

Project Possible
Requested Economic Assistance

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Project Possible
Projections and Benefit Summary

Base Assessed Value of Existing Parcel (Before Development of the Project)	
Base Market Value	\$ 5,854,000
Base Assessed Value	\$ 1,873,280

Project Projections	
Projected Assessed Value (After Development of the Project)	
Total Real Estate Appraised Value	\$ 12,816,156
Total Real Estate Assessed Value	\$ 4,101,170

Personal Property Market Value Placed in Service 2025	\$ 2,396,500
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Property Tax Abatement Terms	
Real Estate Years 1-10	84%

Projected Construction Spend	
Building Costs	\$ 17,405,390
Additional Construction Costs	\$ 2,225,489
Personal Property	\$ 2,396,500
Total Spend	\$ 22,027,379

Revenue Projection Assumptions	
NPV Discount Rate	8.50%
Biennial Real Property Growth (No Abatement in Place)	3%

Benefit Summary	
Additional Property Taxes Payable to Lee's Summit (Assuming Project with Real Property Tax Abatement)	
Additional Estimated Real Estate Payments	\$ 48,022
Additional Estimated Personal Property Payments	\$ 38,906
Total	\$ 86,928

Additional Property Taxes Payable to All Taxing Jurisdictions (Assuming Project with Real Property Abatement)	
Additional Estimated Real Estate Payments	\$ 321,620
Additional Estimated Personal Property Payments	\$ 221,190
Total	\$ 542,810

Sales and Use Tax Revenue to Lee's Summit with Project	
Estimated Sales Tax Revenue	\$ 3,295
Estimated Use Tax Revenue	\$ 44,156
Total	\$ 47,451

Sales and Use Tax Revenue to All Taxing Jurisdictions with Project	
Estimated Sales Tax Revenue	\$ 40,992
Estimated Use Tax Revenue	\$ 111,994
Total	\$ 152,987

Project Possible
Assessed Value Worksheet

Base Assessed Valuation of Real Estate (2022)		
	Appraised Value	Assessed Value
Existing Parcel	\$ 5,854,000	\$ 1,873,280

Estimated Post-Construction Real Estate Assessed Valuation		
	Appraised Value	Assessed Value
Expanded Building	\$ 12,816,156	\$ 4,101,170

Estimated Post-Construction Personal Property (Personal Property related to Expansion)	
Market Value Placed in Service 2025	\$ 2,396,500

Project Possible
Timing Assumptions

Real Estate		
	Construction Year	First Full Valuation Year
Building	2023	2025

Personal Property		
	Placed in Service Year	First Full Valuation Year
Personal Property	2025	2026

Project Possible
Property Tax Rates Applied to Projections

2022 Mill Levy Rates			
Taxing District	Rate	Total Mills Subject to Real Property Tax Abatement	Total Mills Subject to Personal Property Tax Abatement
Lee's Summit School R-VII	5.3089	5.3089	5.3089
City - Lee's Summit	1.4199	1.4199	1.4199
Jackson County	0.5920	0.5920	0.5920
Mid-Continent Library	0.3240	0.3240	0.3240
Metro Junior College	0.2028	0.2028	0.2028
Mental Health	0.1113	0.1113	0.1113
Board of Disabled Services	0.0836	0.0836	0.0836
State Blind Pension	0.0300	0.0300	0.0300
Replacement Tax	1.4370	1.4370	N/A
Total	9.5095	9.5095	8.0725

Note:

All taxing districts honor real property tax abatements.

Project Possible
Estimated Real Property Tax Abatement

Estimated Real Property Tax Abatement								
Project Year	Tax Year	Total Base Assessed Value (Existing Parcel)	Total Projected Assessed Value (Existing & Expansion Parcels)	Incremental Value Increase Due to Project	Projected Real Estate Tax on Existing & Expansion Parcels (9.5095% Mill Rate)	Taxes Paid on Real Property after Abatement	Abated Real Estate Tax (84% Abatement)	Benefit Derived from Flat Appraisal Value for Expansion Parcel during Abatement
1	2025	\$ 1,987,363	\$ 4,101,170	\$ 2,113,807	\$ 390,001	\$ 221,150	\$ 168,850	\$ -
2	2026	\$ 1,987,363	\$ 4,101,170	\$ 2,113,807	\$ 390,001	\$ 221,150	\$ 168,850	\$ -
3	2027	\$ 2,046,984	\$ 4,224,205	\$ 2,113,807	\$ 401,701	\$ 226,820	\$ 168,850	\$ 6,030
4	2028	\$ 2,046,984	\$ 4,224,205	\$ 2,113,807	\$ 401,701	\$ 226,820	\$ 168,850	\$ 6,030
5	2029	\$ 2,108,393	\$ 4,350,931	\$ 2,113,807	\$ 413,752	\$ 232,660	\$ 168,850	\$ 12,242
6	2030	\$ 2,108,393	\$ 4,350,931	\$ 2,113,807	\$ 413,752	\$ 232,660	\$ 168,850	\$ 12,242
7	2031	\$ 2,171,645	\$ 4,481,459	\$ 2,113,807	\$ 426,164	\$ 238,675	\$ 168,850	\$ 18,639
8	2032	\$ 2,171,645	\$ 4,481,459	\$ 2,113,807	\$ 426,164	\$ 238,675	\$ 168,850	\$ 18,639
9	2033	\$ 2,236,794	\$ 4,615,903	\$ 2,113,807	\$ 438,949	\$ 244,870	\$ 168,850	\$ 25,229
10	2034	\$ 2,236,794	\$ 4,615,903	\$ 2,113,807	\$ 438,949	\$ 244,870	\$ 168,850	\$ 25,229
Total					\$ 4,141,134	\$ 2,328,349	\$ 1,688,505	\$ 124,280
Net Present Value at 8.5% Discount Rate					\$ 2,691,284	\$ 1,515,180	\$ 1,107,887	\$ 68,217

Note:

The projected appraised value is assumed to increase 3% for the original parcel and to remain the same for the expansion parcel for the duration of the abatement.

NPV of Estimated Benefit to Taxing Jurisdictions is \$1,515,180.

NPV of Estimated Real Property Tax Abatement is \$1,176,104 (\$1,107,887 Abatement + \$68,217 Valuation Benefit).

Project Possible
Estimated Personal Property Tax Abatement

Estimated Personal Property Tax Abatement - All FF&E			
Project Year	Tax Year	Total Projected Assessed Personal Property	Total Projected Personal Property Tax (8.0725% Mill Rate)
1	2025	\$ 706,146	\$ 57,004
2	2026	\$ 554,857	\$ 44,791
3	2027	\$ 435,993	\$ 35,196
4	2028	\$ 339,114	\$ 27,375
5	2029	\$ 242,236	\$ 19,554
6	2030	\$ 145,357	\$ 11,734
7	2031	\$ 79,085	\$ 6,384
8	2032	\$ 79,085	\$ 6,384
9	2033	\$ 79,085	\$ 6,384
10	2034	\$ 79,085	\$ 6,384
Total			\$ 221,190
Net Present Value at 8.5% Discount Rate			\$ 170,908

NPV of Estimated Benefit to Taxing Jurisdictions is \$170,908.

Project Possible

Projected Real Estate Tax Benefit to Taxing Jurisdictions

Projected Real Estate Taxes on Existing Parcel without Project

Abatement	Abatement Years										Total
0%	Year 2025	Year 2026	Year 2027	Year 2028	Year 2029	Year 2030	Year 2031	Year 2032	Year 2033	Year 2034	
Estimated Market Value (Assumed 3% Biennial Increase)	\$ 6,210,509	\$ 6,210,509	\$ 6,396,824	\$ 6,396,824	\$ 6,588,729	\$ 6,588,729	\$ 6,786,390	\$ 6,786,390	\$ 6,989,982	\$ 6,989,982	
Assessed Value % (32% per Current Bills)	32%	32%	32%	32%	32%	32%	32%	32%	32%	32%	
Estimated Assessed Value for Real Property	\$ 1,987,363	\$ 1,987,363	\$ 2,046,984	\$ 2,046,984	\$ 2,108,393	\$ 2,108,393	\$ 2,171,645	\$ 2,171,645	\$ 2,236,794	\$ 2,236,794	
Total Estimated Value of Parcel Without Expansion	\$ 1,987,363	\$ 1,987,363	\$ 2,046,984	\$ 2,046,984	\$ 2,108,393	\$ 2,108,393	\$ 2,171,645	\$ 2,171,645	\$ 2,236,794	\$ 2,236,794	\$ 21,102,358

Taxing Jurisdiction	Tax Rate per \$100	Year 2025	Year 2026	Year 2027	Year 2028	Year 2029	Year 2030	Year 2031	Year 2032	Year 2033	Year 2034	Total
Board of Disabled Services	0.0836	\$ 1,661	\$ 1,661	\$ 1,711	\$ 1,711	\$ 1,763	\$ 1,763	\$ 1,815	\$ 1,815	\$ 1,870	\$ 1,870	\$ 17,642
City - Lee's Summit	1.4199	\$ 28,219	\$ 28,219	\$ 29,065	\$ 29,065	\$ 29,937	\$ 29,937	\$ 30,835	\$ 30,835	\$ 31,760	\$ 31,760	\$ 299,632
Jackson County	0.592	\$ 11,765	\$ 11,765	\$ 12,118	\$ 12,118	\$ 12,482	\$ 12,482	\$ 12,856	\$ 12,856	\$ 13,242	\$ 13,242	\$ 124,926
Lee's Summit School R-VII	5.3089	\$ 105,507	\$ 105,507	\$ 108,672	\$ 108,672	\$ 111,932	\$ 111,932	\$ 115,290	\$ 115,290	\$ 118,749	\$ 118,749	\$ 1,120,303
Mental Health	0.1113	\$ 2,212	\$ 2,212	\$ 2,278	\$ 2,278	\$ 2,347	\$ 2,347	\$ 2,417	\$ 2,417	\$ 2,490	\$ 2,490	\$ 23,487
Metro Junior College	0.2028	\$ 4,030	\$ 4,030	\$ 4,151	\$ 4,151	\$ 4,276	\$ 4,276	\$ 4,404	\$ 4,404	\$ 4,536	\$ 4,536	\$ 42,796
Mid-Continent Library	0.324	\$ 6,439	\$ 6,439	\$ 6,632	\$ 6,632	\$ 6,831	\$ 6,831	\$ 7,036	\$ 7,036	\$ 7,247	\$ 7,247	\$ 68,372
State Blind Pension	0.03	\$ 596	\$ 596	\$ 614	\$ 614	\$ 633	\$ 633	\$ 651	\$ 651	\$ 671	\$ 671	\$ 6,331
Replacement Tax	1.437	\$ 28,558	\$ 28,558	\$ 29,415	\$ 29,415	\$ 30,298	\$ 30,298	\$ 31,207	\$ 31,207	\$ 32,143	\$ 32,143	\$ 303,241
Total Levy Rate	9.5095	\$ 188,988	\$ 188,988	\$ 194,658	\$ 194,658	\$ 200,498	\$ 200,498	\$ 206,513	\$ 206,513	\$ 212,708	\$ 212,708	\$ 2,006,729

Projected Real Estate Taxes on Existing and Expanded Parcels With Abatement

Abatement	Abatement Years										Total
75%	Year 2025	Year 2026	Year 2027	Year 2028	Year 2029	Year 2030	Year 2031	Year 2032	Year 2033	Year 2034	
Original Parcel Estimated Market Value	\$ 6,210,509	\$ 6,210,509	\$ 6,396,824	\$ 6,396,824	\$ 6,588,729	\$ 6,588,729	\$ 6,786,390	\$ 6,786,390	\$ 6,989,982	\$ 6,989,982	
Assessed Value %	32%	32%	32%	32%	32%	32%	32%	32%	32%	32%	
Original Parcel Assessed Valuation	\$ 1,987,363	\$ 1,987,363	\$ 2,046,984	\$ 2,046,984	\$ 2,108,393	\$ 2,108,393	\$ 2,171,645	\$ 2,171,645	\$ 2,236,794	\$ 2,236,794	\$ 23,031,836
Abated Parcel Estimated Market Value	\$ 6,605,647	\$ 6,605,647	\$ 6,605,647	\$ 6,605,647	\$ 6,605,647	\$ 6,605,647	\$ 6,605,647	\$ 6,605,647	\$ 6,605,647	\$ 6,605,647	
Assessed Value %	32%	32%	32%	32%	32%	32%	32%	32%	32%	32%	
Abated Property Assessed Valuation	\$ 2,113,807	\$ 2,113,807	\$ 2,113,807	\$ 2,113,807	\$ 2,113,807	\$ 2,113,807	\$ 2,113,807	\$ 2,113,807	\$ 2,113,807	\$ 2,113,807	\$ 21,138,072

Taxing Jurisdiction	Tax Rate per \$100	Year 2025	Year 2026	Year 2027	Year 2028	Year 2029	Year 2030	Year 2031	Year 2032	Year 2033	Year 2034	Total
Board of Disabled Services	0.0836	\$ 2,103	\$ 2,103	\$ 2,153	\$ 2,153	\$ 2,204	\$ 2,204	\$ 2,257	\$ 2,257	\$ 2,312	\$ 2,312	\$ 22,059
City - Lee's Summit	1.4199	\$ 35,722	\$ 35,722	\$ 36,569	\$ 36,569	\$ 37,441	\$ 37,441	\$ 38,339	\$ 38,339	\$ 39,264	\$ 39,264	\$ 374,667
Jackson County	0.592	\$ 14,894	\$ 14,894	\$ 15,247	\$ 15,247	\$ 15,610	\$ 15,610	\$ 15,985	\$ 15,985	\$ 16,370	\$ 16,370	\$ 156,210
Lee's Summit School R-VII	5.3089	\$ 133,562	\$ 133,562	\$ 136,727	\$ 136,727	\$ 139,987	\$ 139,987	\$ 143,345	\$ 143,345	\$ 146,804	\$ 146,804	\$ 1,400,853
Mental Health	0.1113	\$ 2,800	\$ 2,800	\$ 2,866	\$ 2,866	\$ 2,935	\$ 2,935	\$ 3,005	\$ 3,005	\$ 3,078	\$ 3,078	\$ 29,369
Metro Junior College	0.2028	\$ 5,102	\$ 5,102	\$ 5,223	\$ 5,223	\$ 5,348	\$ 5,348	\$ 5,476	\$ 5,476	\$ 5,608	\$ 5,608	\$ 53,513
Mid-Continent Library	0.324	\$ 8,151	\$ 8,151	\$ 8,344	\$ 8,344	\$ 8,543	\$ 8,543	\$ 8,748	\$ 8,748	\$ 8,959	\$ 8,959	\$ 85,493
State Blind Pension	0.03	\$ 755	\$ 755	\$ 773	\$ 773	\$ 791	\$ 791	\$ 810	\$ 810	\$ 830	\$ 830	\$ 7,916
Replacement Tax	1.437	\$ 36,152	\$ 36,152	\$ 37,009	\$ 37,009	\$ 37,891	\$ 37,891	\$ 38,800	\$ 38,800	\$ 39,737	\$ 39,737	\$ 379,179
Total Levy Rate	9.5095	\$ 239,241	\$ 239,241	\$ 244,911	\$ 244,911	\$ 250,751	\$ 250,751	\$ 256,766	\$ 256,766	\$ 262,961	\$ 262,961	\$ 2,509,260

Estimated Property Taxes on Existing Parcel without Project	\$ 2,006,729	\$ 299,632
Estimated Property Taxes on Existing & Expanded Parcels with Abatement	\$ 2,509,260	\$ 374,667
Incremental Increase in Property Taxes due to Project with Abatement	\$ 502,531	\$ 75,035

Project Possible

Projected Personal Property Tax Benefit to Taxing Jurisdictions

Projected Personal Property Taxes on Project

	<u>Year 2025</u>	<u>Year 2026</u>	<u>Year 2027</u>	<u>Year 2028</u>	<u>Year 2029</u>	<u>Year 2030</u>	<u>Year 2031</u>	<u>Year 2032</u>	<u>Year 2033</u>	<u>Year 2034</u>	<u>Year 2035</u>
	Current Value	Current Value	Current Value	Current Value	Current Value	Current Value	Current Value	Current Value	Current Value	Current Value	Current Value
Estimated Market Value of Personal Property Acquired 2025	\$ 2,396,500	\$ 2,139,835	\$ 1,681,384	\$ 1,321,190	\$ 1,027,619	\$ 734,048	\$ 440,477	\$ 239,650	\$ 239,650	\$ 239,650	\$ 239,650
Total	\$ 2,396,500	\$ 2,139,835	\$ 1,681,384	\$ 1,321,190	\$ 1,027,619	\$ 734,048	\$ 440,477	\$ 239,650	\$ 239,650	\$ 239,650	\$ 239,650
Assessment	33%	33%	33%	33%	33%	33%	33%	33%	33%	33%	33%
Total	\$ 706,146	\$ 554,857	\$ 435,993	\$ 339,114	\$ 242,236	\$ 145,357	\$ 79,085	\$ 79,085	\$ 79,085	\$ 79,085	\$ 79,085

Taxing Jurisdiction	Tax Rate per \$100											Total
	<u>Year 2025</u>	<u>Year 2026</u>	<u>Year 2027</u>	<u>Year 2028</u>	<u>Year 2029</u>	<u>Year 2030</u>	<u>Year 2031</u>	<u>Year 2032</u>	<u>Year 2033</u>	<u>Year 2034</u>		
Board of Disabled Services	0.0836	\$ 590	\$ 464	\$ 364	\$ 283	\$ 203	\$ 122	\$ 66	\$ 66	\$ 66	\$ 66	\$ 2,291
City - Lee's Summit	1.4199	\$ 10,027	\$ 7,878	\$ 6,191	\$ 4,815	\$ 3,440	\$ 2,064	\$ 1,123	\$ 1,123	\$ 1,123	\$ 1,123	\$ 38,906
Jackson County	0.592	\$ 4,180	\$ 3,285	\$ 2,581	\$ 2,008	\$ 1,434	\$ 861	\$ 468	\$ 468	\$ 468	\$ 468	\$ 16,221
Lee's Summit School R-VII	5.3089	\$ 37,489	\$ 29,457	\$ 23,146	\$ 18,003	\$ 12,860	\$ 7,717	\$ 4,199	\$ 4,199	\$ 4,199	\$ 4,199	\$ 145,466
Mental Health	0.1113	\$ 786	\$ 618	\$ 485	\$ 377	\$ 270	\$ 162	\$ 88	\$ 88	\$ 88	\$ 88	\$ 3,050
Metro Junior College	0.2028	\$ 1,432	\$ 1,125	\$ 884	\$ 688	\$ 491	\$ 295	\$ 160	\$ 160	\$ 160	\$ 160	\$ 5,557
Mid-Continent Library	0.324	\$ 2,288	\$ 1,798	\$ 1,413	\$ 1,099	\$ 785	\$ 471	\$ 256	\$ 256	\$ 256	\$ 256	\$ 8,878
State Blind Pension	0.03	\$ 212	\$ 166	\$ 131	\$ 102	\$ 73	\$ 44	\$ 24	\$ 24	\$ 24	\$ 24	\$ 822
Total Levy Rate	8.0725	\$ 57,004	\$ 44,791	\$ 35,196	\$ 27,375	\$ 19,554	\$ 11,734	\$ 6,384	\$ 6,384	\$ 6,384	\$ 6,384	\$ 221,190

Note:
Depreciation Schedule provided by City of Lee's Summit was applied to calculation.

	<u>All Jurisdictions</u>	<u>City Only</u>
Average Annual Property Taxes without Expansion	\$ 23,178	\$ 5,084
Additional Estimated Property Tax with Expansion Spend	\$ 221,190	\$ 38,906

Project Possible

Estimated Taxpayer Benefit from Sales and Use Tax Exemption on Construction Materials

Sales & Use Tax Exemption	
Total Building Cost	\$ 17,405,390
Materials Percentage	40%
Materials Amount	<u>\$ 6,962,156</u>

	<u>Percentage</u>	<u>Amount</u>
Materials to be Purchased within the state of MO (Outside Jackson County)	20%	\$ 1,392,431
Materials to be Purchased within Jackson County (Outside Lee's Summit)	8%	\$ 556,972
Materials to be Purchased within Lee's Summit	5%	\$ 348,108
Materials to be Purchased out of state	67%	\$ 4,664,645
	<u>100%</u>	<u>\$ 6,962,156</u>

	<u>Sales Tax Rate</u>	<u>Estimated Sales Tax Revenues Subject to Exemption</u>	<u>Use Tax Rate</u>	<u>Estimated Use Tax Revenues Subject to Exemption</u>	<u>Total</u>
State of Missouri	4.225%	\$ 97,070	4.225%	\$ 197,081	
Jackson County					
General	0.525%	\$ 4,752			
Drug Task Force	0.250%	\$ 2,263			
Sports Complex	0.375%	\$ 3,394			
Children's Service Fund	0.100%	\$ 905			
Zoological District	0.125%	\$ 1,131			
City of Lee's Summit					
General	0.750%	\$ 2,611	0.750%	\$ 34,985	
Parks	0.500%	\$ 1,741	0.500%	\$ 23,323	
Capital Projects	0.500%	\$ 1,741	0.500%	\$ 23,323	
Public Safety	0.500%	\$ 1,741	0.500%	\$ 23,323	
Transportation	0.500%	\$ 1,741	0.500%	\$ 23,323	
Total Exemption All Taxing Jurisdictions	<u>8.350%</u>	<u>\$ 119,088</u>	<u>6.975%</u>	<u>\$ 325,359</u>	<u>\$ 444,447</u>
Total Exemption City of Lee's Summit	<u>2.750%</u>	<u>\$ 9,573</u>	<u>2.750%</u>	<u>\$ 128,278</u>	<u>\$ 137,851</u>

Total Estimated City of Lee's Summit Sales and Use Tax Exemption \$ 137,851

Project Possible

Estimated Sales and Use Tax Paid by Applicant on Personal Property Purchases Related to Project

Sales & Use Tax Benefit to Taxing Jurisdictions	
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Estimated Personal Property Spend	\$ 2,396,500
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	Percentage Amount
Personal Property to be Purchased within the state of MO (Outside Jackson County)	20% \$ 479,300
Personal Property to be Purchased within Jackson County (Outside Lee's Summit)	8% \$ 191,720
Personal Property to be Purchased within Lee's Summit	5% \$ 119,825
Personal Property to be Purchased out of state	67% \$ 1,605,655
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	100% \$ 2,396,500
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	Sales Tax Rate	Estimated Sales Tax Revenues	Use Tax Rate	Estimated Use Tax Revenues	Total
State of Missouri	4.225%	\$ 33,413	4.225%	\$ 67,839	
Jackson County					
General	0.525%	\$ 1,636			
Drug Task Force	0.250%	\$ 779			
Sports Complex	0.375%	\$ 1,168			
Children's Service Fund	0.100%	\$ 312			
Zoological District	0.125%	\$ 389			
City of Lee's Summit					
General	0.750%	\$ 899	0.750%	\$ 12,042	
Parks	0.500%	\$ 599	0.500%	\$ 8,028	
Capital Projects	0.500%	\$ 599	0.500%	\$ 8,028	
Public Safety	0.500%	\$ 599	0.500%	\$ 8,028	
Transportation	0.500%	\$ 599	0.500%	\$ 8,028	
Total Benefit to All Taxing Jurisdictions	8.350%	\$ 40,992	6.975%	\$ 111,994	\$ 152,987
Total Benefit to City of Lee's Summit	2.750%	\$ 3,295	2.750%	\$ 44,156	\$ 47,451

Total Estimated City of Lee's Summit Sales and Use Tax Revenue \$ 47,451