

# Arborside LCRA Redevelopment Plan

Public Hearing - LCRA Board of Commissioners

May 27, 2026



# Summary of Presentation

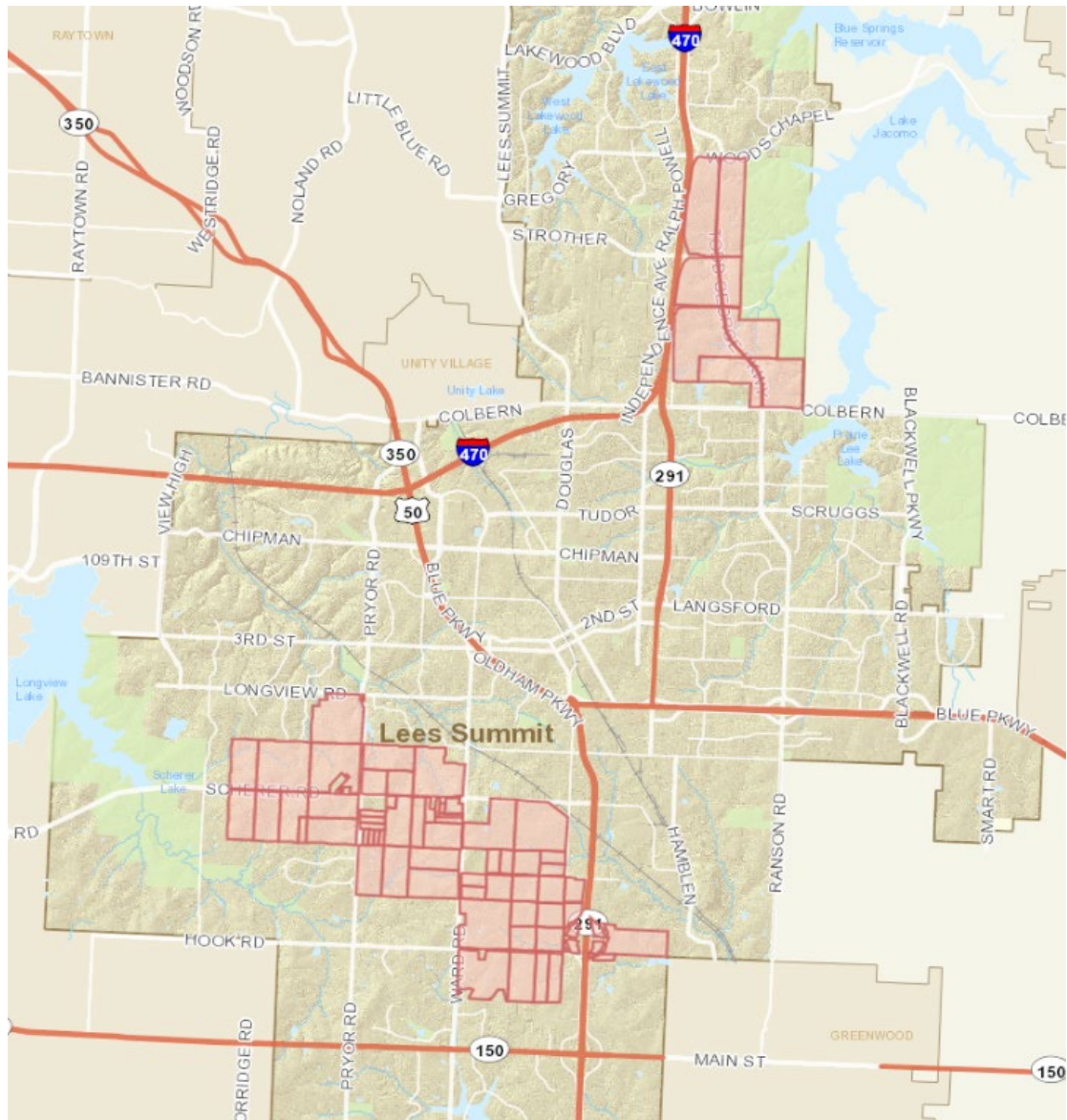
**Purpose:** Conduct public hearing on the Arborside LCRA Redevelopment Plan to provide a recommendation to the City Council regarding the Plan.

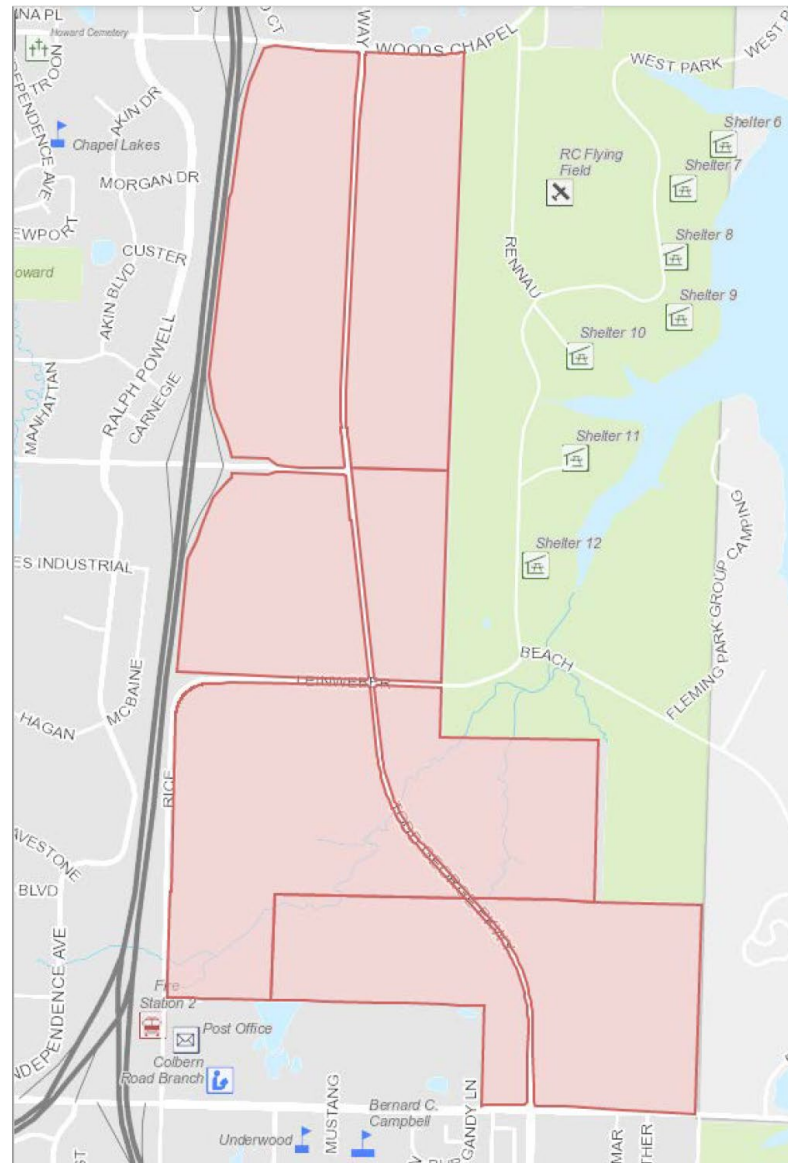
## **Public Hearing:**

- 1. Background & Scope of Potential Development**
- 2. Redevelopment Plan**
- 3. Factual Findings**
  - A. Blight**
  - B. Consistency with Comprehensive Plan**
  - C. Necessity**
- 4. Recommendation and Resolution**

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# **Background & Scope of Potential Development**





Arborside LCRA  
Redevelopment Plan:  
~1000 acres

# Parties

- The Church of Jesus Christ of Latter-day Saints (**LDS Church**)
- Property Reserve, Inc. (**PR**) – landowner in Lee’s Summit
- Land Reserve, Inc. (**LR**) – will take ownership and sell land and serve as **Master Developer**
  - Newmark Zimmer – master broker and real estate consultant for LR
  - Polsinelli Law Firm – local legal counsel for LR
  - Continental Consulting Engineers – civil engineer for LR
  - Olsson Studio – land planner for LR
- Developers for individual projects

# Scope of LR Property

- LR Property is **4,203** acres (6.57 sq miles)
  - **1,064** acres North Tract, **3,141** acres South Tract
- Lee's Summit is 6<sup>th</sup> largest municipality in Missouri by land area (65.8 sq miles) and population (106,000+)
- 1000+ municipalities in Missouri; **LR land would be about #104 in Missouri by land area**
- Lee's Summit is about #312 in the nation by land area

# LR Property Compared to Missouri Municipalities

Raytown	9.93 SqMi, 28,525 pop (#25)
Peculiar	9.06 SqMi, 6,509 pop (#121)
→ LR land	<b>6.57 SqMi</b>
Oak Grove	6.17 SqMi, 9,595 pop (#92)
Hollister	6.33 SqMi, 4,700 pop (#161)
Grain Valley	6.06 SqMi, 17,447 pop (#51)
Univ. City	5.88 SqMi, 33,938 pop (#20)

# Goals of City Coordination with LR

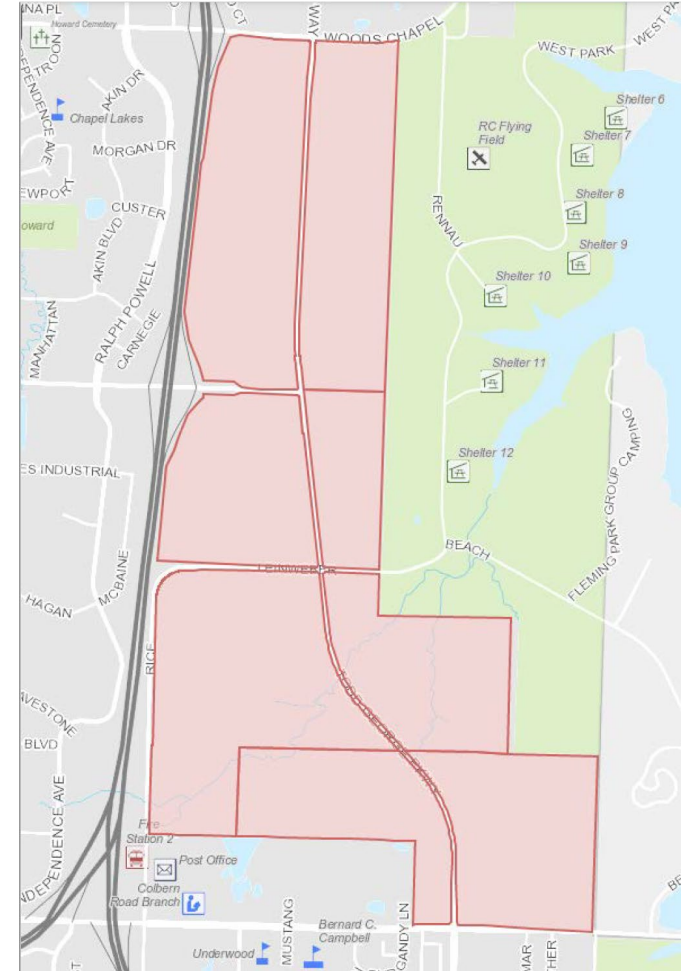
- Create **long-term** infrastructure financing plan
- **Proactive** rather than reactive to development opportunities
- Create **certainty** for development
- **Avoid piecemeal approach**
- Secure available State & Federal funding
- Take maximum advantage of current opportunity to work with **one property owner**
- **Best long-term decisions** for land development
- Establish ongoing **transparent** process

# 2

# Redevelopment Plan

# Redevelopment Plan Framework

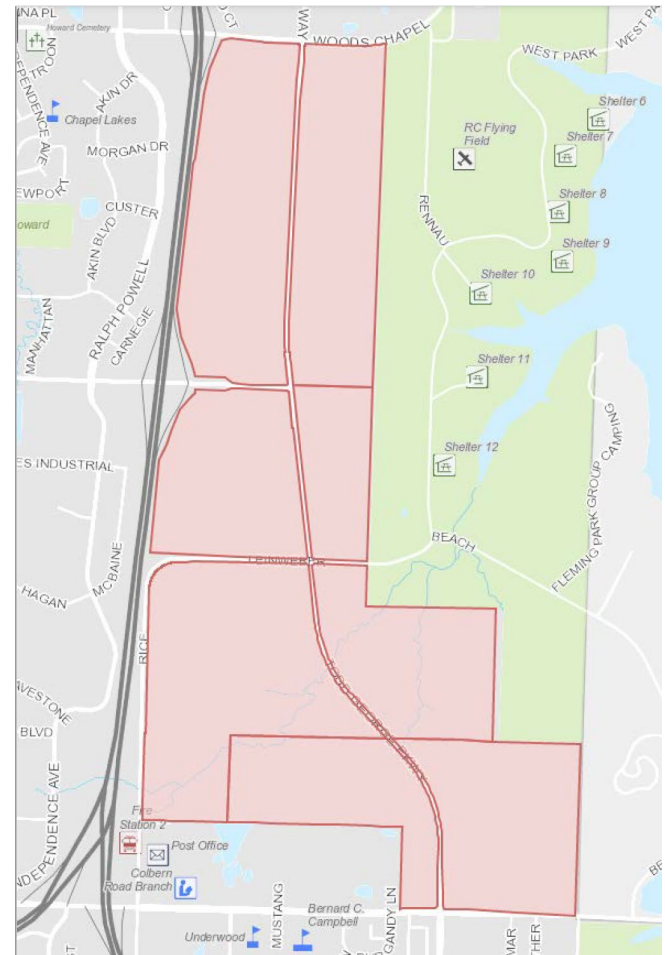
- **Land Uses**
  - Residential
  - Mixed Use
  - Commercial / Retail
  - Office / Medical Office
  - Light Industrial
- **Major Infrastructure Costs**
  - Arterial Transportation
  - Sanitary Sewer
  - Water
  - Other Utilities (Electric & Gas)
  - Regional Stormwater
- **Other Civic & Development Considerations**
  - Parks & Trail Connections
  - Police & Fire Coverage
  - Schools



# Financing Plan – Public Improvements

Public Infrastructure Costs	
Major Transportation	\$39,928,000
Sanitary Sewer	\$34,026,000
Stormwater	\$1,776,000
Major Water Mains	\$6,264,000
Electric	\$3,859,000
Contingency (20%)	\$17,171,000
<b>Total</b>	<b>\$103,024,000</b>

Secured City Funding	
Major Transportation	\$24,000,000
Sanitary Sewer	\$10,500,000
<b>Total</b>	<b>\$34,500,000</b>



# Financing Plan – Public Improvements

Public Improvement	Cost	City Funding	Remainder
Major Transportation	\$39,928,000	\$24,000,000	\$15,928,000
Sanitary Sewer	\$34,026,000	<u>\$10,500,000</u>	\$23,526,000
Stormwater	\$1,776,000		\$1,776,000
Major Water Mains	\$6,264,000		\$6,264,000
Electric	\$3,859,000		\$3,859,000
Contingency (20%)	<u>\$17,171,000</u>		<u>\$17,171,000</u>
<b>Total</b>	<b>\$103,024,000</b>	<b>\$34,500,000</b>	<b>\$68,524,000</b>

# Financing Plan – Transportation Improvements

<b>Project Title: Todd George Parkway – Colbern Road to Woods Chapel</b>	
Type: Bridges, Streets & Signals	Activity #1096.36372, 1096.31683

<b>Project Description</b>
This project will improve Todd George Parkway by adding lanes, medians, curb, enclosed stormwater, sidewalk, shared use path and lighting. Similar improvements along Strother Road between Todd George and I-470 are also included in the scope of this project.

<b>Project Purpose</b>
Improve safety, traffic operations, improve accessibility, provide multimodal transportation options, and support economic development along the corridor..

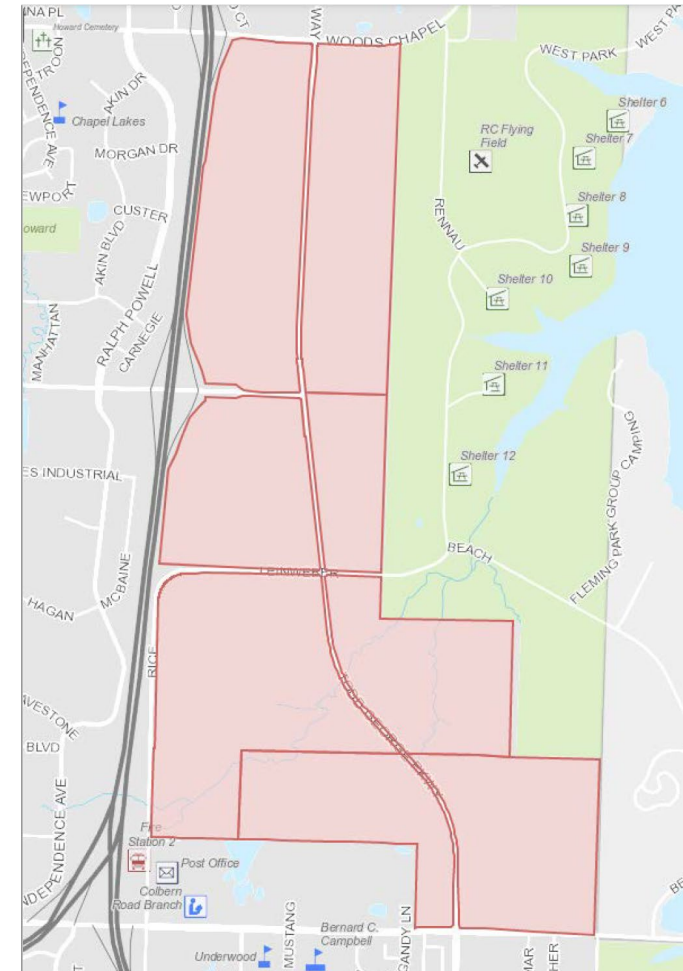
<b>Estimated Schedule</b>	
Design and Right of Way Acquisition	2028-2029
Construction	2029-2032

<b>Funding Sources</b>	
April 2023 NTIB (Transportation)	\$ 24,000,000 (FY27-30)
<b>Total Lifetime Budget</b>	<b>\$ 24,000,000</b>

<b>Estimated Annual Operating and Maintenance</b>	
\$40,000	

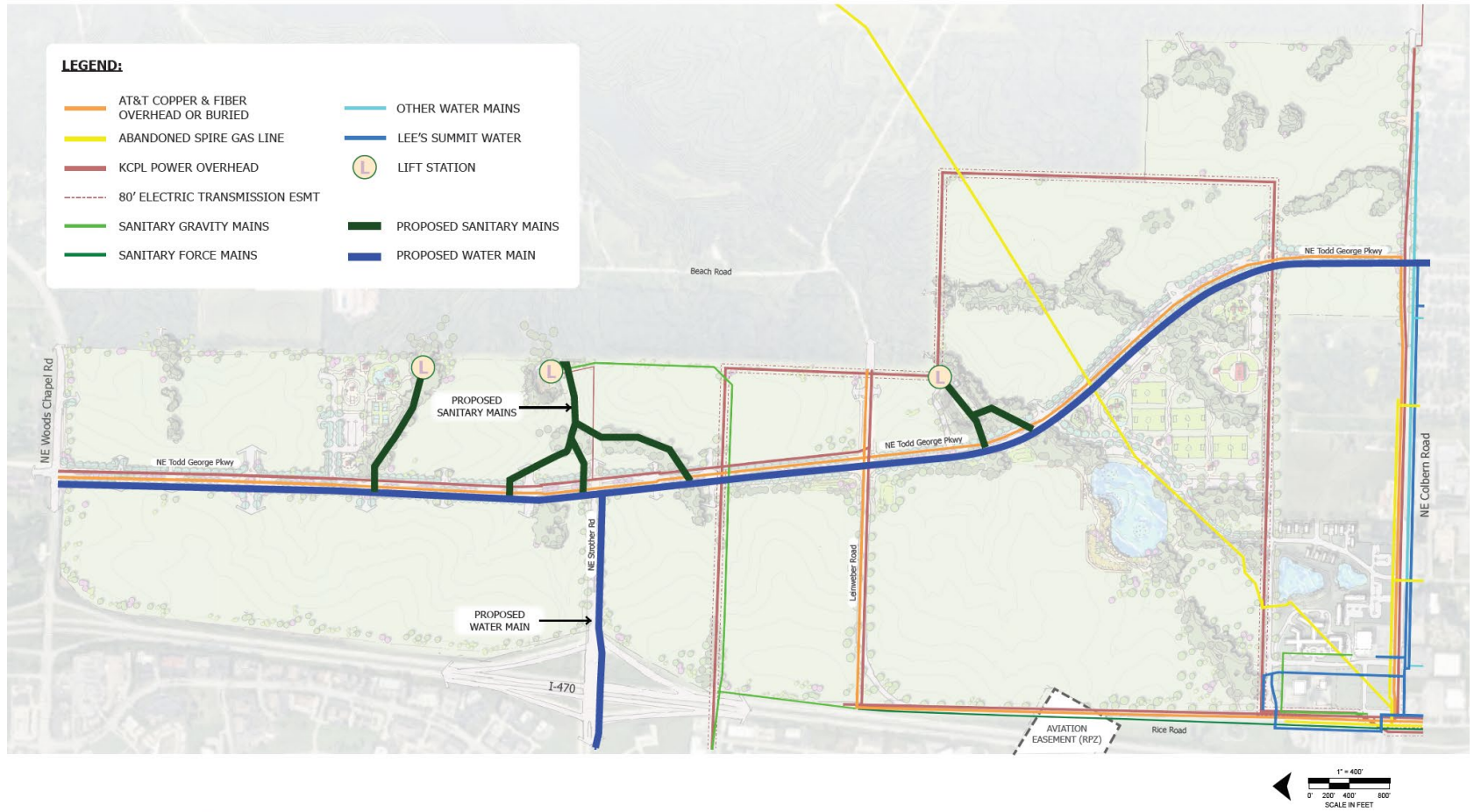
<b>Strategic Plan Elements</b>						
Infrastructure Condition	Education Partners	Health & Well-being	Amenities	Community Engage	Economic Development	Neighborhoods
○		○		●		○

<b>iGNITE Comp Plan Elements</b>						
Quality of Life	Neighborhoods	Economic Development	Multi-modal	Infrastructure Capacity	Sustainable	Land Use & Design
			●	○		

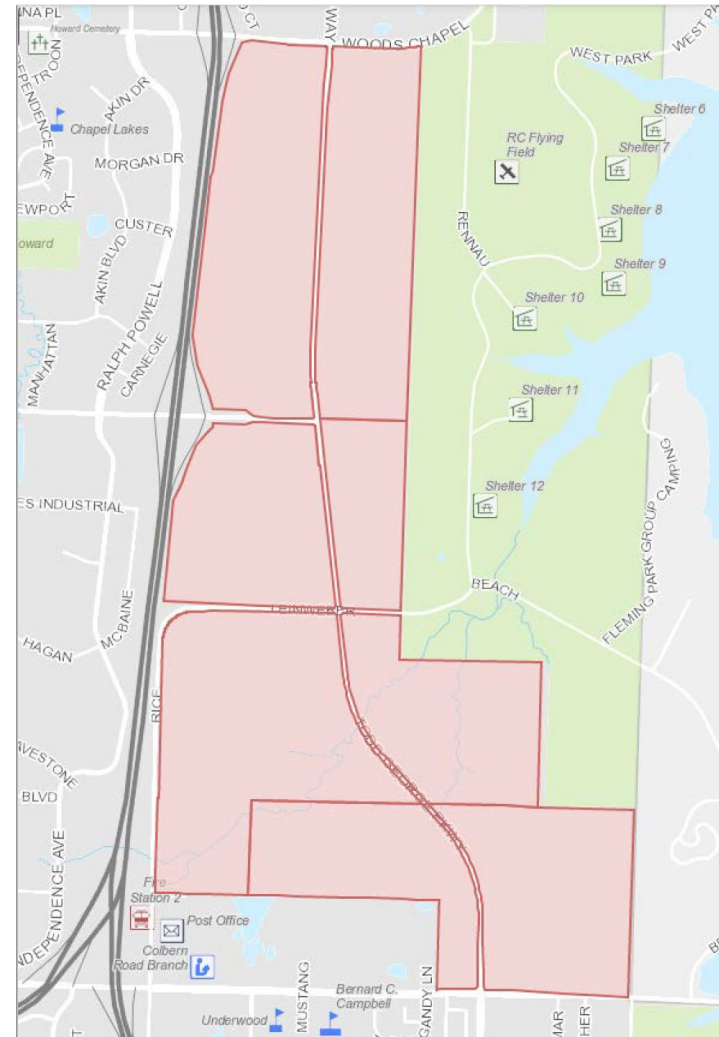
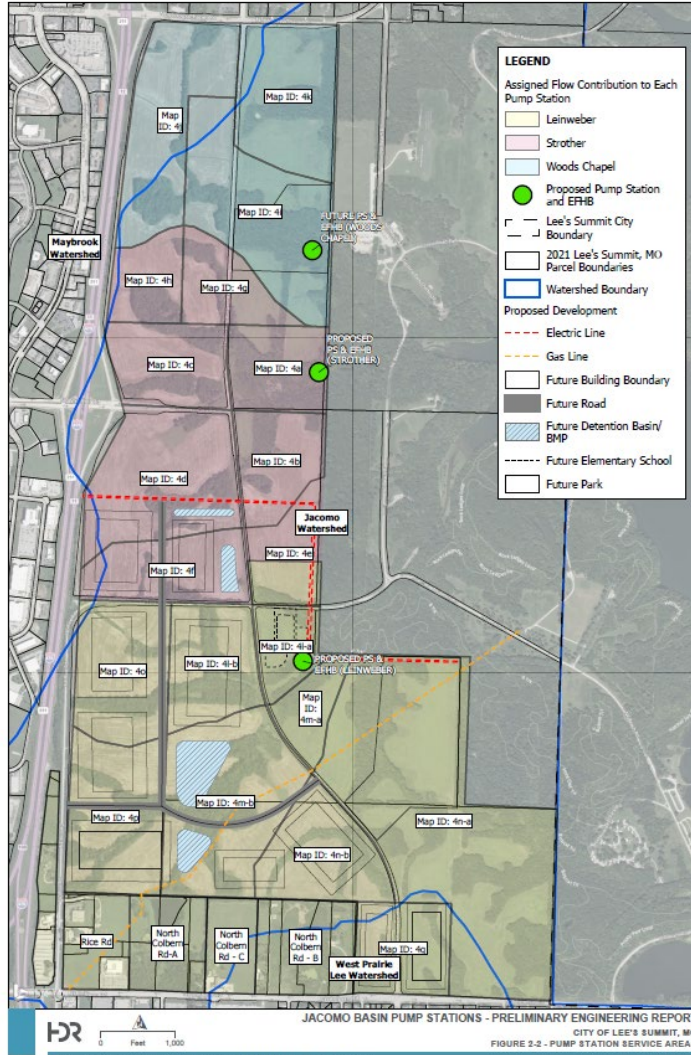


# Financing Plan – Sanitary Sewer Improvements

## SITE UTILITIES



# Financing Plan – Sanitary Sewer Improvements



# Financing Plan Framework

- History of development and funding public improvements in Lee's Summit
- **Exactions** at rezoning or preliminary development plan approval, City vs. Development funding
- **Focused use of taxes in limited geographic area**
- Arborside Redevelopment Plan matches historical approach through development exactions
- Statutory economic development tool functions:
  - Tax Redirection
  - Tax Abatement
  - New Sales Tax
- Significant public improvements funded from private development using Missouri statutory economic development tools

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# Factual Findings

# Finding: Blight

- **“Blighted area”** definition § 99.810, RSMo
  - Deterioration of site improvements
  - Illegal dumping
  - Dangerous conditions
- **Economic Underutilization** – Missouri Supreme Court
  - Minimal tax production
  - Development → higher level of economic activity
  - Increased employment
  - Greater services to the public
  - Industrial development is a public purpose
- **Blight clearance** = (1) demolition and (2) development
- **Legal standard**
  - Fairly debatable, reasonable minds can differ
  - Arbitrary and unreasonable abuse of legislative discretion

# Finding: Consistency

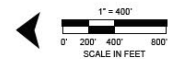
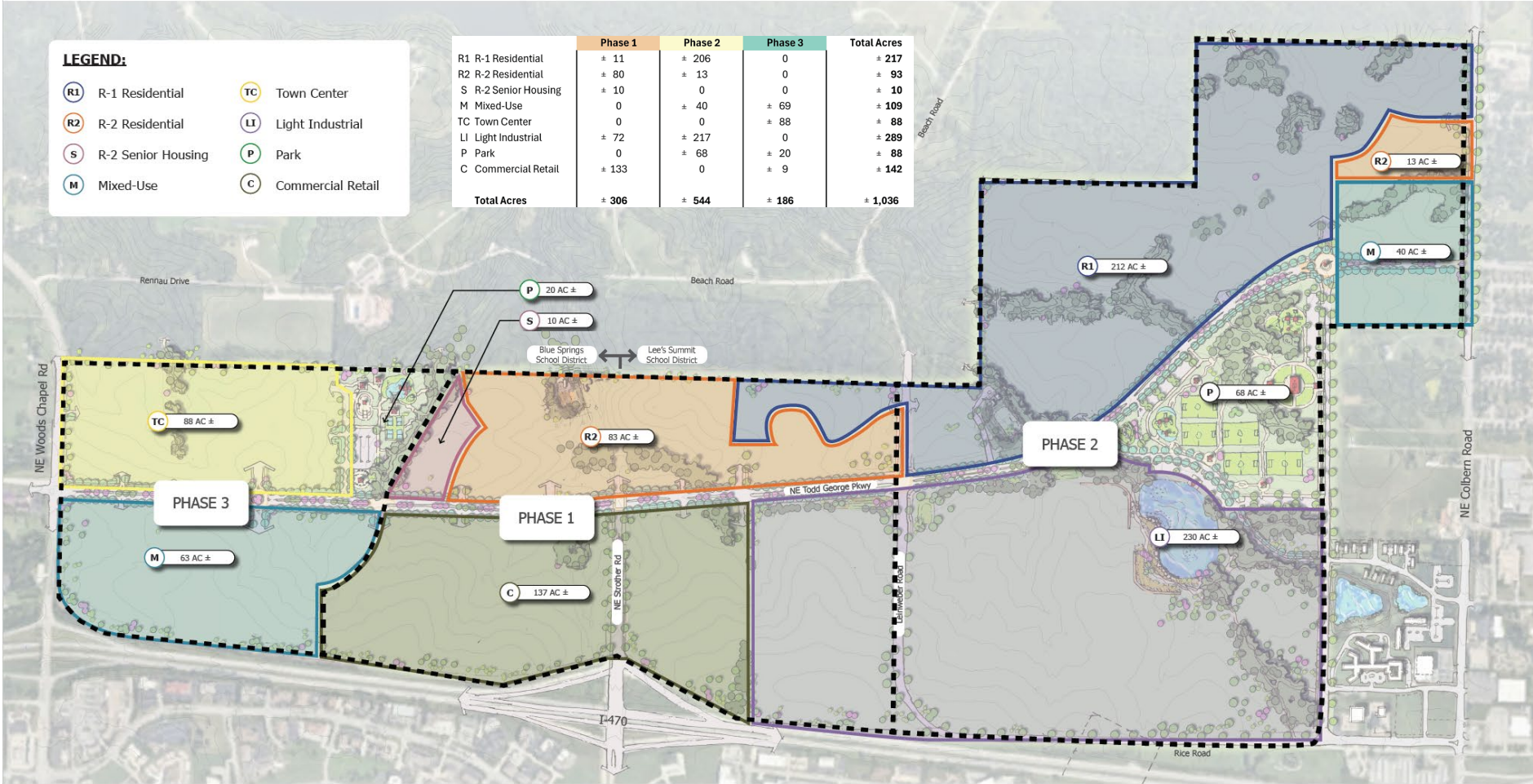
- **Consistency finding:**
  - “Prior to recommending a redevelopment or urban renewal plan to the governing body for approval, an **authority shall consider whether** the proposed **land uses** and building requirements in the land clearance or urban renewal project area are designed with the general purpose of accomplishing, **in conformance with the general plan**, a coordinated, adjusted and harmonious development of the community and its environs ...” § 99.430.1(6), RSMo.
  - “Following the hearing, the governing body may approve a redevelopment or urban renewal plan if it **finds that the plan is feasible and in conformity with the general plan for the development of the community as a whole.**” § 99.430.1(9), RSMo.
- **Municipal redevelopment goal:** “A municipality, to the greatest extent it determines to be feasible in carrying out the provisions of this law, shall afford maximum opportunity, consistent with the sound needs of the municipality as a whole, to the rehabilitation or redevelopment or renewal of areas by private enterprise.” § 99.310, RSMo.

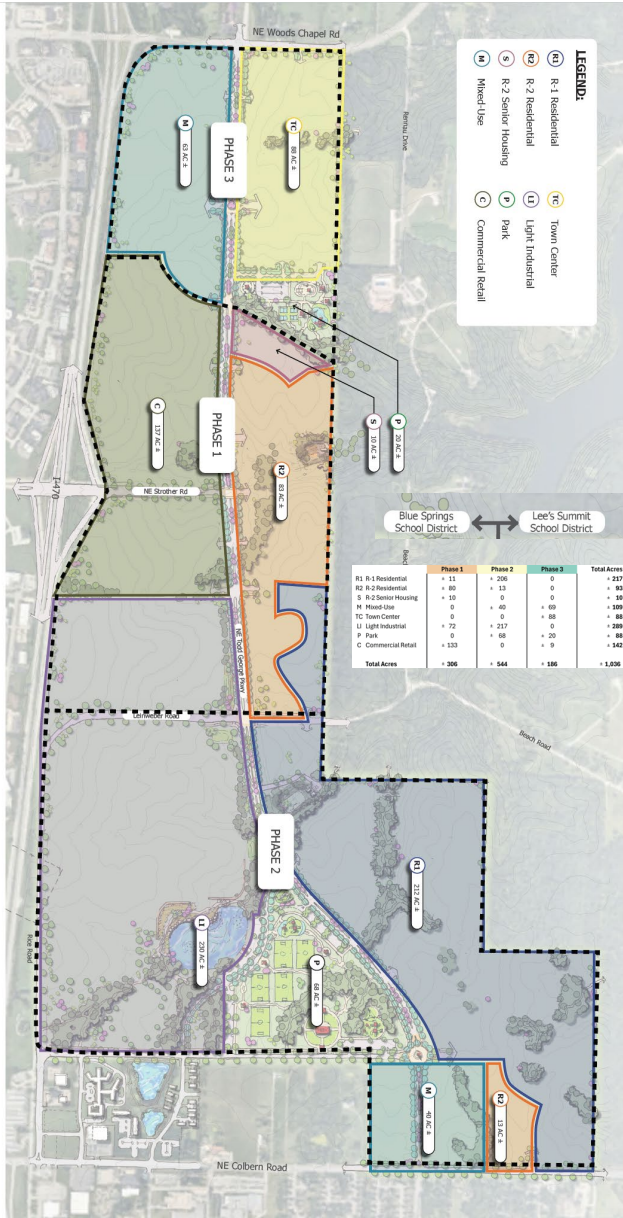
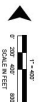
# LAND USE ZONES

## LEGEND:

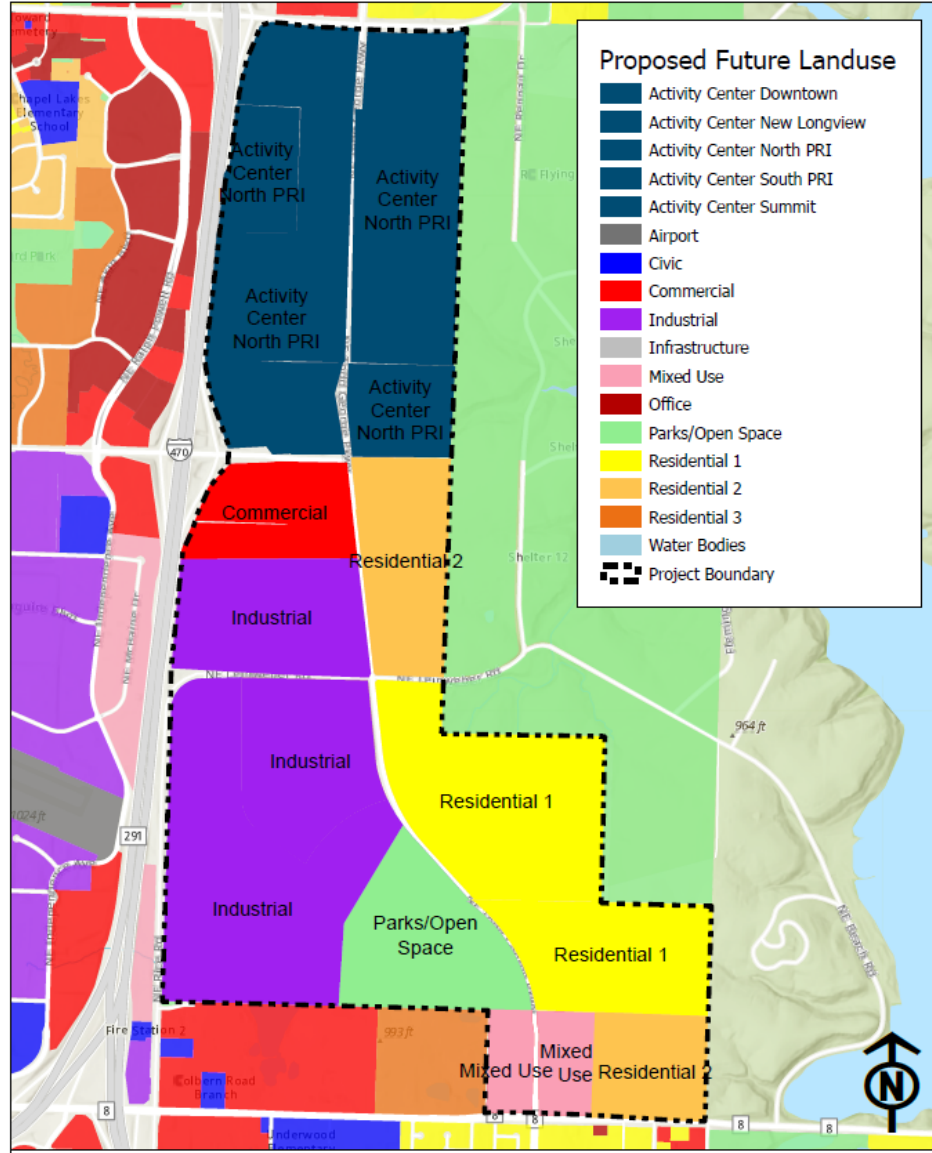
- R1 R-1 Residential
- R2 R-2 Residential
- S R-2 Senior Housing
- M Mixed-Use
- TC Town Center
- LI Light Industrial
- P Park
- C Commercial Retail

	Phase 1	Phase 2	Phase 3	Total Acres
R1 R-1 Residential	± 11	± 206	0	± 217
R2 R-2 Residential	± 80	± 13	0	± 93
S R-2 Senior Housing	± 10	0	0	± 10
M Mixed-Use	0	± 40	± 69	± 109
TC Town Center	0	0	± 88	± 88
LI Light Industrial	± 72	± 217	0	± 289
P Park	0	± 68	± 20	± 88
C Commercial Retail	± 133	0	± 9	± 142
<b>Total Acres</b>	<b>± 306</b>	<b>± 544</b>	<b>± 186</b>	<b>± 1,036</b>









LAND USE ZONES

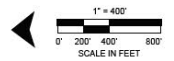


Appl. #PL2026-114 - COMPREHENSIVE PLAN AMENDMENT - LAND RESERVE PROPERTY  
Proposed Future Land Use

# TRAIL NETWORK PLAN

**LEGEND:**

-  PROPOSED WALKING TRAILS
-  PROPOSED MULTI-MODAL TRAILS
-  PROPOSED TRAIL CONNECTION TO EXISTING TRAIL
-  PROPOSED PARK / GREENSPACE AREA



# Finding: Necessity

- **Necessity requirement:** “An authority shall not prepare a redevelopment or an urban renewal plan for a land clearance or urban renewal project area unless the governing body of the community in which the area is located has declared, by resolution or ordinance, the area to be a blighted, or insanitary area **in need of redevelopment or in need of rehabilitation.**”
- **Authorization to spend money:** “It is hereby found and declared that ... the **elimination or prevention of the detrimental conditions** in such areas, the acquisition and **preparation of land** in or necessary to the development, renewal or rehabilitation of such areas and its **sale or lease for development**, renewal or rehabilitation **in accordance with** general plans and **redevelopment or urban renewal plans** of communities and any **assistance which may be given by any public body** in connection therewith are **public uses and purposes for which public money may be expended and private property acquired...**” § 99.310, RSMo.

# Necessity - Financing Plan

		Taxes / PILOTs ----- Payments to Taxing Districts	Tax Redirection ----- Regional Public Improvements	Tax Redirection ----- Local Public Improvements	Abatement ----- Business Attraction
Single Family Residential	N/A	100%			
<b>Real Property Tax Redirection &amp; Abatement</b>					
Industrial	Yrs 1-10	5%	20%		75%
	Yrs 11-20	25%	25%		50%
Residential (R-2+)	Yrs 1-10	25%	25%		50%
	Yrs 11-20	100%			
Office	Yrs 1-10	75%	25%		**
	Yrs 11-20	75%	25%		**
Retail	Yrs 1-10	75%	25%		**
	Yrs 11-20	75%	25%		**
<b>New 1% CID Sales Tax</b>					
Retail	Yrs 1-27	N/A	50%	50%	N/A

\*\*Office and Retail real property tax abatement for business attraction to be evaluated on a case-by-case basis by the City Council.

# Necessity - Financing Plan

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Retail	Yrs 1-27	N/A	50%	50%	N/A

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# Necessity – Cost Benefit Analysis

Taxing Jurisdiction	PILOTs	Taxes Generated by Single Family	Sales Taxes
State of Missouri	\$ 1,255,097	\$ 398,446	\$ 303,197,337
Mid-Continent Library	\$ 13,186,884	\$ 4,186,338	\$ -
Metro Junior College	\$ 7,555,683	\$ 2,398,644	\$ -
Mental Health	\$ 4,074,881	\$ 1,293,621	\$ -
Jackson County	\$ 12,433,826	\$ 3,947,270	\$ 98,673,690
City of Lee's Summit	\$ 63,118,819	\$ 20,037,841	\$ 197,347,379
Board of Disabled Services	\$ 3,062,436	\$ 972,208	\$ -
Blue Springs R-IV School District	\$ 143,207,361	\$ -	\$ -
Lee's Summit School District	\$ 73,024,903	\$ 62,833,581	\$ -
Zoo District	\$ -	\$ -	\$ 8,970,335
<b>TOTAL</b>	<b>\$ 320,919,889</b>	<b>\$ 96,067,949</b>	<b>\$ 608,188,742</b>

# Financing Plan – Reimbursement Ratios

## Phase 1

Source	Incentive Tool	Applicable Rate	Duration	Purpose	*Estimated Financial Benefit	% Project Costs
LCRA	Real Property Tax Abatement	Variable	20 years	Reduce Development Cost	\$30,805,980	6.1%
LCRA	Sales Tax Exemption	100%	Construction	Reduce Development Cost	\$12,259,452	2.4%
CID	Special Assessments	Variable	20 years	Reimbursement	\$19,760,227	3.9%
CID	Sales Tax	1%	27 years	Reimbursement	\$8,076,954	1.6%
<b>Totals:</b>					<b>\$70,902,613</b>	<b>14.0%</b>

Total Project Costs: \$506,275,000

# Financing Plan – Reimbursement Ratios

## Phase 2

Source	Incentive Tool	Applicable Rate	Duration	Purpose	*Estimated Financial Benefit	% Project Costs
LCRA	Real Property Tax Abatement	Variable	20 years	Reduce Development Cost	\$55,631,841	9.7%
LCRA	Sales Tax Exemption	100%	Construction	Reduce Development Cost	\$13,852,486	2.4%
CID	Special Assessments	Variable	20 years	Reimbursement	\$24,428,376	4.3%
CID	Sales Tax	1%	27 years	Reimbursement	\$2,721,519	0.5%
<b>Totals:</b>					<b>\$96,634,223</b>	<b>16.9%</b>

Total Project Costs: \$572,062,000

# Financing Plan – Reimbursement Ratios

## Phase 3

Source	Incentive Tool	Applicable Rate	Duration	Purpose	*Estimated Financial Benefit	% Project Costs
LCRA	Real Property Tax Abatement	Variable	20 years	Reduce Development Cost	\$9,621,727	1.7%
LCRA	Sales Tax Exemption	100%	Construction	Reduce Development Cost	\$13,908,621	2.4%
CID	Special Assessments	Variable	20 years	Reimbursement	\$28,086,008	4.9%
CID	Sales Tax	1%	27 years	Reimbursement	\$14,791,040	2.6%
<b>Totals:</b>					<b>\$66,407,396</b>	<b>11.6%</b>

**Total Project Costs: \$574,380,000**

# Financing Plan – Reimbursement Ratios

## All 3 Arborside Phases

Source	Incentive Tool	Applicable Rate	Duration	Purpose	*Estimated Financial Benefit	% Project Costs
LCRA	Real Property Tax Abatement	Variable	20 years	Reduce Development Cost	\$96,059,549	5.8%
LCRA	Sales Tax Exemption	100%	Construction	Reduce Development Cost	\$40,020,559	2.4%
CID	Special Assessments	Variable	20 years	Reimbursement	\$72,274,611	4.4%
CID	Sales Tax	1%	27 years	Reimbursement	\$25,589,512	1.5%
<b>Totals:</b>					<b>\$233,944,231</b>	<b>14.2%</b>

**Total Project Costs: \$1,652,717,000**

**Notes:**

\* NPV @ 7%; rounded to nearest \$1,000

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## **Recommendation and Resolution 2026-3**

# Decision Framework

- Risks to City
- Benefits for City
- Method
- Timing
- Judgment

# Action Today and Next Steps

- **May 12** – City Council update, introduction of financing plan to new Councilmembers
- **Today** – LCRA Board consideration of North Area LCRA Redevelopment Plan, recommendation to City Council
- **June** – City Council hearings for North Area LCRA Redevelopment Plan and North Area CID
- **July** – LCRA Board consideration of South Area LCRA Redevelopment Plan, recommendation to City Council
- **August** – City Council hearings for South Area LCRA Redevelopment Plan and South Area CID

End