



Ward Development

Presentation to
Lee's Summit City Council

August 22, 2023

Overview

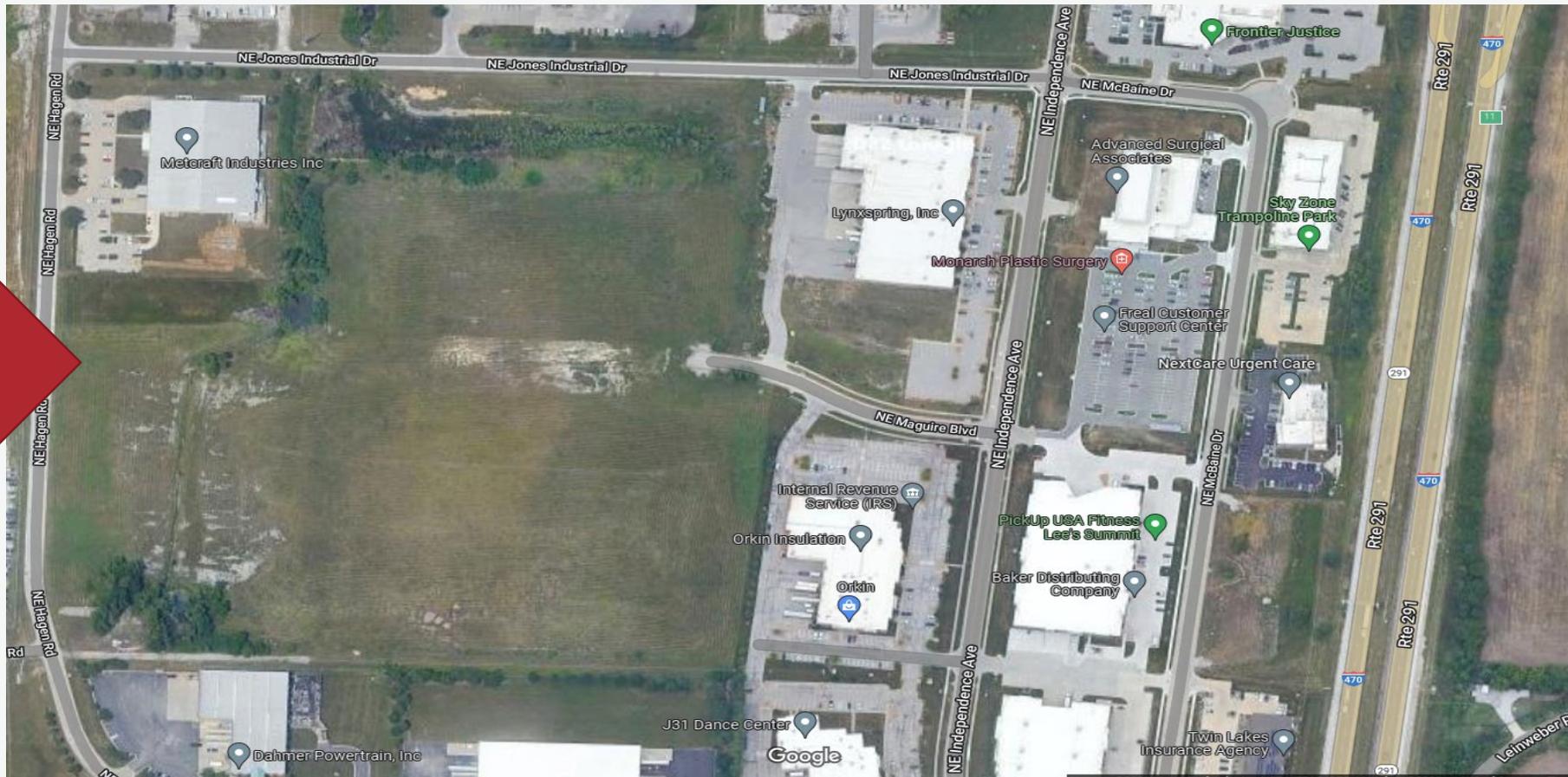
- Proposed Developer
- Proposed Project
- Competition for Tenants
- Proposed Public Incentives
- Value Proposition for City

Proposed Developer

- Ward Development
 - Ward Family
 - 3rd Generation real estate development / holding company
 - Grain Valley, Missouri
- Extensive Development History
 - Commercial and industrial
 - Residential

Proposed Project

- SWQ of I-470 and NE Strother Road
- 31 +/- acres

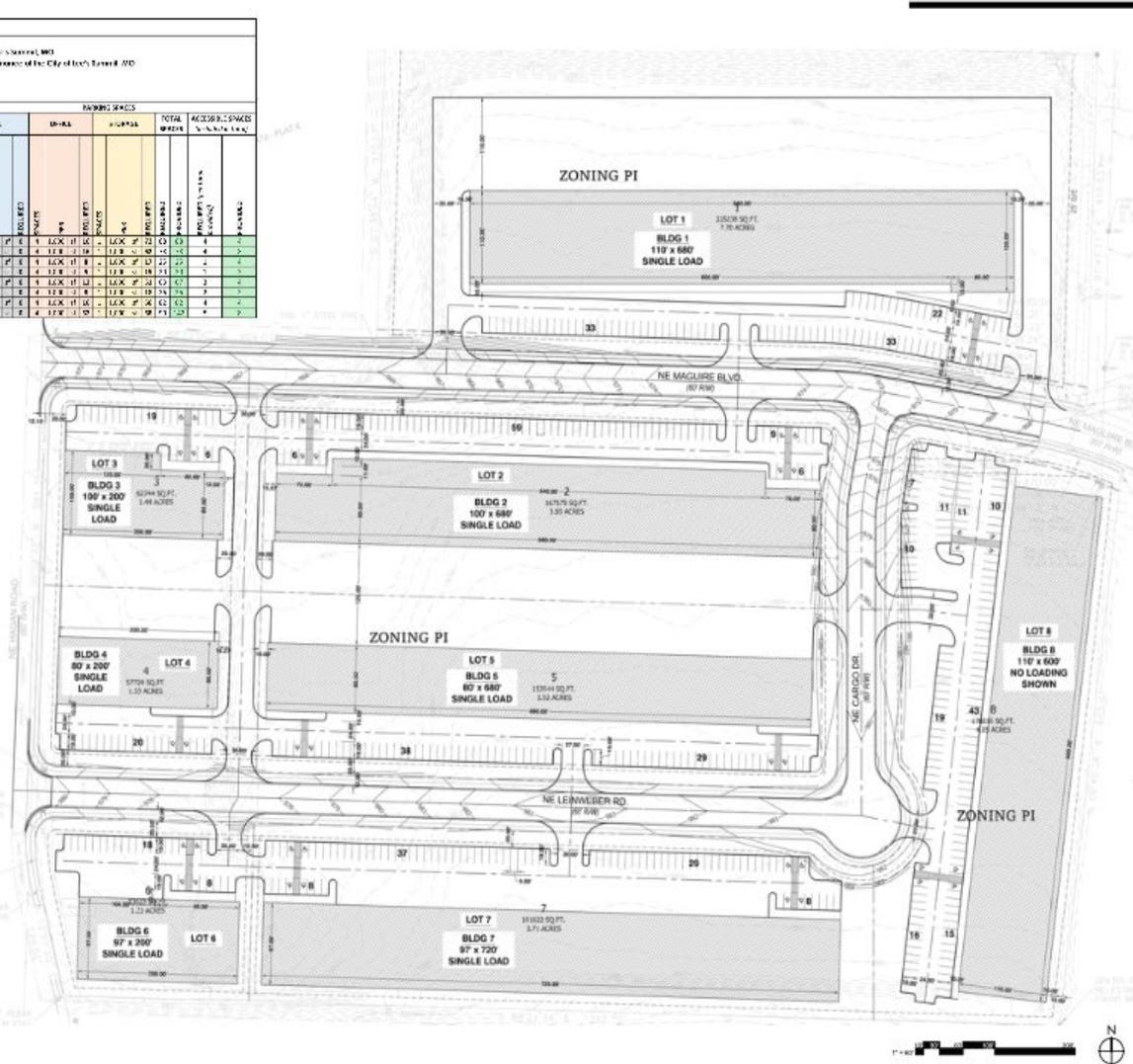


Proposed Project

- Business Park:
 - 400,000 SF
 - 8 buildings

Building 1	77,000
Building 2	68,000
Building 3	20,000
Building 4	20,000
Building 5	54,400
Building 6	20,000
Building 7	72,000
Building 8	68,000

BUILDING & SITE DATA											
PLANNED ZONING DISTRICT: PLANNED INDUSTRIAL DISTRICT (PI)										Title: 14 Districts of the Summit, MD	
PLANNED ZONING DISTRICT: PLANNED INDUSTRIAL DISTRICT (PI)										Revised Development Ordinance of the City of Rockville, MD	
LOT/LOADING										ACCESSIBLE SPACES	
LOT #	BLDG #	BLDG TYPE	BLDG AREA (SQ FT)	BLDG HEIGHT (FT)	BLDG FOOTPRINT AREA (SQ FT)	BLDG PERIMETER (FT)	BLDG SETBACK (FT)	BLDG SETBACK (FT)	BLDG SETBACK (FT)	BLDG SETBACK (FT)	BLDG SETBACK (FT)
1	1	BLDG 1	118,000	11	118,000	1,370	10	10	10	10	10
2	2	BLDG 2	68,000	11	68,000	800	10	10	10	10	10
3	3	BLDG 3	20,000	11	20,000	200	10	10	10	10	10
4	4	BLDG 4	20,000	11	20,000	200	10	10	10	10	10
5	5	BLDG 5	54,400	11	54,400	600	10	10	10	10	10
6	6	BLDG 6	20,000	11	20,000	200	10	10	10	10	10
7	7	BLDG 7	72,000	11	72,000	800	10	10	10	10	10
8	8	BLDG 8	68,000	11	68,000	800	10	10	10	10	10



GOVERNMENTAL ENTITY	PROJECT	SF	ABATEMENT TERM	ABATEMENT LEVEL (Converted to Est. % Abatement, where applicable)	ABATEMENT LEVEL
Kansas City (PortKC)	Three Trails Industrial Park (three buildings)	1,300,000	20 years	100% (Yrs 1-13); 50% (Yr 14); 40% (Yr 15); 30% (Yr 16); 20% (Yr 17); 10% (Yrs 18-20)	
Kansas City (PortKC)	Northland Park (HWY 210 & N. Kimball Drive)	1,500,000	20 years	90% (Yrs 1-10); 50% (Yrs 11-20)	
Grandview	Southpointe Business Park	737,000	15 years	58.5% (Yrs 1-15) INCLUDING 20% "Additional Rent" for infrastructure	
Kansas City (PortKC)	Skyport Industrial Park	762,000	22 years	90% (Yrs 1-12); 50% (Yrs 13 - 22) [plus 10-yr personal property abatement on equipment]	
Kansas City (EEZ)	Hunt Midwest Business Center (HMBC I - III)	623,785	25 years	100% (Yrs 1 - 25)	
Belton	Southview Commerce Center (Building I)	454,489	20 years	96% (Yrs 1-5); 93% (Yrs 6-8); 90% (Yrs 9-10); 88.5% (Yrs 11-12); 55% (Yrs. 13-20)	\$0.05 psf (Yrs 1-5); \$0.08 psf (Yrs 6-8); \$0.12 psf (Yrs 9-10); \$0.14 psf (Yrs 11-12); \$0.55 psf (Yrs 13-20)
Blue Springs	Faurecia	250,000	15 years	100% (Yrs 1-10); 50% (Yrs 11-15) [plus 15-yr personal property abatement on equipment]	
Liberty	Liberty Logistics Center (three buildings)	922,000	10 years	100% (Yrs 1-10)	
Liberty	Heartland Meadows Commerce Center	181,321	10 years	90% (Yrs 1-10)	
Liberty	Broadacres Industrial Park	3,300,000	20 years	90% (Yr 1); Decline from 90% to 18% (Yrs 2 - 20)	
Kansas City	Executive Park Logistics Center (2 buildings)	396,455	15 years	100% (Yrs 1 - 10); 50% (Yrs 11 - 15)	
Kansas City (Port KC)	Blue River Commerce Center	2,590,000	20 years	94% (Yrs 1-10); 50% (Yrs 11-20)	\$0.08 psf (Yrs 1-10); 50% (Yrs 11 - 20)
Kansas City (Port KC)	Niagra (NWC 112th and North Congress Ave.)	630,000	16 years	~92% (Yrs 1-7); ~83% (Yrs 8-11); ~73% - 35% (Yrs 12 -16) [plus personal prop. abatement]	~\$0.11 psf (Yrs 1-7); ~\$0.23 psf (Yrs 8-11); ~\$0.36 psf rising to \$0.88 psf (Yrs 12 - 16)
Raymore	Raymore Commerce Center	564,970	20 years	~97.5% (Yrs 1-20)	\$0.03 psf (Yrs 1 - 20)
Platte City	Van Trust Project	2,000,000	16 years	Fixed PILOTS starting at \$0.04 Years 1-3, \$0.05 Years 4-7, \$0.10 Years 8-10, Sliding from \$0.20 to \$0.90 Years 11-16	
Kansas City (PortKC)	HWY 210 and Brighton	576,400	20 years	90% (Yrs 1-10); 50% (Yrs 11-20)	
Lee's Summit	NE Tudor Road and NW Main Street	798,000	20 years	75% (Yrs 1-10); 50% (Yrs 11-20) [plus public improvements assessment]	
Lee's Summit	HWY 291 and Bailey Road	604,000	20 years	75% (Yrs 1-10); 50% (Yrs 11-20) [plus public improvements assessment]	
Lee's Summit	NE Independence and NE Town Centre Blvd.	250,000	20 years	75% (Yrs 1-10); 50% (Yrs 11-20) [plus public improvements assessment]	

Proposed Public Incentives – Chapter 100

1. Sales tax exemption on construction materials*
2. Property tax abatement*
 - Years 1 – 10
 - 75% - Net tenant abatement
 - 25% - PILOT to taxing jurisdictions
 - Years 11 – 20
 - 50% - Net tenant abatement
 - 50% - PILOT to taxing jurisdictions

Sales Tax Exemption

Est. Construction Budget	\$	31,410,287
Est. Materials Percentage		40.00%
Est. Materials Cost	\$	12,564,115
Total Sales and Use Tax Rate		8.35%
Est. Sales and Use Tax Savings	\$	760,600

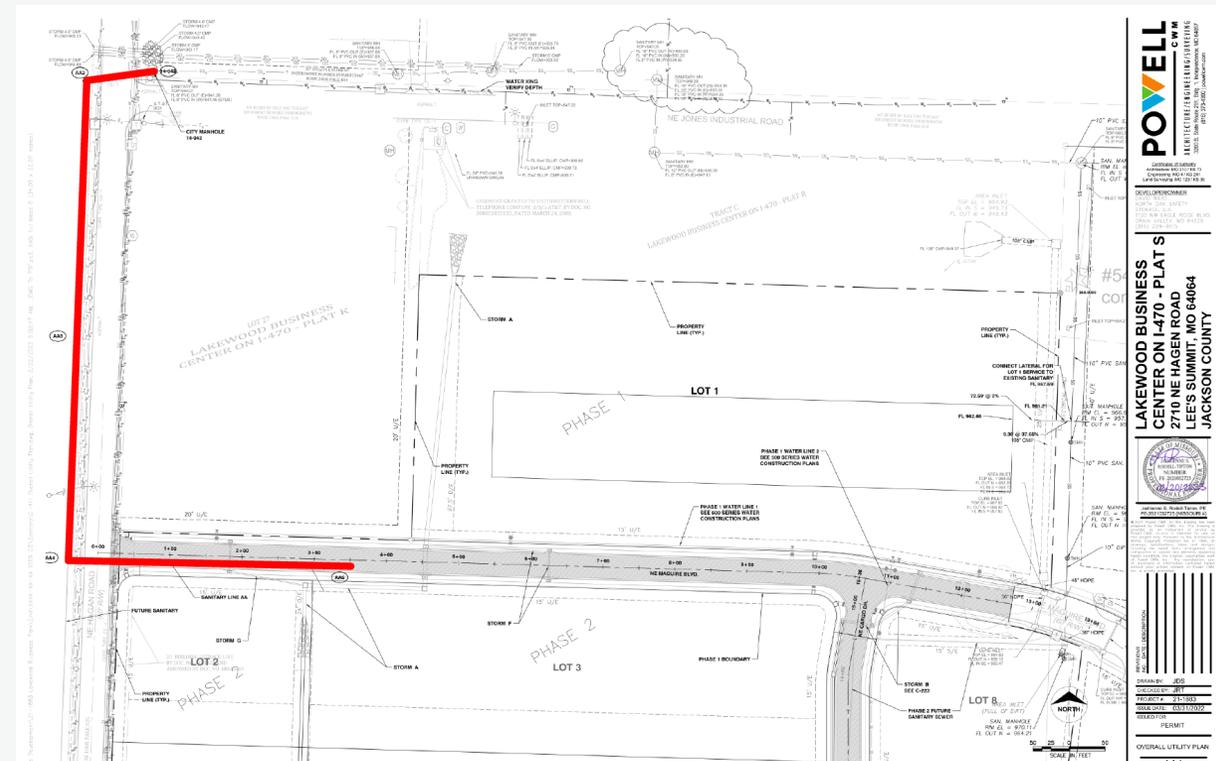
City Sales and Use Tax Rate		2.750%
County Sales Tax Rate		1.250%
State Sales and Use Tax Rate		4.225%
Zoo Sales Tax Rate		0.125%
		8.350%
Est. Allocation of Material Purchases:		
Lee's Summit		8.00%
Missouri (outside Lee's Summit)^		50.00%
Outside Missouri		42.00%

Lee's Summit Sales Tax Savings	\$	27,641
Lee's Summit Use Tax Savings	\$	145,116
Total Lee's Summit Sales and Use Tax Savings	\$	172,757
County Sales Tax Savings	\$	51,827
State Sales and Use Tax Savings	\$	530,834
Zoo Sales Tax Savings	\$	5,183
Lee's Summit % of Total Savings		22.71%

^50% of sales in MO outside City are assumed to be subject to County and Stadium Sales Tax

Sanitary Sewer Main Extension

- Benefits Lakewood Business Center + Airport
- Proposed Cost Sharing Agreement
 - Developer constructions main extension
 - City reimburses 50%



Value Proposition for City

- Property Tax / Fee Generation

Today

- Annual real property taxes: \$577 (\$86 to City)

During Ch. 100

- Annual real property taxes: \$109,835 - \$381,978 (Years 1-20)
- Total real property taxes: \$3,916,134 (Years 1-20)
- Excise taxes paid to City

After Ch. 100 Period

- Annual real property taxes: \$762,000

Value Proposition for City

- Job Creation
- Multiplier Effect
- Sales Tax

Scenario	Industry	Additional Jobs Created	Total Economic Output Generated
If 100 new jobs are created in:	Mining, Quarrying, and Oil and Gas Extraction	61	\$30,942,048
	Utilities	66	\$33,225,027
	Construction	61	\$32,747,794
	Manufacturing	73	\$42,552,458
	Wholesale Trade	59	\$33,845,791
	Retail Trade	29	\$13,974,281
	Transportation and Warehousing	47	\$21,028,653
	Information	113	\$52,017,563
	Finance and Insurance	74	\$40,921,393
	Real Estate and Rental and Leasing	296	\$111,369,716
	Professional, Scientific, and Technical Services	58	\$28,137,328
	Management of Companies and Enterprises	59	\$29,399,135
	Administrative & Support, Waste Management, Remediation Services	30	\$12,541,127
	Educational Services	32	\$14,735,516
	Health Care and Social Assistance	43	\$13,908,705
	Arts, Entertainment, and Recreation	55	\$17,986,008
	Accommodation and Food Services	20	\$10,088,176
	Other Services (except Public Administration)	29	\$13,400,135

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