
**City of Lee's Summit, Missouri
(Clover Senior Independent Living Project)**

**COST BENEFIT ANALYSIS
PLAN FOR INDUSTRIAL DEVELOPMENT PROJECT**



Table of Contents

Project Assumptions	1
Summary of Cost Benefit Analysis	2
Taxes on Existing Site without Project	3
Projected Taxes on Project without Abatement	4
Projected PILOTS	5
Projected Abatement	6

This information is provided based on the factual information and assumptions provided to Gilmore & Bell, P.C. by a party to or a representative of a party to the proposed transaction. This information is intended to provide factual information only and is provided in conjunction with our legal representation. It is not intended as financial advice or a financial recommendation to any party. Gilmore & Bell, P.C. is not a financial advisor or a “municipal advisor” as defined in the Securities Exchange Act of 1934, as amended.

Project Assumptions

♦ Initial year taxes assessed 2023

♦ Starting Point for Calculation of Assessed Value of Improvement

Units	\$ per Doors	Assessed Value *
128	\$ 2,091	\$ 3,315,553

♦ Percent Complete

1/1/2024	0%
1/1/2025	50%
1/1/2026	100%

♦ Biennial growth rate of appraised value of real property 3.0%

♦ PILOT as described below:

	Calendar Year	PILOT**
Pre-construction	2023	\$ 1,583
Construction	2024	1,081
Construction	2025	118,656
Abatement Year 1	2026	237,312
Abatement Year 2	2027	244,431
Abatement Year 3	2028	244,431
Abatement Year 4	2029	251,764
Abatement Year 5	2030	251,764
Abatement Year 6	2031	259,317
Abatement Year 7	2032	259,317
Abatement Year 8	2033	267,097
Abatement Year 9	2034	267,097
Abatement Year 10	2035	275,110

* 3.0% biennial growth rate applied during construction period to account for inflation in value prior to project completion.

** PILOT on improvements starts at \$1,800 dollars per door in 2023 dollars, subject to 3.0% biennial inflation during and after construction period.

Summary of Cost Benefit Analysis

Taxing Jurisdiction	Tax Rate	Taxes on Existing Site without Project	Projected Taxes on Project without Abatement	Revenue Generated from PILOT Payments	Value of Abatement
Board of Disabled Services	0.0836	\$ 209	\$ 32,359	\$ 27,742	\$ 4,617
City - Lees Summit	1.4199	3,555	549,594	471,185	78,409
Jackson County	0.5920	1,482	229,143	196,451	32,691
Lee's Summit R-7 School District	5.3089	13,291	2,054,892	1,761,725	293,167
Mental Health	0.1113	279	43,080	36,934	6,146
Metro Junior College	0.2028	508	78,497	67,298	11,199
Mid-Continent Library	0.3240	811	125,409	107,517	17,892
State Blind Pension	0.0300	75	11,612	9,955	1,657
Surtax	1.4370	2,164	153	153	-
	9.5095	\$ 22,373	\$ 3,124,739	\$ 2,678,961	\$ 445,778

Taxes on Existing Site without Project

Estimated Assessed Value of Existing Site (Residential Lots)	\$ 7,060	\$ 7,060	\$ 7,272	\$ 7,272	\$ 7,490	\$ 7,490	\$ 7,715	\$ 7,715	\$ 7,947	\$ 7,947	\$ 8,185	\$ 8,185	\$ 8,430			
Estimated Assessed Value of Existing Site (Commercial Lot)	\$ 10,656	\$ 10,656	\$ 10,976	\$ 10,976	\$ 11,305	\$ 11,305	\$ 11,644	\$ 11,644	\$ 11,993	\$ 11,993	\$ 12,353	\$ 12,353	\$ 12,724			
Taxing Jurisdiction	Tax Rate per \$100	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total	
Board of Disabled Services	0.0836	\$ 15	\$ 15	\$ 15	\$ 15	\$ 16	\$ 16	\$ 16	\$ 16	\$ 17	\$ 17	\$ 17	\$ 17	\$ 18	\$ 209	
City - Lees Summit	1.4199	252	252	259	259	267	267	275	275	283	283	292	292	300	3,555	
Jackson County	0.5920	105	105	108	108	111	111	115	115	118	118	122	122	125	1,482	
Lee's Summit R-7 School District	5.3089	941	941	969	969	998	998	1,028	1,028	1,059	1,059	1,090	1,090	1,123	13,291	
Mental Health	0.1113	20	20	20	20	21	21	22	22	22	22	23	23	24	279	
Metro Junior College	0.2028	36	36	37	37	38	38	39	39	40	40	42	42	43	508	
Mid-Continent Library	0.3240	57	57	59	59	61	61	63	63	65	65	67	67	69	811	
State Blind Pension	0.0300	5	5	5	5	6	6	6	6	6	6	6	6	6	75	
Surtax	1.4370	153	153	158	158	162	162	167	167	172	172	178	178	183	2,164	
		9.5095	\$ 1,583	\$ 1,583	\$ 1,631	\$ 1,631	\$ 1,680	\$ 1,680	\$ 1,730	\$ 1,730	\$ 1,782	\$ 1,782	\$ 1,835	\$ 1,835	\$ 1,891	\$ 22,373

Projected Tax on Project without Abatement

Estimated Assessed Value of Land	\$ 17,716	\$ 13,387	\$ 13,789	\$ 13,789	\$ 14,203	\$ 14,203	\$ 14,629	\$ 14,629	\$ 15,068	\$ 15,068	\$ 15,520	\$ 15,520	\$ 15,985		
Estimated Assessed Value of Improvements	\$ -	\$ -	\$ 1,707,510	\$ 3,415,019	\$ 3,517,470	\$ 3,517,470	\$ 3,622,994	\$ 3,622,994	\$ 3,731,684	\$ 3,731,684	\$ 3,843,634	\$ 3,843,634	\$ 3,958,943		
Taxing Jurisdiction	Tax Rate per \$100	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Board of Disabled Services	0.0836	\$ 15	\$ 11	\$ 1,439	\$ 2,866	\$ 2,952	\$ 2,952	\$ 3,041	\$ 3,041	\$ 3,132	\$ 3,132	\$ 3,226	\$ 3,226	\$ 3,323	\$ 32,359
City - Lees Summit	1.4199	252	190	24,441	48,686	50,146	50,146	51,651	51,651	53,200	53,200	54,796	54,796	56,440	549,594
Jackson County	0.5920	105	79	10,190	20,299	20,908	20,908	21,535	21,535	22,181	22,181	22,846	22,846	23,532	229,143
Lee's Summit R-7 School District	5.3089	941	711	91,382	182,032	187,493	187,493	193,118	193,118	198,911	198,911	204,879	204,879	211,025	2,054,892
Mental Health	0.1113	20	15	1,916	3,816	3,931	3,931	4,049	4,049	4,170	4,170	4,295	4,295	4,424	43,080
Metro Junior College	0.2028	36	27	3,491	6,954	7,162	7,162	7,377	7,377	7,598	7,598	7,826	7,826	8,061	78,497
Mid-Continent Library	0.3240	57	43	5,577	11,109	11,443	11,443	11,786	11,786	12,139	12,139	12,504	12,504	12,879	125,409
State Blind Pension	0.0300	5	4	516	1,029	1,060	1,060	1,091	1,091	1,124	1,124	1,158	1,158	1,192	11,612
Surtax	1.4370	153	-	-	-	-	-	-	-	-	-	-	-	-	153
	9.5095	\$ 1,583	\$ 1,081	\$ 138,952	\$ 276,791	\$ 285,094	\$ 285,094	\$ 293,647	\$ 293,647	\$ 302,457	\$ 302,457	\$ 311,530	\$ 311,530	\$ 320,876	\$ 3,124,739

Note: Reduction in assessed valuation assumption from 2023 to 2024 is due to conversion of all portions of the project area to residential use for property taxation purposes. Currently one of the three lots is taxed as commercial property.

Projected PILOTS

PILOT Payment		\$ 1,583	\$ 1,081	\$ 118,656	\$ 237,312	\$ 244,431	\$ 244,431	\$ 251,764	\$ 251,764	\$ 259,317	\$ 259,317	\$ 267,097	\$ 267,097	\$ 275,110	
	Tax Rate per														
Taxing Jurisdiction	\$100	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Board of Disabled Services	0.0836	\$ 15	\$ 11	\$ 1,229	\$ 2,458	\$ 2,531	\$ 2,531	\$ 2,607	\$ 2,607	\$ 2,686	\$ 2,686	\$ 2,766	\$ 2,766	\$ 2,849	\$ 27,742
City - Lees Summit	1.4199	252	190	20,871	41,742	42,994	42,994	44,284	44,284	45,612	45,612	46,981	46,981	48,390	471,185
Jackson County	0.5920	105	79	8,702	17,403	17,925	17,925	18,463	18,463	19,017	19,017	19,588	19,588	20,175	196,451
Lee's Summit R-7 School District	5.3089	941	711	78,034	156,069	160,751	160,751	165,573	165,573	170,541	170,541	175,657	175,657	180,927	1,761,725
Mental Health	0.1113	20	15	1,636	3,272	3,370	3,370	3,471	3,471	3,575	3,575	3,683	3,683	3,793	36,934
Metro Junior College	0.2028	36	27	2,981	5,962	6,141	6,141	6,325	6,325	6,515	6,515	6,710	6,710	6,911	67,298
Mid-Continent Library	0.3240	57	43	4,762	9,525	9,811	9,811	10,105	10,105	10,408	10,408	10,720	10,720	11,042	107,517
State Blind Pension	0.0300	5	4	441	882	908	908	936	936	964	964	993	993	1,022	9,955
Surtax	1.4370	153	-	-	-	-	-	-	-	-	-	-	-	-	153
	9.5095	\$ 1,583	\$ 1,081	\$ 118,656	\$ 237,312	\$ 244,431	\$ 244,431	\$ 251,764	\$ 251,764	\$ 259,317	\$ 259,317	\$ 267,097	\$ 267,097	\$ 275,110	\$ 2,678,961

Projected Abatement

Taxing Jurisdiction	Tax Rate per															Total
	\$100	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035		
Board of Disabled Services	0.0836	\$ -	\$ -	\$ 210	\$ 409	\$ 421	\$ 421	\$ 434	\$ 434	\$ 447	\$ 447	\$ 460	\$ 460	\$ 474	\$ 4,617	
City - Lees Summit	1.4199	-	-	3,570	6,944	7,152	7,152	7,367	7,367	7,588	7,588	7,816	7,816	8,050	78,409	
Jackson County	0.5920	-	-	1,488	2,895	2,982	2,982	3,071	3,071	3,164	3,164	3,259	3,259	3,356	32,691	
Lee's Summit R-7 School District	5.3089	-	-	13,348	25,963	26,742	26,742	27,544	27,544	28,371	28,371	29,222	29,222	30,098	293,167	
Mental Health	0.1113	-	-	280	544	561	561	577	577	595	595	613	613	631	6,146	
Metro Junior College	0.2028	-	-	510	992	1,022	1,022	1,052	1,052	1,084	1,084	1,116	1,116	1,150	11,199	
Mid-Continent Library	0.3240	-	-	815	1,585	1,632	1,632	1,681	1,681	1,731	1,731	1,783	1,783	1,837	17,892	
State Blind Pension	0.0300	-	-	75	147	151	151	156	156	160	160	165	165	170	1,657	
Surtax	1.4370	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	9.5095	\$ -	\$ -	\$ 20,296	\$ 39,479	\$ 40,663	\$ 40,663	\$ 41,883	\$ 41,883	\$ 43,139	\$ 43,139	\$ 44,433	\$ 44,433	\$ 45,766	\$ 445,778	