



T&W Steel Co.

Presentation to
Lee's Summit
Land Clearance for Redevelopment Authority

January 29, 2025

Overview

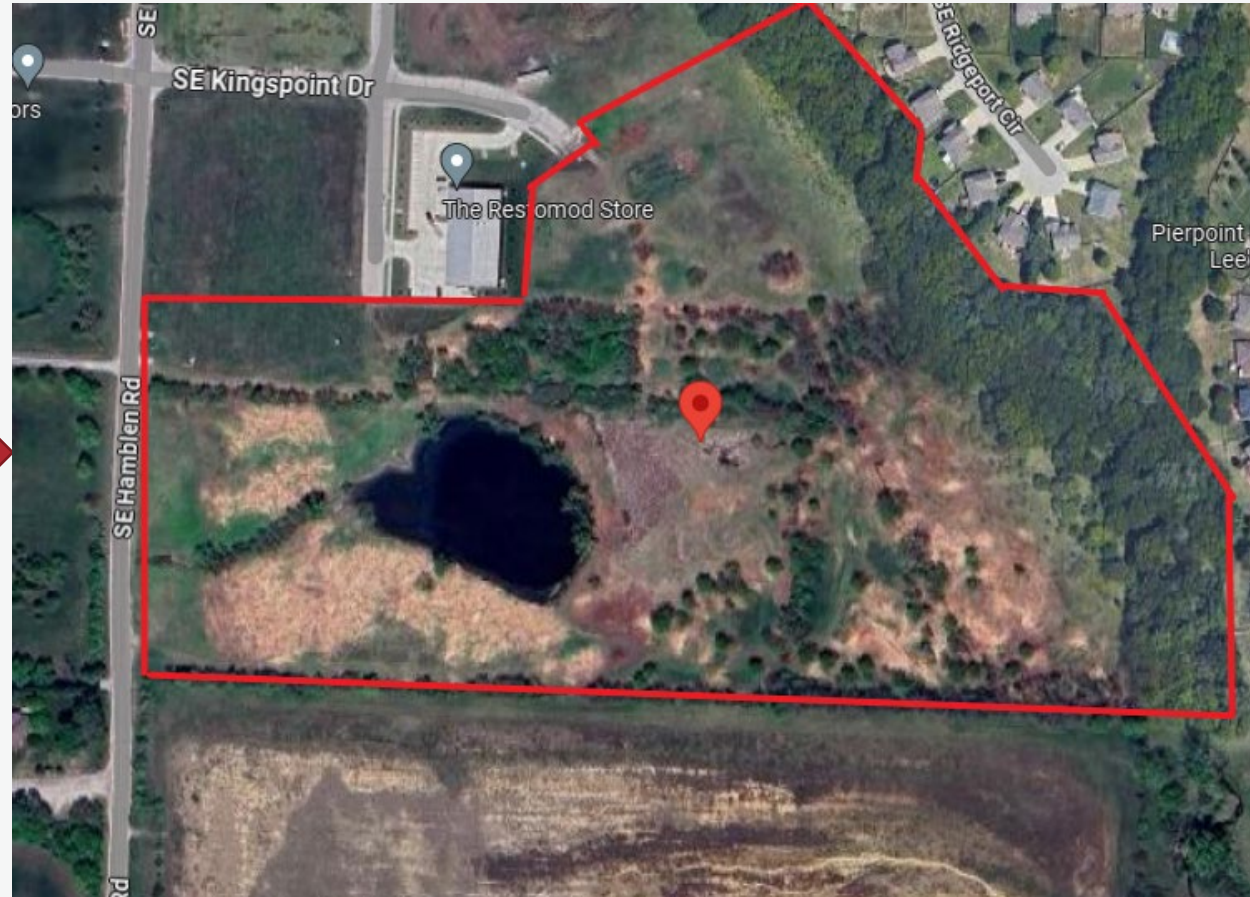
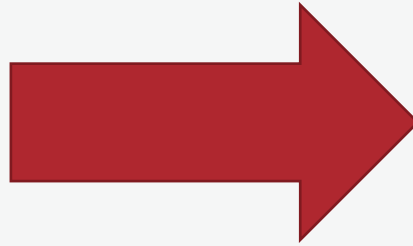
- Applicant
- Proposed Project
- Proposed Public Incentives
- Public Value Proposition

Applicant

- T&W Steel Co.
 - Founded in Lee's Summit, MO in 1983.
 - Looking to expand facilities to accommodate for growth.
- Company History
 - Provide service to customers in eastern Kansas and across all of Missouri.
 - Steel/Metal fabrication and shearing (among other related services).

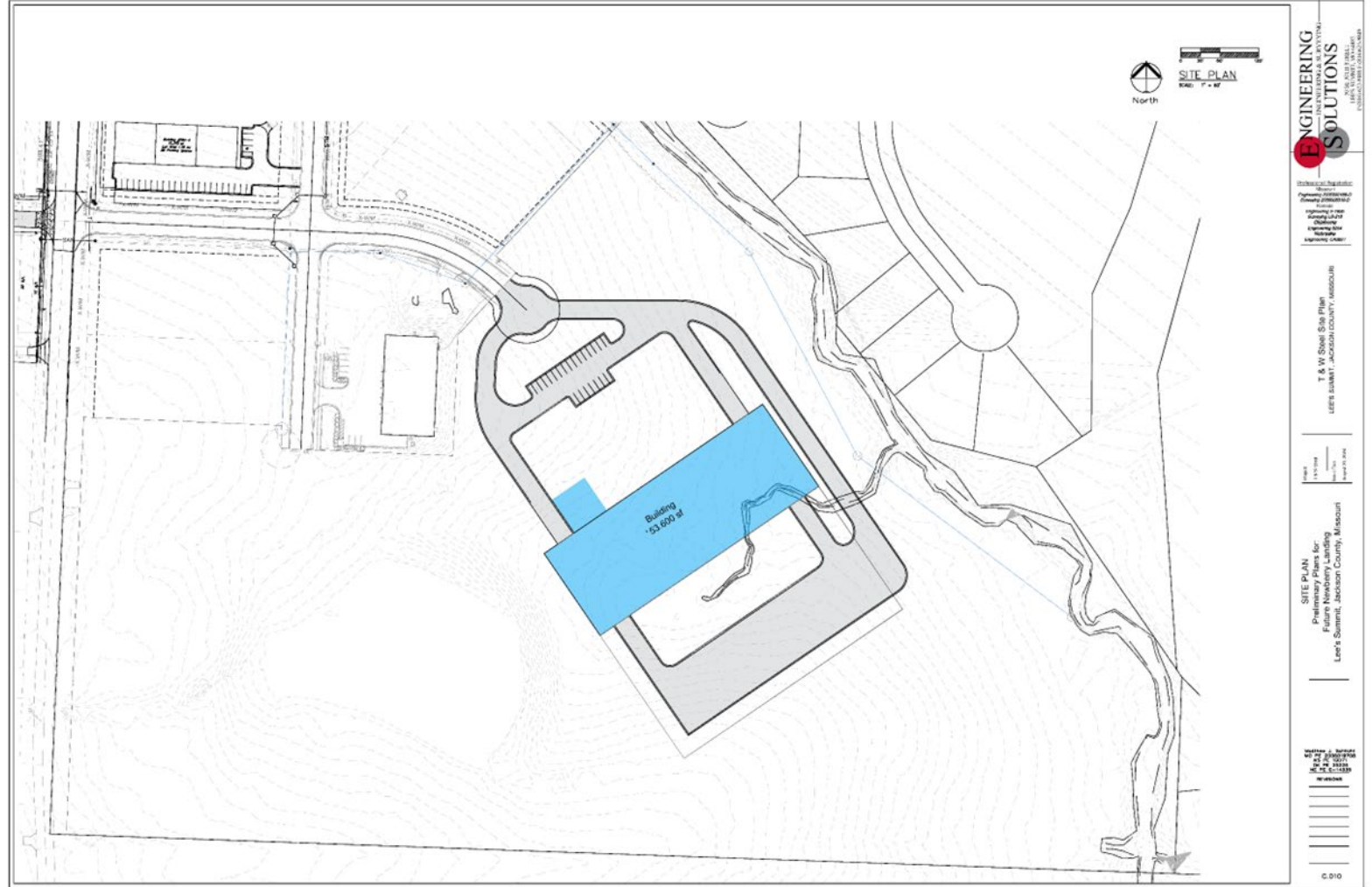
Proposed Project

- Located at 1601 SE Hamblen Rd Lee's Summit, MO 64081
- 28.50 +/- acres



Proposed Project

- Industrial Building:
 - 53,600 SF



Proposed Public Incentives – LCRA

1. Sales tax exemption on construction materials
2. Property tax abatement
 - Years 1 – 10
 - 75% Abatement – Fixed PILOT schedule

PROJECT YEAR	ABATEMENT YEAR	TOTAL BASE ASSESSED VALUE	TOTAL PROJECTED ASSESSED VALUE	PROJECTED REAL ESTATE TAX	ABATED REAL ESTATE TAX	PILOTS
0		\$1,910	\$1,910	\$164	\$0	\$0
1	1	\$1,910	\$964,800	\$83,023	\$62,267	\$20,756
2	2	\$1,910	\$964,800	\$83,023	\$62,267	\$20,756
3	3	\$1,910	\$993,744	\$85,514	\$64,135	\$21,378
4	4	\$1,910	\$993,744	\$85,514	\$64,135	\$21,378
5	5	\$1,910	\$1,023,556	\$88,079	\$66,059	\$22,020
6	6	\$1,910	\$1,023,556	\$88,079	\$66,059	\$22,020
7	7	\$1,910	\$1,054,263	\$90,721	\$68,041	\$22,680
8	8	\$1,910	\$1,054,263	\$90,721	\$68,041	\$22,680
9	9	\$1,910	\$1,085,891	\$93,443	\$70,082	\$23,361
10	10	\$1,910	\$1,085,891	\$93,443	\$70,082	\$23,361
TOTALS				\$881,725	\$661,170	\$220,390
NET PRESENT VALUE@ 6%				\$608,079	\$455,943	\$151,981

Sales Tax Exemption

Est. Construction Budget	\$	5,500,000	
Est. Materials Percentage		40.00%	
Est. Materials Cost	\$	2,200,000	
Total Sales and Use Tax Rate		8.475%	
Est. Sales and Use Tax Savings	\$	134,090	
City Sales and Use Tax Rate		2.750%	(As of Octo
County Sales Tax Rate		1.375%	
State Sales and Use Tax Rate		4.225%	
Zoo Sales Tax Rate		0.125%	
		8.475%	
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	\$	4,840	
Lee's Summit Use Tax Savings	\$	25,410	
Total Lee's Summit Sales and Use Tax	\$	30,250	
County Sales Tax Savings	\$	9,983	
State Sales and Use Tax Savings	\$	92,950	
Zoo Sales Tax Savings	\$	908	
Lee's Summit % of Total Savings		22.56%	
^50% of sales in MO outside City are assumed to be subject to County and Stadium S			

Public Value Proposition

- Property Tax / Fee Generation

- Today

- Annual real property taxes: \$164

- During LCRA Plan

- Annual real property taxes paid under PILOT schedule: \$22,039
 - Total real property taxes paid during PILOT schedule: \$220,390

- **First 10 years after LCRA Plan period: \$1,021,970

Public Value Proposition

- Job Creation
 - Expansion will result in 6 new FTEs.
- Retention of 31 FTEs.
- Multiplier Effect
- Sales Tax