
- 4) Exhibit D: Detailed RFP Response and Proposal. This document will address all issues raised in the RFP and contains a complete proposal for the use of the Property.
- 5) Exhibit E: Purchase Price Proposal

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**PLAZA OFFICE**  
4520 MAIN STREET, STE. 400  
KANSAS CITY, MO 64111  
816-474-8181  
816-471-2186 FAX

**NORTH OFFICE**  
4151 N. MULBERRY DRIVE, STE. 205  
KANSAS CITY, MO 64116  
816-454-7474  
816-454-3525 FAX

**KANSAS OFFICE**  
8101 COLLEGE BLVD, STE. 100  
OVERLAND PARK, KS 66210  
913-831-6900  
913-831-7156 FAX

# LEVY CRAIG LAW FIRM

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Thank you for the opportunity to bid, and we look forward to answering any questions about the Response.

Sincerely,

**LEVY CRAIG LAW FIRM**

A Professional Corporation



Andrew W. Lonard

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**PLAZA OFFICE**

4520 MAIN STREET, STE. 1600  
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913-831-7156 FAX

**RFP #24-12 Sale of City-Owned Property  
in the Downtown District – Southside of Church Street**

**PROPOSAL RESPONSE FORM**

Name of Company or Individual (Print Name) submitting the Proposal.

**110 Smithville, LLC**, a Missouri limited liability company (the “Company”)

If submitted by an agent Print the Name of the Agent Submitting RFP.

**Andrew Lonard**, Attorney, Levy Craig Law Firm

Acknowledgment, **110 Smithville, LLC**, a Missouri limited liability company has read and reviewed the RFP and attached specifications.

I state the **Company** hereby offer meets or exceeds all requirements. All other required information must be attached.

**THE COMPANY:**

**Smithville 110, LLC**,  
a Missouri limited liability company

106 West Main Street

Smithville, Missouri 64089

Tax ID No. 85-4246689

**AUTHORIZED PERSON:**

**Andrew Lonard**,  
Levy Craig Law Firm

  
\_\_\_\_\_  
Attorney for Company

Email address: [awl@levycraig.com](mailto:awl@levycraig.com)

**[End of Proposal Response Form - Remainder of page intentionally left blank.]**

## **EXHIBIT A**

**Name, title, street address, email address, and telephone number for the principal contact concerning the Response, as well as a list of all persons authorized to make representations for the Bidder - RFP #24-12.**

All persons listed below are authorized to make representations for the Bidder.

### **PRINCIPAL CONTACT FOR DEVELOPER/BIDDER:**

Andrew W. Lonard  
4520 Main Street, Ste. 400  
Kansas City, MO 64111  
Email: [awl@levycraig.com](mailto:awl@levycraig.com)  
Phone: (816) 460-1805

Daniel Yoza  
4520 Main Street, Ste. 400  
Kansas City, MO 64111  
Email: [dyoza@levycraig.com](mailto:dyoza@levycraig.com)  
Phone: (816) 460-1847

### **FINANCIAL ADVISOR FOR DEVELOPER/BIDDER:**

Don Coleman II  
10108 NW 74th St  
Weatherby Lake, MO 64152  
Email: [don.coleman@pulsedevgroup.com](mailto:don.coleman@pulsedevgroup.com)  
Phone: (913) 205-2938

### **DEVELOPER/BIDDER:**

Eric Craig  
106 West Main Street  
Smithville, Missouri 64089  
Email: [ericscraig@gmail.com](mailto:ericscraig@gmail.com)  
Phone: 816- 726-8565

Carlos Lepe  
12575 NW 79th Street  
Parkville, MO 64152  
Email: [carlos@pulsedevgroup.com](mailto:carlos@pulsedevgroup.com)  
Phone: 816-365-1479

**[End of Exhibit A - Remainder of page intentionally left blank.]**

## **EXHIBIT B**

### **STATEMENT OF QUALIFICATIONS AND EXPERIENCE - RFP #24-12**

Understanding that the anticipated ability of the Bidder to timely construct, and thereafter maintain and operate the Property as a parking lot in accordance with the terms and conditions of the RFP, we are pleased to introduce the development team for this project.

Smithville 110 Smithville, LLC, (“Bidder”) is a limited liability company in good standing with the State of Missouri. On August 1, 2023, the City of Smithville approved a TIF Plan for a redevelopment district (the “TIF Project”) that includes the Property. Bidder currently owns two of the five parcels within the redevelopment district.

The members of Bidder are Carlos Lepe, Adam Tholen, Drew Hood, and Eric Craig. Pulse Development and Management is the public facing “Doing Business As” (D.B.A.) name for CAD Management, LLC (the “Pulse Group”), which is a limited liability company in good standing with the State of Missouri. The name for CAD Management, LLC was derived from the first names of the partners, Carlos Lepe, Adam Tholen, and Drew Hood. Adding Eric Craig as a local partner with deep ties to the City of Smithville, and Scott Ruther as a minority partner completed the ownership group for the Bidder.

Since the Pulse Group and Bidder share common ownership, Bidder will bring all the experience and ability of the Pulse Group to the TIF Project.

#### **Pulse Group General Qualifications and Experience**

The Pulse Group has worked on real estate projects for 12 years. Collectively they have been involved in rehabbing and/or building roughly three thousand dwelling units including apartment buildings, town homes, and single-family homes in the greater Kansas City area.

The Pulse Group has owned and developed over 200,000 SF of mixed-use retail and commercial property in Westport in Kansas City, Missouri, and various other parcels of land in the Kansas City metro area. They are currently developing approximately ninety single family homes in Smithville, Missouri. They recently sold a 254-unit apartment complex in Kansas City, Kansas that was a remarkably successful major remodel. The Pulse Group own numerous smaller rental properties.

The Pulse Group owns land in the Smithville area that will ultimately support development of several hundred more single family units and townhomes. They recently completed a 34-unit single family project in Smithville. Mr. Craig is also the listing broker for the various developments.

#### **Pulse Group Qualifications and Experience - Parking Lots**

The TIF Project will require that the owner purchase, develop and maintain parking for the tenants in the Property and customers who come to the commercial space. The parking lots will also accommodate public parking in cooperation with the City of Smithville.

Having developed and managed thousands of multifamily units and over 200,000 square feet of commercial and retail space, the management team for Pulse Group has had experience building, maintaining, and managing thousands of parking spaces. The management team has owned many parking lots and thousands of surface parking spaces serving their properties, tenants, commercial customers, and the general public across the Kansas City area. They have also managed parking garages including a 5-level, 700-space structure serving the Westport Entertainment district in Kansas City. They have owned and managed free residential parking lots as well as pay-to-park and permit-only garages and surface lots.

**[End of Exhibit B - Remainder of page intentionally left blank.]**

## **EXHIBIT C**

### **LEGAL DISCLOSURE - RFP #24-12**

In response to Section III.A of the RFP, there are no judgments, bankruptcies, legal proceedings, or conflicts of interest related to projects the respondent has developed, owned, or has a substantial ownership interest in.

**[End of Exhibit C - Remainder of page intentionally left blank.]**

**EXHIBIT D**  
**DETAILED RFP RESPONSE AND PROPOSAL - RFP #24-12**

110 Smithville, LLC (the “Bidder”) is excited to submit this response (the “Response”) to RFP #24-12 (the “RFP”): Sale of City-Owned Property in Downtown District – Southside of Church Street (the “Property”).

**Alternative Proposal:**

Bidder is aware that parking is of paramount importance to the City. On August 1, 2023, the City of Smithville approved a TIF Plan (the “TIF Plan”) for a redevelopment district (the “TIF Project”) that includes the Property.

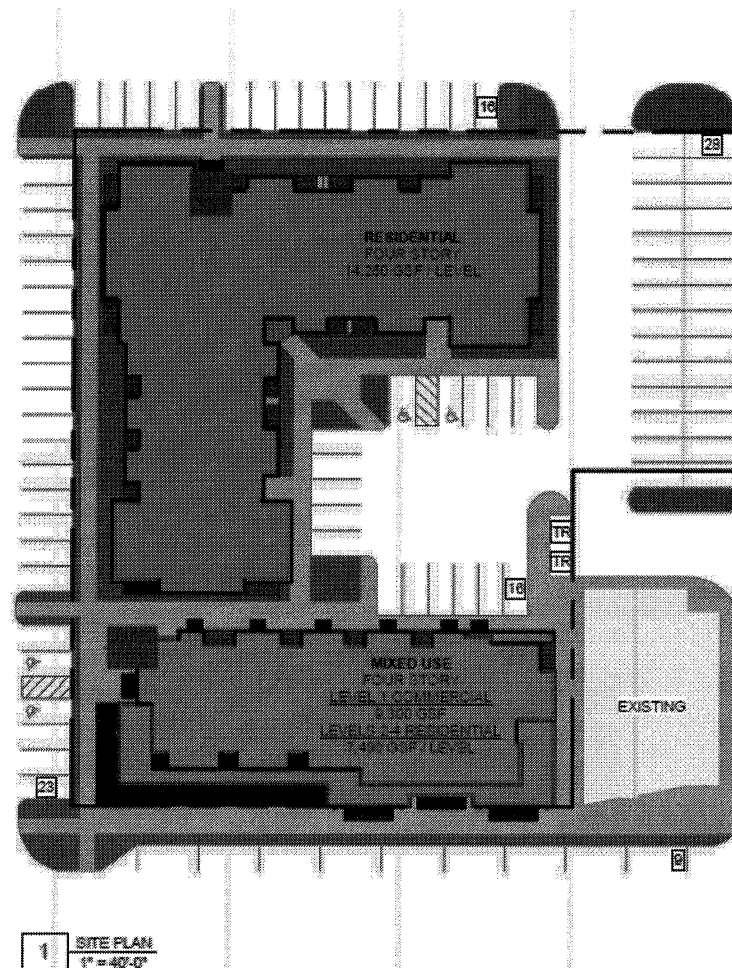
The TIF Plan shows a portion of the multifamily housing building and two small parking lots on the Property. A handful of the parking spaces will be in a small lot surrounded by the building to be used exclusively for the building and twenty-six extra parking spaces which are close to the building. See depictions of the project overlay and proposed site plan below:

Project overlay:





Proposed site plan:



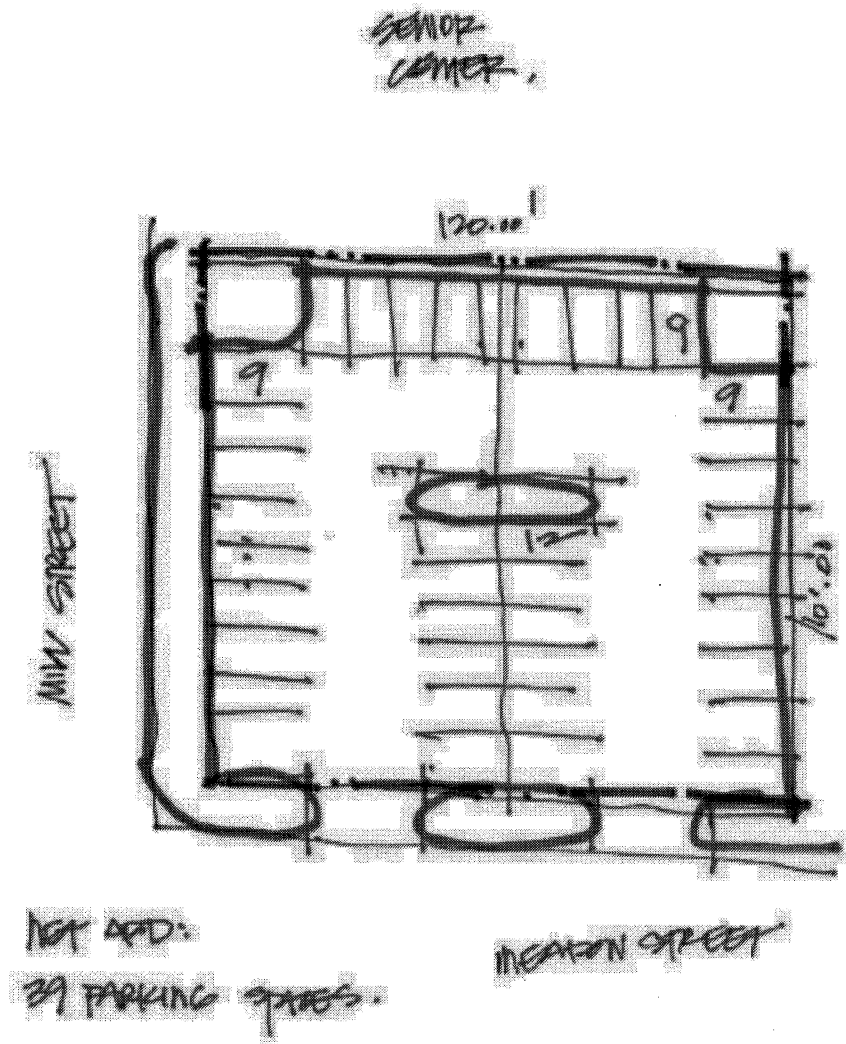
Bidder believes that simply restricting part of the parking portion of the project to always remain parking will not serve either the City's or the Bidder's purposes. Bidder would like to offer an alternative proposal that will both satisfy City's parking concerns and allow the Bidder to use the Property as private parking in conformance with the TIF Plan, as described below (the "Alternative Proposal").

In exchange for removing the reversion language in the RFP, Real Estate Contract, and Deed (the "Conveyance Documents"), Bidder offers to pave and restripe the undeveloped west half of the City property at the corner of Mill and Meadow street (the west half of Parcel # 05617000502000, excluding the existing parking lot) to create approximately thirty-nine new public parking spaces (the "Donated Improvements").

Additionally, as depicted on proposed site plan above, the TIF Project will also create thirty-nine additional improved street parking spaces on Church street and Mill street (the "New Street Parking"). On or before August 1, 2026, the City will have the use of all of the New Street Parking. Some portions of the New Street Parking will be complete prior to this date.

The City would continue to own and maintain the Donated Improvements. The projected date to complete the Donated Improvements is on or before August 1, 2026. A depiction of the Donated Improvements is below:

The Donated Improvements:



Bidder constructing a total of seventy-eight additional public parking spaces should alleviate all parking concerns associated with the TIF Project in the Downtown area.

#### Responses to Requirements of the RFP:

##### Requirement 1:

"The City desires to sell the Property with a restriction that the Property remain available for use as a parking lot as described on Exhibit 2 by the successful bidder (the "Purchaser"), its customers or tenants, including use of a portion of the Property for non-parking uses, including building structures as described on Exhibit 2."

**Response 1:**

If awarded the right to purchase the Property, pursuant to the plans presented in the TIF Plan as part of the TIF Project, a portion of the Property will be used to construct the multifamily building, and the remainder will be used for tenant parking. Bidder agrees that all parking will be in conformance with the Minimum Parking Lot Requirements in Exhibit 2 to the extent they apply to private parking lots.

**Requirement 2:**

“The Property, legally described on Exhibit 1 attached hereto, is being sold "as is" without any representation as to its current condition for the limited future purpose of improving and maintaining a parking lot and constructing buildings on portions of the Property. The sale will be upon the condition that a parking lot be constructed, and thereafter maintained and operated pursuant to the terms and specifications set forth in this Request for Proposals (the “RFP”).”

**Response 2:**

Bidder acknowledges and agrees that the Property is being sold as-is without any representation as to its current condition.

Bidder acknowledges and agrees to the limited future purpose of improving and maintaining a parking lot and constructing buildings on portions of the Property. If the Alternative Proposal is accepted by the City, the language “for the limited future purpose of improving and maintaining a parking lot and constructing buildings on portions of the Property” should be removed.

Bidder acknowledges and agrees that any improvements will be constructed, and thereafter maintained and operated pursuant to the terms and specifications set forth in the RFP, as may be modified by this Response.

**Requirement 3:**

“If the parking lot is not *timely constructed, maintained, and operated pursuant to the terms and conditions of this RFP* [emphasis added] the ownership of the Property shall revert back to the City. Such reversion shall not relieve the Purchaser of responsibility for any liability for damages caused by the Purchaser prior to such reversion even if the liability or damages are not discovered until after the reversion.”

**Response 3:**

Construction will begin on the Property later this summer. The projected date to complete parking improvements on the Property is on or before May 31, 2025. This schedule projection will be subject to construction delays and other unforeseen project delays. Keeping this projected schedule will be deemed “timely” for purposes of the RFP.

If the Alternative Proposal is accepted by the City, the second sentence concerning reversion of the Property in Requirement 3 should be removed. However, if it is not accepted, Bidder acknowledges and agrees that the Property will be constructed, maintained, and operated

pursuant to the terms and specifications set forth in the RFP and may be reverted back to the City if such terms and specifications are violated and that it is not relieved of responsibility for any liability for damages caused by the Bidder prior to such reversion even if the liability or damages are not discovered until after the reversion.

**Requirement 4:**

“All bidders for the Property submitting a bid recognize and agree that the contract for sale is in *fee simple determinable* [emphasis added]. The Property is and will be subject to all applicable rules, regulations, and procedures attendant with regard to the building/construction and maintenance of the parking lot in accord with the specifications set forth in **Exhibit 2**. Such parking lot is to be built, and continually thereafter maintained and operated as a parking lot on the Property as described in **Exhibit 2**, subject to the terms herein and in any subsequent real estate purchase contract or deed.”

**Response 4:**

If the Alternative Proposal is accepted by the City, the second sentence concerning fee simple determinable in Requirement 4 should be removed. As stated in Responses 2 and 3, the portion that contains the building will have no parking at all. The small amount of parking left on the Property it will be designated private. However, to the extent this clause applies to the Property, Bidder acknowledges the fee simple determinable requirement. In the interest of simplicity and clarity of the real estate conveyance, Bidder proposes that the conveyance of the Property be completed with a simple warranty deed, and separate recorded use restriction declaration. Fee simple determinable is a less often used legal mechanism in modern times and may raise legal ambiguities for the City, the Bidder, and potential lenders. Use restriction declarations are very often used in modern times and often enforced by courts. Bidder would be happy to submit a proposed form of use restrictions declaration. Yet, the Alternative Proposal is rejected and a deed in fee simple determinable the preferred form of conveyance, Bidder will comply with this requirement.

Bidder acknowledges that Property is and will be subject to all applicable rules, regulations, and procedures attendant with regard to the building/construction and maintenance of the parking lot in accord with the specifications set forth in Exhibit 2.

**Requirement 5 - I. Site Information**

“The Property is included within a redevelopment area pursuant to the 110 Smithville Tax Increment Financing Plan (the “TIF Plan”) on file with the City. The Property must be developed in conformance with the TIF Plan.”

**Response 5:**

Bidder acknowledges and agrees that the Property will be developed in conformance with the TIF Plan.

**Requirement 6 - I. Site Information (continued)**

“The Property is currently zoned B-4. Section 400.170 of the City Code provides the precise language of generally allowed uses. *The Property must be used*

*as a parking lot as described herein, including use of a portion of the Property for non-parking uses, including building structures, or it will automatically revert back to ownership by the City[emphasis added]. The Property will need to be developed and maintained in accordance with the specifications set forth in Exhibit 2 attached hereto or as otherwise agreed to in writing by the City.”*

**Response 6:**

Bidder acknowledges and agrees that the Property is currently zoned B-4. Section 400.170 of the City Code will comply with all zoning requirements.

See Responses 2, 3, and 4 for a discussion of the non-parking use of the Property. If the Alternative Proposal is accepted by the City, the italicized language in this Requirement 6 should be removed.

As stated in Response 1, Bidder will comply with the Minimum Parking Lot Requirements in Exhibit 2 to the extent they apply to private parking lots.

**Requirement 7 - II. Evaluation & Selection:**

“After selection by the Board of Alderman, within 30 days the City will present the successful bidder a real estate purchase contract in substantially the form attached hereto in **Exhibit 3**. The successful bidder will have 10 days, or as otherwise agreed by the Board of Aldermen in writing, to execute the contract.

The City may also request additional information from respondents at any time prior to final approval of a selected respondent to clarify (but not substantially change the bid as submitted). The City reserves the right to reject any or all of the responses.

All submittals shall become the property of the City, and, after the selection process, will be a public record.”

**Response 7:**

Bidder acknowledges and agrees to all of the provisions in Section II. Evaluation & Selection. Bidder will respond as quickly as practicable to all requests for information. Subject to a final review of the contract attached in Exhibit 3 once the bid is awarded and the terms of the sale are finalized, Bidder will execute the contract within 10 day of award.

**Requirement 8 - V. Terms & Conditions:**

**Response 8:**

Bidder acknowledges and agrees to the terms of Section V of the RFP, Terms and Conditions. The bid form was used; it was attached to this application with the cover letter.

**Requirement 9 - Exhibit 2 - Minimum Parking Lot Requirements:**

“Responses should include the ability of the Bidder/Purchaser to include EV-Capable and EV-Ready parking spaces, as defined below, and the number of EV-

Capable and EV-Ready parking spaces the Bidder/Purchaser intends to consider including. The City agrees to work with the Bidder/Purchaser in exploring additional funding to allow for including EV-Capable and EV-Ready parking spaces to be more financially feasible.

- o EV-CAPABLE SPACE. A dedicated parking space with electrical panel capacity and space for a branch circuit dedicated to the EV parking space that is not less than 40-ampere and 208/240-volt and equipped with raceways, both underground and surface mounted, to enable the future installation of electric vehicle supply equipment. For two adjacent EV-Capable spaces, a single branch circuit is permitted.

- o EV-READY SPACE. A designated parking space which is provided with a dedicated branch circuit that is not less than 40-ampere and 208/240-volt assigned for electric vehicle supply equipment terminating in a receptacle or junction box located in close proximity to the proposed location of the EV parking space. For two adjacent EV-Ready spaces, a single branch circuit is permitted.”

**Response 9:**

Bidder acknowledges and agrees to the terms of Exhibit 2 to the RFP, Minimum Parking Lot Requirements, including the striping, ADA, lighting, vehicle overhang, drainage study, pavement and subgrade specifications, striping, and maintenance requirements.

With respect to the EV-Capable and EV-Ready parking spaces requirements quoted above, Bidder acknowledges and agrees to these requirements and has the ability to comply with them, provided that an appropriate power source is currently available on the Property to comply with these requirements. Additionally, Bidder will accept City’s collaboration on completing this requirement. Bidder will explore all available avenues to complete this requirement, including collaborating with third party charging vendors. Bidders agreement to this requirement does not promise, grant, or guarantee that any EV-charging stations will be free or that the City will be able to control the price of vehicle charging offered to the general public.

**Requirement 10 - Exhibit 3 - Real Estate Purchase Contract:**

**Response 10:**

Bidder acknowledges and agrees to the terms of Exhibit 3 to the RFP, Sample Real Estate Purchase Contract, with the following notations:

**2. Sale of Property; Condition; Reverter, 9. Buyer’s Acknowledgment, Representations and Warranties, and Exhibit C to Real Estate Purchase Contract.**

Bidder acknowledges and agrees to the terms of the Real Estate Purchase Contract. However, see Response 4 for a discussion of Bidder’s position that a warranty deed with a separate recorded use restriction declaration would be a more appropriate form of conveyance. Upon

request, Bidder would be happy to provide a form of warranty deed and recordable use restriction declarations for review.

If the Alternative Proposal is accepted by the City, Sections 2 and 9 of the Real Estate Purchase Contract should be revised to remove the reversion language, and Exhibit C should be replaced with a Special Warranty Deed without the reversion language.

**[End of Exhibit D - Remainder of page intentionally left blank.]**

## **EXHIBIT E**

### **Purchase Price for RFP #24-12**

The Property is currently a paved parking lot without marked stalls or curb stops and is in need of maintenance and repair. On August 1, 2023, the City of Smithville approved a TIF Plan for a redevelopment district (the “TIF Project”) that includes the Property. It is the Bidder’s plan to construct a multifamily residential building and approximately twenty-six parking spaces on the Property and the neighboring hospital property as part of the TIF Project.

As part of the alternative proposal described in detail in Exhibit D (The “Alternative Proposal”), Bidder is also offering to pave and restripe the undeveloped west half of the City property at the corner of Mill and Meadow street and to construct thirty-nine additional improved street parking spaces on Church and Mill street.

Since the Alternative Proposal adds additional public parking at Bidder’s expense, Bidder believes that the City should consider the price in light of both the purchase price, and the value of the Alternative Proposal to the public.

#### **1) Purchase Price:**

Bidder will offer the following purchase price for delivery to the City upon delivery of the deed to the Property to Bidder.

Lots 3 and 4, Block 3 (.36 acres) - Parcel ID 05617000300200

Total cash offer: **\$15,054**

#### **2) Value of Alternative Proposal**

- a. Bidder will pave and stripe the City west half of the property at the corner of Mill and Meadow street (Parcel # 05617000502000, excluding the existing parking lot) to create approximately thirty-nine new public parking spaces (the “Donated Improvements”). The Donated Improvements will be completed on or before August 1, 2026. The cost of these improvements is estimated to be **\$294,000**.
- b. As part of the TIF Project, Bidder will create thirty-nine additional improved street parking spaces on Church Street and Mill Street (the “New Street Parking”). On or before August 1, 2026, the City will have the use of all of the New Street Parking. The cost of the New Street Parking is estimated to be **\$195,000**.

#### **3) Total Value**

The cash offer of **\$15,054**, plus the Donated Improvements **\$294,000**, plus the value of the value of the New Street Parking **\$195,000**, equals:

Total Value of Bid **\$ 504,054**.

**[End of Exhibit E - Remainder of page intentionally left blank.]**