

PEDC

PALESTINE ECONOMIC DEVELOPMENT CORPORATION

ANNUAL REPORT 2007

The Palestine Missionary Baptist Church, recognizing the growing need for community services, established a separate 501(c)(3) to address senior housing, youth development and community development. The next phase for PEDC, the Palestine Commons Enhanced Living Senior Housing, will provide additional, quality living options for senior citizens at affordable rates.

The new building will be located within a residential urban neighborhood, in the 3400 block of Prospect Avenue, south of the existing Palestine Senior Activity Center. The building's exterior will be of Georgian Architectural style composed of brick and lap siding and will be accented with cast stone and quoins.

The living units will include both one and two-bedroom units, all of which comply with The Fair Housing Act and The Americans with Disabilities Act. The kitchens are to be completely furnished and will include; a dining counter, range/oven/microwave and refrigerator. All units will also contain a laundry closet with washer/dryer. Each floor has extra wide corridors which also feature furnished "meeting nodes" for impromptu gatherings. The residents will have access to a large multi-purpose room which will include a warming kitchen which serves as a cafeteria and venue. Other amenities include several "family rooms" of varying sizes for gatherings, a reading / multipurpose room, physical therapy area and covered, exterior courts.

The basic features of Phase I include;

- 3-Story New Building containing 69-Living Units
- 1-Bedroom Units (Avg. 580 sf)
- 2-Bedroom Units (Avg. 825 sf)

AMENITIES:

Refrigerator/freezer, range/oven, fully carpeted,

laundry facilities, large multi purpose rooms and family meeting rooms, daily communal lunches, pedestrian paths, controlled entry /intercom, free parking.

LIVING OPTIONS:

meal service, home health services, personal care assistance, medication setup or reminders, housekeeping, shopping/errands, laundry service.

OUTDOOR ACTIVITY AREA:

herbal garden, other exterior landscaped areas

LOCATION: Kansas City, Missouri

OWNER INFORMATION:

Palestine Economic Development Corporation (PEDC)
3619 East 35th Street • Kansas City, Missouri 64128

CONTACT:

Mr. Melvin Gross, Chairman
Building Committee, Palestine Economic
Development Corporation • P: (816) 564-8501

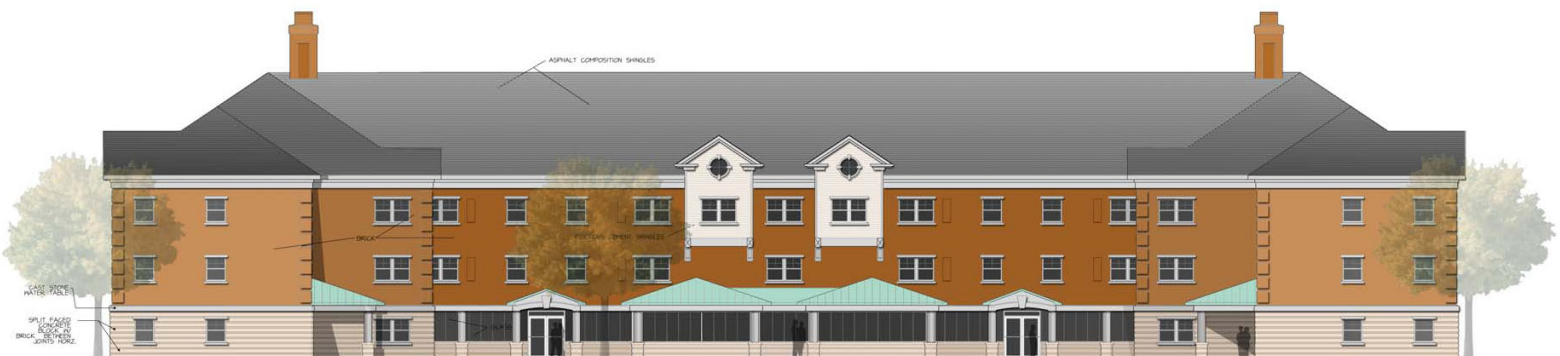
SQUARE FEET: 58,000

SERVICES PROVIDED:

Architectural Design, Interior Design, Construction Documents & Specifications

COMPLETION DATE: Early 2010

ESTIMATED DEVELOPMENT COST: \$12.0 mil



2007 Highlights

The Palestine Economic Development Corporation (PEDC), a community development organization established to expand upon the mission of Palestine Missionary Baptist Church of Jesus Christ to serve seniors in the urban core, has had a busy 2007.



Some fifty members of the community and the Palestine Missionary Baptist Church of Jesus Christ, including Dr. Carol Abel Lewis and Rick Earl Abel, daughter and son of the late Rev. Abel, braved the wintry elements to celebrate the dedication of Earl Abel Way on 35th Street from Prospect to Cleveland, with a ribbon-cutting on a icy Sunday afternoon on December 9th, 2007.

The goal of PEDC is to keep senior residents in the area they have lived in their entire lives and remaining close to their families, friends and familiar places. The current project is Palestine Commons, 69 units of affordable rental apartments for seniors who cannot live independently and require some assistance in their daily activities.

Prior to the establishment of PEDC, the Church developed 118 units of affordable independent living apartments and a 35,000 square foot Senior Citizen Activity Center to meet the needs of seniors in their community.

PEDC dedicated the past year to pre-development tasks for their first development project, the Enhanced Living residential project. The Enhanced Living project will be located adjacent

to the Senior Activity Center and will provide affordable enhanced living apartments for seniors with the option to select personal care services.

- PEDC reached agreement with ten property owners to buy their properties. This major undertaking will result in site-control, a much-needed component for tax credits, fundraising and other necessary activities.
- Phase 1 and 2 of the environmental study was concluded and an application was made for a Brownfield cleanup grant.
- The fundraising continues with several requests with the major philanthropic organizations. Early conversations are encouraging and we hope to have good news to report soon.
- Five new members, four of whom are community members, joined the Board of Directors.
- PEDC has received CHODO (Community Housing Development Organization) status, which will make PEDC eligible for additional city funding.
- The City of Kansas City, Missouri recognized the accomplishments of PEDC founder, Rev. Earl Abel, with an honorary designation of Earl Abel Way on 35th Street between Prospect and Cleveland.

Looking Ahead in 2008

- Complete purchase of properties for site control
- Remediate Environmental Issues
- Submit Application for tax credit program in September
- Receive Award of Tax Credits in December.

Highlights of Year to Date 2007 Activity

Cash on Hand \$7,859.88

HUD GRANT ACTIVITY

Original HUD Grant \$1,000,000.00
 Fees paid to HUD (6,500.00)
 Grant Funds set-aside (208,500.00)

Available Funds for use \$785,000.00
 Grant Funds used in 2004 \$134,099.92
 Grant Funds used in 2005 184,973.32
 Grant Funds used in 2006 28,025.23
 Grant Funds used in 2007 181,774.30

Total HUD Grant Funds used to Date 528,872.77

Remaining HUD Funds for use \$256,127.23

Remaining HUD Funds including set-aside funds \$464,627.23

Funds used for the Development of Palestine Commons \$181,998.10

Premium for Insurance Coverage of Board of Directors \$2,156.00

Accounts Payable @ December 31, 2007
 (To be drawn from HUD Grant) \$13,194.71

Payment of Notes \$200,000.00

Forgiveness of Debt from Note Payment \$14,500.00

Interest Income Earned (Bank Accounts) \$4,356.96

PEDC Net Income/Loss (\$22,966.45)

An architectural rendering of the east and west elevations of the proposed structure.



