

LCRA Incentive Worksheet:

Green highlighted cells are for input.

Key Considerations:

Project Name: **COLEMAN EQUIPMENT**

	<u>Weighting</u>
Remediation and Prevention of Blight / Tax base stabilization	33.33%
New Tax to the City	33.33%
New Jobs to the City	33.33%

Project Investments:

Land	\$ 1,585,000	
Building	\$ 1,937,550	
Site	\$ 1,386,369	
Machinery & Equipment	\$ -	Calculated below
TOTAL	\$ 4,908,919	

Summary:

10 year incremental abatement amount	\$ 1,063,966	
Total project costs	\$ 4,908,919	
Maximum tax abatement \$ based on RE investment	\$ 1,227,230	<u>(Maximum Incentive may not exceed 25% of total project RE costs)</u>
Jobs created and/or retained over abatement period	6	
Estimated increase in LS tax collections during abatement	\$ 973,898	(over 10 year period - calculated below)
Estimated increase in market value of the property	\$ 1,663,466	Commercial property increase per assessor
Estimated Tax Increment:	\$ 106,397	per year
Guidance abatement amount from spreadsheet	645,408	
Estimated abatement period	6.07	
Selected abatement period	5.00	
Selected abatement level	100%	
Selected abatement amount	531,983.11	

Blight Remediation / Tax Base Stabilization/Other:

200 points max

	<u>INPUT Y or N or NA</u>	<u>Points Avail.</u>	<u>Points</u>
(cumulative points / work not previously done on a property)	NA	50	0
Cleans up existing EPA problem not otherwise incented	n	25	0
Have you been an employer in Lee's Summit > 5 years and had no prior incentives	n	25	0
Rehabilitates a property that requires more than typical City services in past 12 months	n	25	0
Property is located in a proactive urban renewal district	y	25	25
Will the investment require additional services of any taxing jurisdictions?	n	-50	0
The redevelopment will correct conditions that would otherwise be paid by the City.			
Amount exceeds \$25,000 and is less than 50% of abatement requested	n	25	0
Amount exceeds \$25,000 and is 50% to 100% of abatement requested	y	50	50
Amount exceeds \$25,000 and 100% of the abatement requested	n	75	0
Sustainability Points from "Sustainability Calculation" worksheet		50	0
Total Points this section:			75
Maximum for this section:			200
TOTAL:			

Net incentive / # of qualifying jobs created: -73,652

75 Weight: 33.33% = 24.9975

Net new taxes to Lee's Summit over the proposed abatement period:

200 points max

(Total taxes over the proposed abatement period divided by total proposed abatement expressed in \$)

Sales Tax (1% discretionary only)	
Personal property tax	
License/Excise Tax	
Real property Taxes	
Lodging Taxes	
Franchise Tax (7% gas, electric, phone, unless manufacturing exemption on electric)	
Total Tax	

1 year

10 years

\$ 441,915	City portion only
\$ -	City portion only
\$ -	NA
\$ 531,983	Net increase in CITY tax collections on RE during abatement period
\$ -	5% tax for Chamber, EDC, and Downtown LS mainstreet
\$ -	
0 \$ 973,898	

Tax increase < 5% of abatement	0	0
Tax increase 5% - 10% of abatement	10	0
Tax increase 11%-20% of abatement	20	0
Tax increase 21%-30% of abatement	30	0
Tax increase 31%-40% of abatement	40	0
Tax increase 41% - 50% of abatement	50	0
Tax increase 51% - 60% of abatement	60	0
Tax increase 61% - 70% of abatement	70	0
Tax increase 71% - 80% of abatement	80	80
Tax increase 81% - 90% of abatement	90	0
Tax increase 91% - 100% of abatement	100	0
Tax increase 101%-150% of abatement	125	0
Tax increase 151%- 200% of abatement	175	0
Tax increase > or equal to 200% of proposed abatement	200	0

Total Points this section:

80 Weight: 33.33% = 26.664

Creates or Retains Jobs in the City over proposed abatement period:

	200 points max			Jackson County Average Wage (2014)		50,741	MERIC 2014 data
	Retained	Created	Points per job	Total Points		cap	
# of jobs <70 of Jackson County median wage		5		0		NA	
# of Jobs > 70% and < 80% of Jackson County median wage	0	3	0	0		2500	
# of Jobs that are > or = to 80% but < 99.9% of the Jackson County median wage	0	3		1		5000	
# of Jobs that are > or = to 100% but < 120% of the Jackson County median wage	0	4		3		7500	
# of Jobs that are > or = to 120% of the Jackson County median wage	0	2		6		12000	
Total points for Job Creation and retention	0	6		27			

27 Weight: 33.33% = 8.9991

Total Points for all Sections

IF total points >100 then 100% of requested abatement is appropriate recommendation not to exceed 25% limit
 IF total points < 100 then total points represents the percentage of the requested abatement not to exceed 25% limit.
 25% LIMITATION:

60.6606
 NA
 \$ 645,408
 \$ 1,227,230

SALES TAX ESTIMATE:

Base year	2017		2018		2019		2020		2021		2022		2023		2024		2025		2026		2027		2028	
	Sales Growth Projections	0	5,900,000	6,047,500	6,198,688	6,353,655	6,512,496	6,675,308	6,842,191	7,013,246	7,188,577	7,368,292	7,552,499	7,741,999	7,931,999	8,128,999	8,332,999	8,543,999	8,761,999	8,987,999	9,221,999	9,464,999	9,716,999	9,977,999
Taxable Sales	0	3,540,000	3,628,500	3,719,213	3,812,193	3,907,498	4,005,185	4,105,315	4,207,948	4,313,146	4,420,975	4,531,499	4,643,799	4,757,999	4,874,999	4,993,999	5,115,999	5,240,999	5,369,999	5,502,999	5,644,999	5,796,999	5,958,999	6,130,999
City Sales Tax	0	35,400	36,285	37,192	38,122	39,075	40,052	41,053	42,079	43,131	44,210	45,315	46,445	47,605	48,790	50,000	51,235	52,500	53,795	55,120	56,485	57,890	59,335	60,820
10 years-cumulation	0	35,400	71,685	108,877	146,999	186,074	226,126	267,179	309,259	352,390	396,600	441,915	489,230	537,545	586,860	637,175	688,490	740,805	794,120	848,435	903,750	960,065	1,017,380	1,075,695
Increase in sales taxes		441,915																						

PERSONAL PROPERTY TAX EST.

Year	Investment	depreciation	assessed value	Total PP tax	City	City Tax
1	0	89%	0.33	0.08993	0.2	\$0.00
2	0	70%	0.33	0.08993	0.2	\$0.00
3	0	55%	0.33	0.08993	0.2	\$0.00
4	0	43%	0.33	0.08993	0.2	\$0.00
5	0	30%	0.33	0.08993	0.2	\$0.00
6	0	18%	0.33	0.08993	0.2	\$0.00
7	0	10%	0.33	0.08993	0.2	\$0.00
8	0	10%	0.33	0.08993	0.2	\$0.00
9	0	10%	0.33	0.08993	0.2	\$0.00
10	0	10%	0.33	0.08993	0.2	\$0.00
\$0.00						

REAL ESTATE CALCULATION

Investment/ Cost	\$4,908,919	Construction Ratio
Market Value	\$3,246,959	Current Value
Assessment %	0.32	Increase in Value
Assessed Value	\$1,039,027	
Levies		
City	1.5398	\$15,999
School	5.9957	\$62,297
Jr. College	0.2339	\$2,430
County	0.5025	\$5,221
Mental Health	0.1201	\$1,248
Handicap Wkshp	0.0738	\$767
Library	0.3153	\$3,276
MO Blind Pension	0.0300	\$312
Replacement Tax	1.4370	\$14,931
Total Levy	10.2481	\$106,481 Estimated RE tax:
Base property tax:		\$84 Per current tax rec:
Estimated Increment		\$106,397

Third year investment

Year	Investment	depreciation	assessed value	Total PP tax	City	City Tax
1	0	89%	0.33	0.08993	0.2	\$0.00
2	0	70%	0.33	0.08993	0.2	\$0.00
3	0	55%	0.33	0.08993	0.2	\$0.00
4	0	43%	0.33	0.08993	0.2	\$0.00
5	0	30%	0.33	0.08993	0.2	\$0.00
6	0	18%	0.33	0.08993	0.2	\$0.00
7	0	10%	0.33	0.08993	0.2	\$0.00
8	0	10%	0.33	0.08993	0.2	\$0.00
9	0	10%	0.33	0.08993	0.2	\$0.00
10	0	10%	0.33	0.08993	0.2	\$0.00
						\$0.00

If 75% for 10 years:	
City would get 25% or	\$26,599.16
Applicant gets	\$79,797.47
If 70% for 10 years:	
City would get 30% or	\$31,918.99
Applicant gets	\$74,477.64
If 65% for 10 years:	
City would get 35% or	\$37,238.82
Applicant gets	\$69,157.80
If 60% for 10 years:	
City would get 40%	\$42,558.65
Applicant gets	\$63,837.97
If 50% for 10 years:	
City would get 50%	\$53,198.31
Applicant gets	\$53,198.31

= incentive less net new taxes / qualifying jobs

50.00%

\$ 1,583,493 Per contract price
\$1,663,466

s after development:

ords

Sustainability Calculation:

Project Sustainability Features and points: Maximum 50 points

	Max Points	Y or N
Electric Vehicle Charging Stations	5	N
Solar, Wind and/or Geothermal Equipped:		
System offset is estimated at greater than 50% of projected utility costs:	15	N
System offset is estimated at 35% - 49.9% of projected utility costs:	10	N
System offset is estimated at 20% - 34.9% of projected utility costs:	5	N
System offset is estimated at less than 20% of projected utility costs:	2	N
Building Materials:		
Use of paving materials with Solar Reflectance Index of at least 35	5	N
All buildings are stone, brick, masonry, or precast concrete	5	N
Building exceeds ASHRAE minimum requirements	5	N
Lighting:		
Using LED bulbs for all signage, parking lots and building exterior	5	N
Using LED bulbs for greater than 80% of interior lighting	5	N
Roofing:		
Green vegetated roof on at least 50% of the roof area of the project	5	N
Cool roof on all buildings with a Solar Reflectance Index equal to or greater than 78 for low-sloped roofs (<2:12) or 29 for steep sloped roofs (>2:12)	5	N
Water Conservation:		
50% or more of open space or recreation areas and all landscaping is irrigated with on-site gray water	10	N
OR, recycled water from a centralized recycling facility or rainwater collection system	5	N
Storm water system results in no net increase in runoff volume, rate, or pollutant loads	5	N

TOTAL FOR THIS SECTION:

Points Carried to Abatement worksheet

Other: (other circumstances/conditions may apply. The LCRA committee can document and assign values for sustainable measures in a redevelopment project not listed above. However, the maximum points for Sustainability will not exceed 50)

LCRA Incentive Worksheet:

Green highlighted cells are for input.

Project Name:

Key Considerations:

Remediation and Prevention of Blight / Tax base stabilization
New Tax to the City
New Jobs to the City

Inputs:

Requested tax abatement
Total project costs
Maximum tax abatement \$
Jobs created over abatement period
Estimated increase in LS tax collections during abatement
ACTUAL increase in market value of the property
ACTUAL Tax Increment:
Guidance abatement amount from spreadsheet
Estimated abatement period

Blight Remediation / Tax Base Stabilization:

200 points max

INPUT Y or
N or NA

(cumulative points / work not previously done on a property)

Cleans up existing EPA problem not otherwise incented na

Meets 100% of Downtown Design Standards (if applicable) na

Rehabilitates a property that requires more than typical City services in past 12 months n

Property is located in a proactive urban renewal district y

The redevelopment will make a currently vacant property habitable n

The redevelopment will correct conditions that would otherwise be paid by the City.

\$ 0 - 250,000 y

250,001 - 500,000 n

Over \$500,000 n

Sustainability Points from "Sustainability Calculation" worksheet

Total Points this section:

Maximum for this section:

TOTAL:

Net new taxes to Lee's Summit over the proposed abatement period:

200 points

1 year

(Total taxes over the proposed abatement period divided by total proposed abatement expressed in \$\$)

Sales Tax (1% discretionary only)

Personal property tax

License/Excise Tax

Real property Taxes

Lodging Taxes

WHAT PERCENTAGE????

Franchise Tax (7% gas, electric, phone, unless manufacturing exemption on electric)

Total Tax

0

Tax increase < 5% of abatement

0

Tax increase 5% - 10% of abatement

10

Tax increase 11%-20% of abatement

20

Tax increase 21%-30% of abatement

30

Tax increase 31%-40% of abatement

40

Tax increase 41% - 50% of abatement

50

Tax increase 51% - 60% of abatement

60

Tax increase 61% - 70% of abatement	70
Tax increase 71% - 80% of abatement	80
Tax increase 81% - 90% of abatement	90
Tax increase 91% - 100% of abatement	150
Tax increase > or equal to 100% of proposed abatement	200
Total Points this section:	

Creates or Retains Jobs in the City over proposed abatement period:

200 points max

	<u>Number of</u>	<u>Points per</u>
	<u>Jobs</u>	<u>job</u>
<u># of Jobs > 70% and < 80% of Jackson County median wage</u>	0	1
<u># of Jobs that are > or = to 80% but < 99.9% of the Jackson County median wage</u>	0	4
<u># of Jobs that are > or = to 100% but < 120% of the Jackson County median wage</u>	2	7
<u># of Jobs that are > or = to 120% of the Jackson County median wage</u>	1	12
<u>Total points for Job Creation and retention</u>	3	

Total Points for all Sections

IF total points >100 then 100% of requested abatement is appropriate recommendation not to exceed 25
IF total points < 100 then total points represents the percentage of the requested abatement not to exceed
25% LIMITATION:

RECOMMENDED ABATEMENT IN \$\$\$

Weighting

33.30%
 33.30%
 33.30%

249,580	(= NUMBER OF YEARS REQUESTED X ACTUAL INCREMENT)
1,470,000	(= ACTUAL COSTS BASED ON CONSTRUCTION DRAWS)
249,580	(Maximum Incentive may not exceed 25% of total project costs)
3	
99,633	(over 10 year period - calculated below)
752,325	Commercial property only
24,958	per year
96,495	
3.87	

<u>Points Avail.</u>	<u>Points</u>
50	0
25	0
25	0
25	25
50	0
25	25
50	0
75	0
50	0
	50
	200

50 Weight: 33.33 = 16.665

max

10 years

79937 City portion only
 8722 City portion only
 0 NA
 0 No new taxes due to abatement
 5% tax for Chamber, EDC, and Downtown LS mainstreet
 10974
 99633

0
 0
 0
 0
 40
 0
 0

0
0
0
0
0

40 Weight: 33.33 = 13.332

Total Points

0
0
14
12
26

26 Weight: 33.33 = 8.6658

38.6628

% limit
ed 25% limit.

NA
96,495
249,580

96,494.62