

**Outlaw Harley Davidson Project
Incentive Request
July 9, 2024 Conceptual Presentation**

Developer Request

Construction Period

Sales & Use Tax Exemption on Construction Materials

Years 1-10: 50% property tax abatement

Abatement 50%
PILOTs 50%

Years 1-27: CID for Commercial 1%

Tax Benefit to Taxing Districts

| | 2023 Taxes | % | First Year PILOTs | PILOTs Over 10 years |
|------------------------------|------------|--------|-------------------|----------------------|
| BOARD OF DISABLED SERVICES | \$1.89 | 1.0% | \$715 | \$7,590 |
| CITY - LEES SUMMIT | \$32.10 | 16.7% | \$12,140 | \$128,907 |
| JACKSON COUNTY | \$13.38 | 7.0% | \$5,062 | \$53,745 |
| BLUE SPRINGS SCHOOL DISTRICT | \$129.52 | 67.5% | \$48,979 | \$520,078 |
| MENTAL HEALTH | \$2.52 | 1.3% | \$952 | \$10,105 |
| METRO JUNIOR COLLEGE | \$4.59 | 2.4% | \$1,734 | \$18,411 |
| MID-CONTINENT LIBRARY | \$7.33 | 3.8% | \$2,770 | \$29,415 |
| STATE BLIND PENSION | \$0.68 | 0.4% | \$256 | \$2,724 |
| | \$192.00 | 100.0% | \$72,608 | \$770,975 |

Value of Incentive Request to Developer

| | | |
|---|--------------------|--------------|
| Total Project Costs | \$10,000,000 | |
| Sales & Use Tax Exemption | \$336,359 | 3.4% |
| Real Property Tax Abatement (NPV) | \$563,564 | 5.6% |
| CID Reimbursement (NPV) | \$415,438 | 4.2% |
| Total Value of Incentive Request | \$1,315,361 | 13.2% |

Impact to City from Abatement & Exemption

| | |
|-----------------------------|------------------|
| Real Property Tax Abatement | \$131,066 |
| Sales & Use Tax Exemption | \$83,188 |
| | <u>\$214,253</u> |

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| Source | Incentive Tool | Applicable Rate | Purpose | Estimated Financial Benefit | % Project Costs |
|-------------|---|-----------------|---------------------------------------|-----------------------------|-----------------|
| Chapter 100 | Sales Tax Exemption on Construction Materials | 100% | Reduce Development Costs | \$336,359 | 3.4% |
| Chapter 100 | Real Property Tax Abatement | 50% | Reduce Development Costs | \$563,564 | 5.6% |
| CID | Sales & Use Tax | 1% | Reimbursement for Public Improvements | \$415,438 | 4.2% |

\$1,315,361 13.2%

Total Project Costs: \$10,000,000