

**Mid-States Warehouse Expansion
Incentive Request**
February 3, 2026 City Council Public Hearing

Developer Request

Source	Incentive Tool	Applicable Rate	Purpose	Estimated Financial Benefit	% Project Costs
Chapter 100	Sales Tax Exemption on Construction Materials	100%	Reduce Project Costs	\$554,600	0.7%
Chapter 100	Real Property Tax Abatement	75% on Incremental Increase in Value	Reduce Project Costs	\$3,549,674	4.5%
Chapter 100	Personal Property Tax Abatement	50% abatement for 5 years; 3 installments	Reduce Project Costs	\$683,138	0.9%
Total Project Costs		\$79,650,000		\$4,787,412	6.0%

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Developer Request - Timeline Summary

Construction Period

Sales & Use Tax Exemption on
Construction Materials 100%

Years 1-5:

Ch 100 Personal Prop Tax Abatement 50% 3 installments of new equipment,
on New Equipment Only 5 year abatement for each

Years 1-10:

Ch 100 Real Property Tax Abatement 75% **Increment:** Amount of abatement on
incremental increase in value
44% **Base + Increment:** Amount of abatement on
entire project

Property Tax Benefit to Taxing Districts

Real Property Taxes	2025 Taxes	%	First Year Taxes & PILOTs	Taxes & PILOTs Over 10 Years
BOARD OF DISABLED SERVICES	\$5,677	0.8%	\$7,338	\$97,262
CITY - LEES SUMMIT	\$100,409	14.8%	\$129,785	\$1,720,251
JACKSON COUNTY	\$43,327	6.4%	\$56,002	\$742,289
LEES SUMMIT SCHOOL R-VII	\$369,563	54.4%	\$477,681	\$6,331,501
MENTAL HEALTH	\$7,556	1.1%	\$9,767	\$129,460
METRO JUNIOR COLLEGE	\$13,779	2.0%	\$17,811	\$236,074
MID-CONTINENT LIBRARY	\$24,322	3.6%	\$31,438	\$416,703
M&M INVENTORY REPLACEMENT TAX	\$112,060	16.5%	\$144,843	\$1,919,851
STATE BLIND PENSION	\$2,339	0.3%	\$3,024	\$40,080
	\$679,033	100.0%	\$877,689	\$11,633,470

Value of Incentive Request to Developer

Total Project Costs	\$79,650,000	
Value of Sales Tax Exemption	\$554,600	0.7%
NPV of Real Prop Tax Abatement @7%	\$3,549,674	4.5%
NPV of Personal Prop Tax Abatement	\$683,138	0.9%
Total Value of Incentive Request	\$4,787,412	6.0%

Impact to City

Impact of Abated Taxes

Sales & Use Tax Exemption	\$116,820	
Real Property Tax Abatement	\$603,445	
Personal Property Tax Abatement	\$116,133	
	<u>\$836,398</u>	17.5% City portion of incentive request

Sample Abatement Packages for Large Scale Industrial Projects
Missouri Side of Kansas City Region, 2015-2024

Updated through 2024

YEAR APPROVED	GOVERNMENT ENTITY	COMPANY	PROJECT	SQFT	ABATEMENT TERM	ABATEMENT LEVEL
2015	Kansas City (PortKC)	NorthPoint Development	Three Trails Industrial Park (three buildings)	1,300,000	20 years	100% Years 1-13 50% declining to 20% Years 14-17 10% Years 18-20
2016	Kansas City (PortKC)	NorthPoint Development	Northland Park (HWY 210 & N. Kimball Drive)	1,500,000	20 years	90% Years 1-10 50% Years 11-20
2016	Grandview	Bulk Industrial	Southpointe Business Park	737,000	15 years	58.5% Years 1-15, including 20% "Additional Rent" for infrastructure
2017	Kansas City (PortKC)	CVS Distribution Center	Skyport Industrial Park	762,000	22 years	90% Years 1-12 (plus 10-yr personal property abatement on equipment) 50% Years 13-22
2017	Kansas City (EEZ)	Hunt Midwest	Hunt Midwest Business Center (HMBC I - III)	623,785	25 years	100% Years 1-25
2018	Belton	NorthPoint Development	Southview Commerce Center (Building I)	454,489	20 years	96% Years 1-5 93% declining to 88.5% Years 6-12 55% Years 13-20
2018	Blue Springs	Landmark	Faurecia	250,000	15 years	100% Years 1-10 (plus 15-yr personal prop abatement on equipment) 50% Years 11-15
2019	Liberty	Lane4	Liberty Logistics Center (three buildings)	922,000	10 years	100% Years 1-10
2019	Blue Springs	Durvet	Durvet Expansion	54,080	10 years	100% Years 1-10
2020	Blue Springs	Blue Springs Logistics	Logistics	585,660	10 years	100% Years 1-10
2020	Liberty	Opus	Heartland Meadows Commerce Center	181,321	10 years	90% Years 1-10
2020	Liberty	NorthPoint Development	Broadacres Industrial Park	3,300,000	20 years	90% Year 1 90% declining to 18% Years 2 - 20
2020	Kansas City	MDC Inc.	Executive Park Logistics Center (2 buildings)	396,455	15 years	100% Years 1-10 50% Years 11-15
2020	Kansas City (Port KC)	NorthPoint Development	Blue River Commerce Center	2,590,000	20 years	94% Years 1-10 50% Years 11-20
2020	Kansas City (Port KC)	Van Trust	Niagra (NWC 112th and North Congress Ave.)	630,000	16 years	~92% Years 1-7 (plus personal property tax abatement) ~83% Years 8-11 ~73% declining to 35% Years 12-16
2020	Raymore	Van Trust	Raymore Commerce Center	564,970	20 years	~97.5% Years 1--20
2022	Liberty	STAR Development	Garrison Industrial	170,700	10 years	90% Years 1-10
2022	Platte City	Van Trust	Industrial / Distribution	2,000,000	16 years	~95% Years 1-10 ~75% Years 11-16
2022	Kansas City (Port KC)	STAR Development	Industrial / Distribution	576,400	20 years	90% Years 1-10 50% Years 11-20
2022	Independence	NorthPoint Development	Eastgate Commerce Center (22 buildings)	10,749,000	20 years	~87% Years 1-12 ~85% declining to 21% Years 13-20
2022	Lee's Summit	Scannell	LS Logistics	783,000	20 years	95% Years 1-10 75% Years 11-20
2022	Lee's Summit	Zerega Pasta	Facility Expansion	160,000	10 years	75% Years 1-10; same for equipment (personal property)
2022	Lee's Summit	LS Industrial, LLC	LS Industrial	595,000	20 years	95% Years 1-10 50% Years 11-20
2022	Lee's Summit	Ward Development	Town Centre Industrial	250,000	20 years	78% Years 1-10 50% Years 11-20
2023	Raymore	URBN LLC	Nuuly (Personal Property Only)	n/a	10 years	Personal property abatement only ~97% Years 1-10
2023	Raymore	Van Trust	Raymore Commerce Center South (2-3 buildings)	3,075,000	20 years	~98% Years 1-5 ~96% declining to 73% Years 6-15 ~60% Years 16-20
2023	Lee's Summit	Performance Food Group	Reinhart Foodservice	170,000	10 years	84% Years 1-10
2024	Lee's Summit	K&R Wholesale Building Materials	K&R Wholesale	21,250	10 years	75% Years 1-10

Notes

The average abatement duration is about 19 years.

The average abatement during years 1-10 exceeds 90%.

The average abatement during years 11-20 is roughly 50% with some notable exceptions, and some projects incorporate an annual decline during this period.

Some packages include fixed PILOT per sqft (Belton, Kansas City, Platte City, Raymore).

Some calculations are rounded because the fixed PILOTs produce fractional percentages.

Lee's Summit Projects => 75% Real Property Tax Abatement

Updated June 2025

YEAR	LAND USE	COMPANY	PROJECT	SQFT or UNITS	ABATEMENT TERM	ABATEMENT LEVEL
2008/10	Industrial	JCI Industries	Industrial Facility	18,900	8 years	100% Years 1-7 79% Year 8
2012	Commercial	Licata Flowers	Licata Flowers	2,745	10 years	100% Years 1-10
2014	Commercial	KingsCrown Investments, LLC	The Stanley	11,845	5 years	100% Years 1-5
2015	Residential	John Knox Village	Campus Redevelopment	410,974	10 years*	~95% Years 1--10
2015	Commercial	Grider Properties, LLC	Grider Orthodontics	3,010	10 years	100% Years 1-9 27% Year 10
2016	Commercial	1251 Rice Properties, LLC	Minsky's Pizza (291N)	6,840	5 years	100% Years 1-5
2016	Commercial	3rd Street Restaurant Associates, LLC	3rd Street Social	6,651	5 years	100% Years 1-5
2016	Industrial	HT Solutions	Industrial Facility	52,000	10 years	75% Years 1-10
2020	Commercial	Aristocrat Motors	Aristocrat Motors	15,546	5 years	100% Years 1-5
2022	Commercial	Brain Development, LLC	Southside Shopping Center	54,378	5 years	100% Years 1-5
2022	Residential	Vanguard Villas, LLC	Vanguard Villas	83 units	25 years	50% Years 1-25
2022	Industrial	Scannell	LS Logistics	783,000	20 years	95% Years 1-10 75% Years 11-20
2022	Industrial	Zerega Pasta	Facility Expansion	160,000	10 years	75% Years 1-10; same for equipment
2022	Industrial	LS Industrial, LLC	Industrial Facility	595,000	20 years	95% Years 1-10 50% Years 11-20
2022	Industrial	Ward Development	Town Centre Industrial	250,000	20 years	78% Years 1-10 50% Years 11-20
2022	Industrial	MAR Building Solutions	Industrial Facility	7,150	5 years	100% for 5 years
2023	Industrial	Ward Development	Lakewood Business Park	400,000	20 years	75% Years 1-10 50% Years 11-20
2023	Residential / Commercial	Ellis Glen, LLC	Ellis Glen	33,000	25 years	75% Years 1-25
2023	Industrial	Performance Food Group	Reinhart Foodservice	170,000	10 years	84% Years 1-10
2023	Industrial	Higdon Construction	Industrial Facility	7,800	5 years	100% for 5 years
2024	Industrial	K&R Wholesale Building Materials	K&R Wholesale	21,250	10 years	75% Years 1-10
2025	Residential	Oldham Investors, LLC	Oldham Village Apartments	307 units	10 years	75% Years 1-25