

# Infrastructure Financing Plan with Land Reserve

Presentation to City Council

May 12, 2026



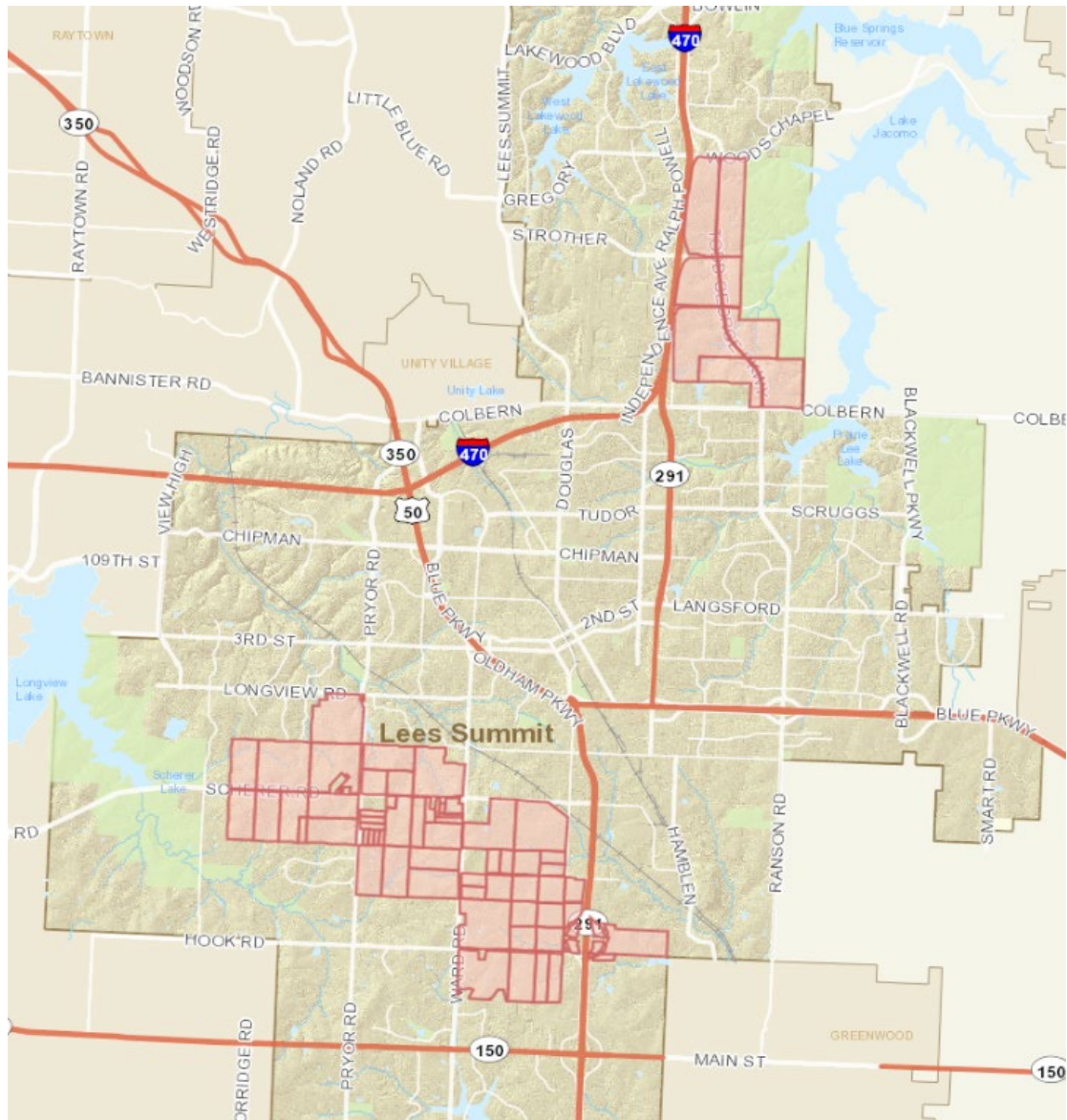
# Summary of Presentation

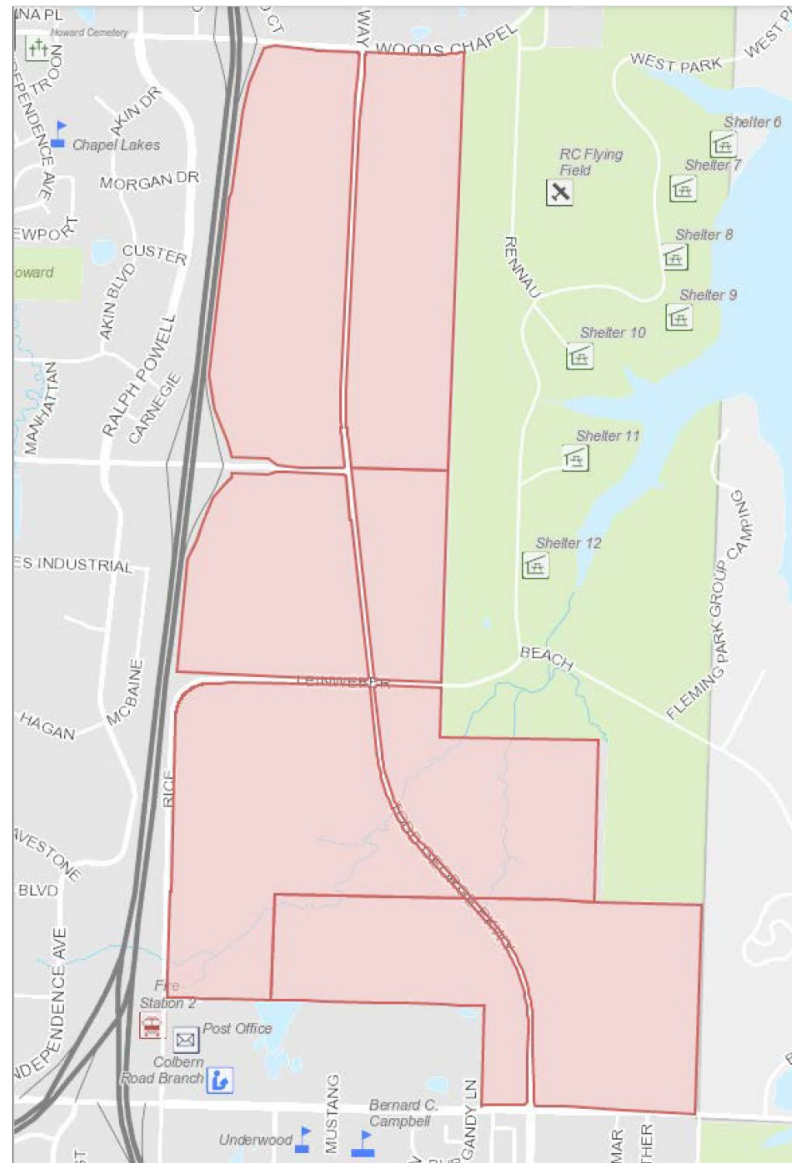
**Goal and Request:** Provide information to City Council about Land Reserve infrastructure financing plan and receive any further feedback from City Council regarding the proposed method of funding public infrastructure improvements to serve the northern ~1000 acres of the Land Reserve property.

## **Presentation:**

1. **Background:** MOU executed in March 2024; August 2025 conceptual presentation to City Council
2. **Arborside Development**
3. **Financing Plan:**
  - Funding for regional transportation, sanitary sewer, stormwater, water, and electric
  - Initially focus on north area (~1000 acres)
4. **Next Steps** after this presentation

# 1 Background





Arborside LCRA  
Redevelopment Plan:  
~1000 acres.

# Parties

- The Church of Jesus Christ of Latter-day Saints (**LDS Church**)
- Property Reserve, Inc. (**PR**) – non-profit entity, landowner in Lee's Summit
- Land Reserve, Inc. (**LR**) – for-profit entity, has taken ownership, will 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 #294 in nation by land area

# LR Property Compared to Missouri Municipalities

|              |                             |
|--------------|-----------------------------|
| Raytown      | 9.93 SqMi, 28,525 pop (#25) |
| Peculiar     | 9.06 SqMi, 6,391 pop (#120) |
| → LR land    | <b>6.57 SqMi</b>            |
| Oak Grove    | 6.17 SqMi, 9,378 pop (#93)  |
| Hollister    | 6.33 SqMi, 4,723 pop (#157) |
| Grain Valley | 6.06 SqMi, 17,225 pop (#51) |
| Univ. City   | 5.88 SqMi, 33,492 pop (#20) |

From Census data sorted at [www.worldpopulationreview.com](http://www.worldpopulationreview.com) and [www.usa.com](http://www.usa.com)

# Goals of City Coordination with LR

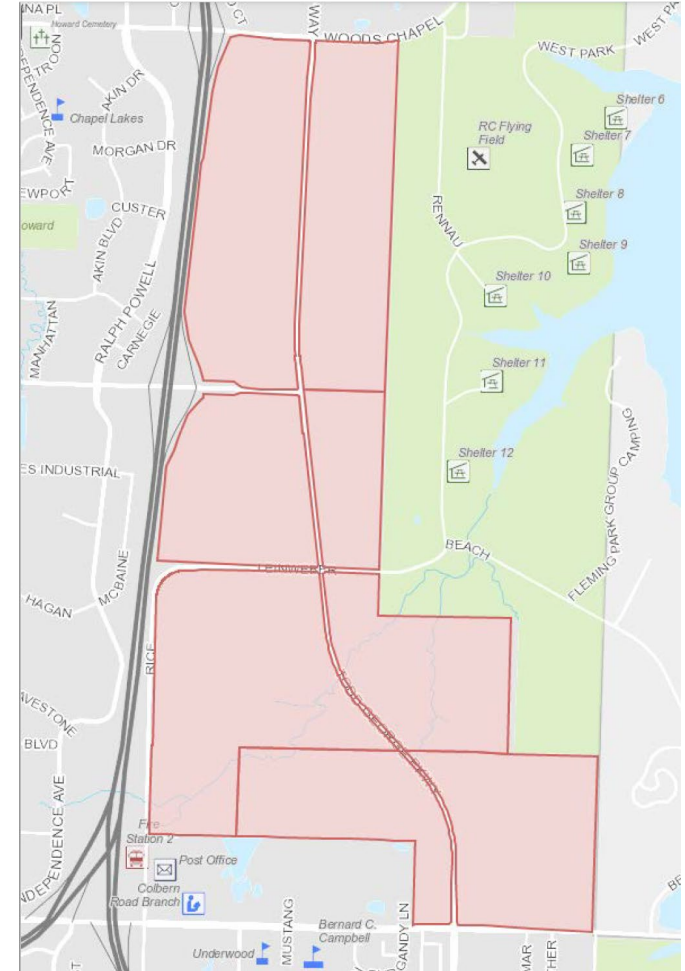
- Create **long-term** infrastructure financing plan
- **Proactive** rather than reactive to development opportunities
- Create **certainty** for development
- **Avoid piecemeal approach**
- Secure available State & Federal funding
- Take maximum advantage of current opportunity to work with **one property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

# 2

# Arborside Development

# Redevelopment Plan Framework

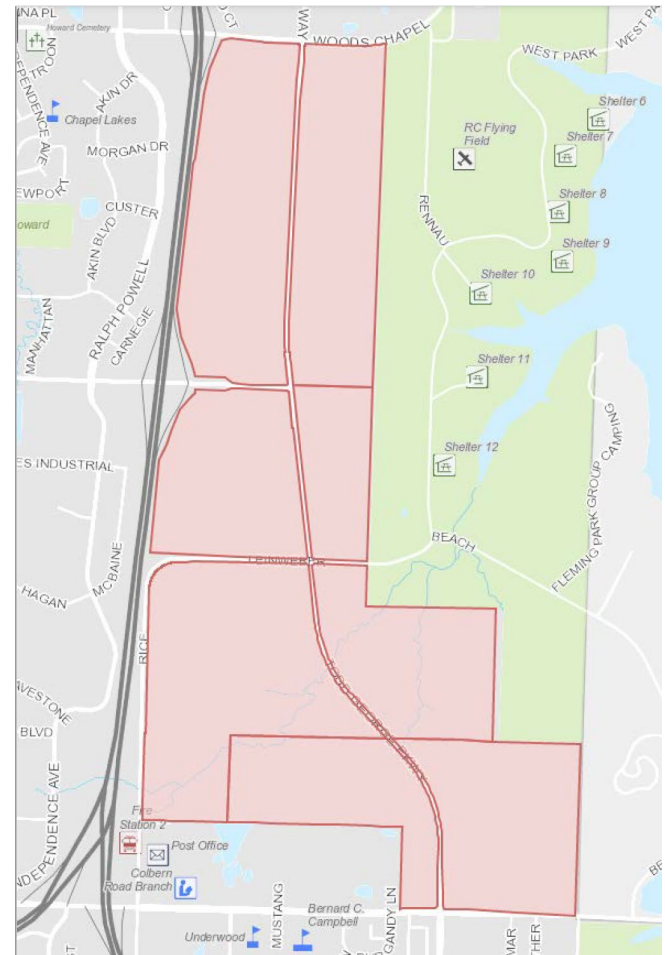
- **Land Uses**
  - Residential
  - Mixed Use
  - Commercial / Retail
  - Office / Medical Office
  - Light Industrial
- **Major Infrastructure Costs**
  - Arterial Transportation
  - Sanitary Sewer
  - Water
  - Other Utilities (Electric & Gas)
  - Regional Stormwater
- **Other Civic & Development Considerations**
  - 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.. |

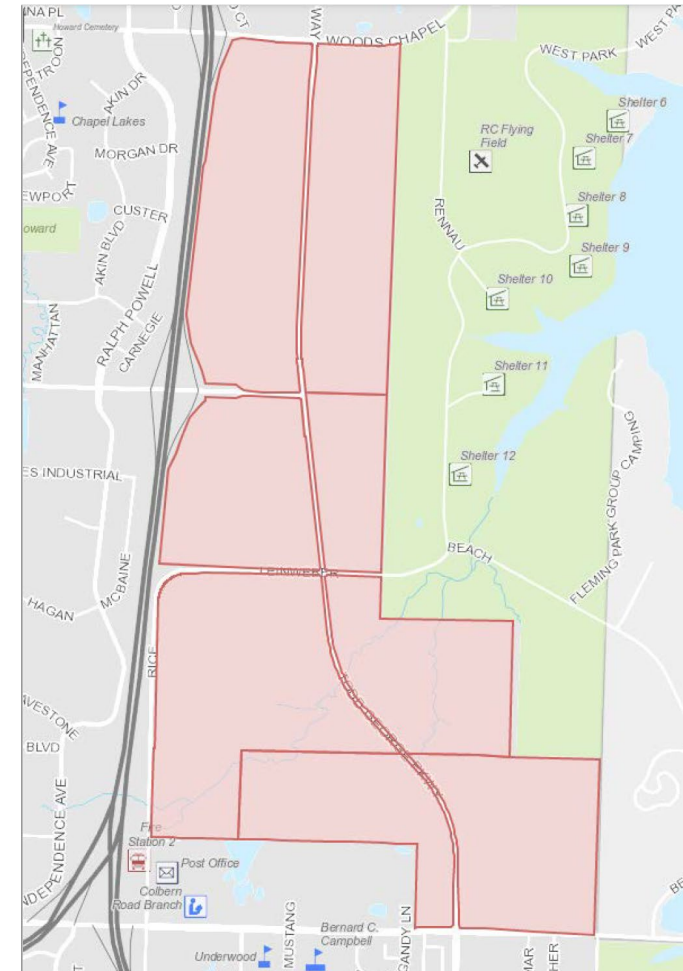
|                                     |           |
|-------------------------------------|-----------|
| <b>Estimated Schedule</b>           |           |
| Design and Right of Way Acquisition | 2028-2029 |
| Construction                        | 2029-2032 |

|                                  |                         |
|----------------------------------|-------------------------|
| <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  |  |

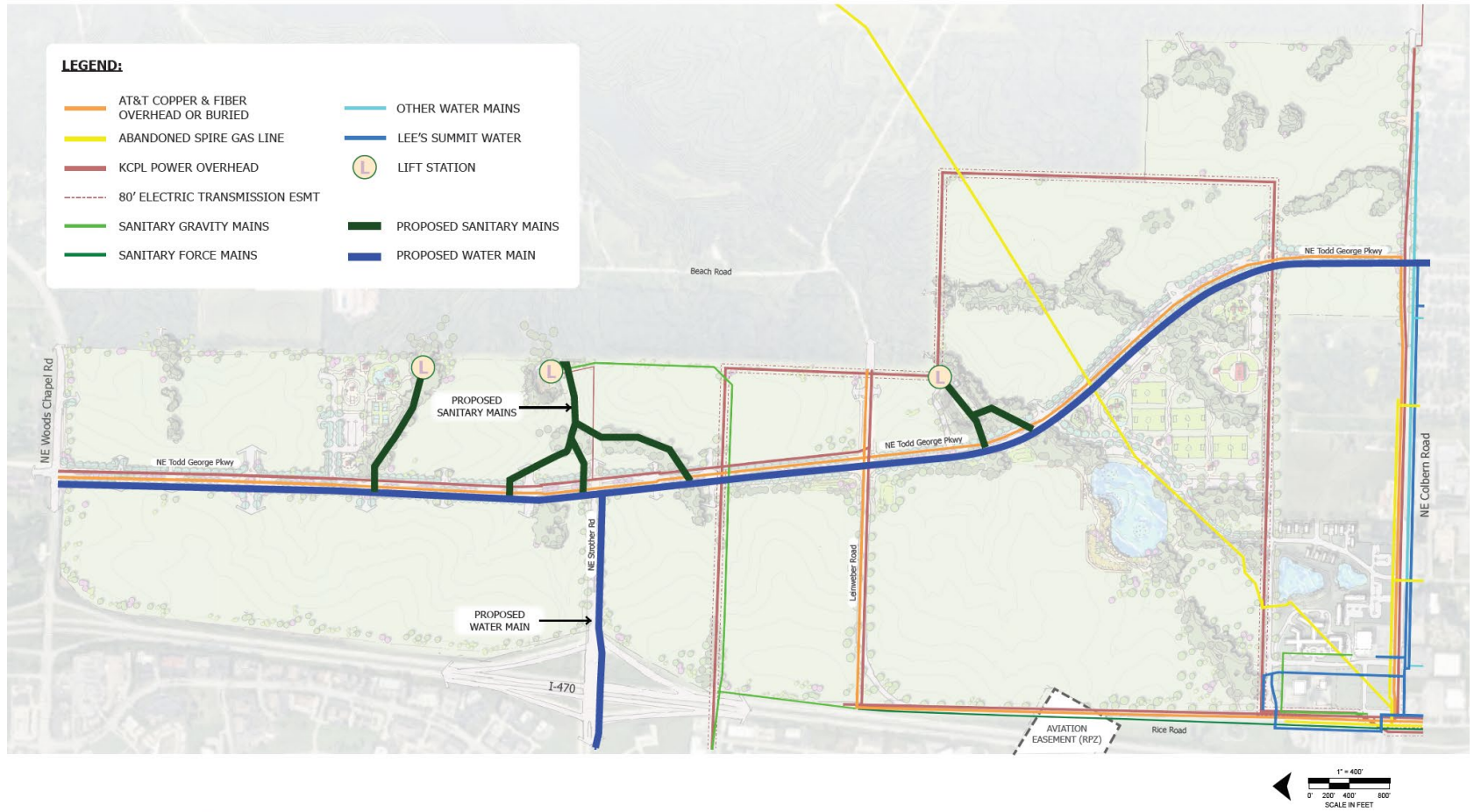
|                                |                    |                     |           |                  |                      |               |
|--------------------------------|--------------------|---------------------|-----------|------------------|----------------------|---------------|
| <b>Strategic 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 |
|                                  |               |                      | ●           | ○                       |             |                   |

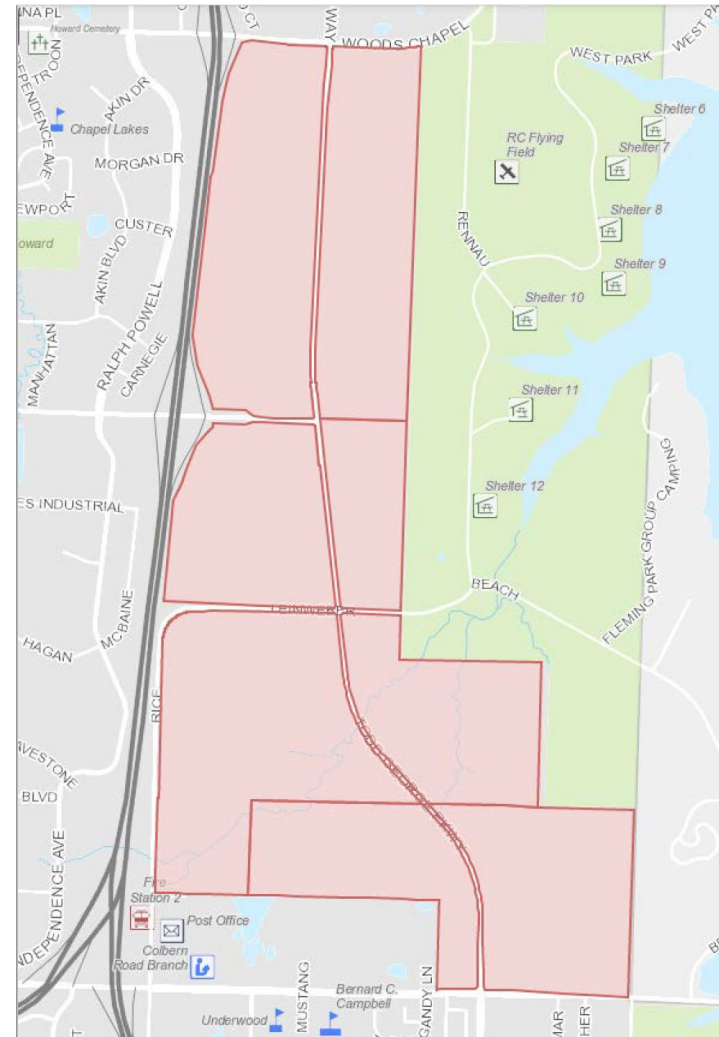
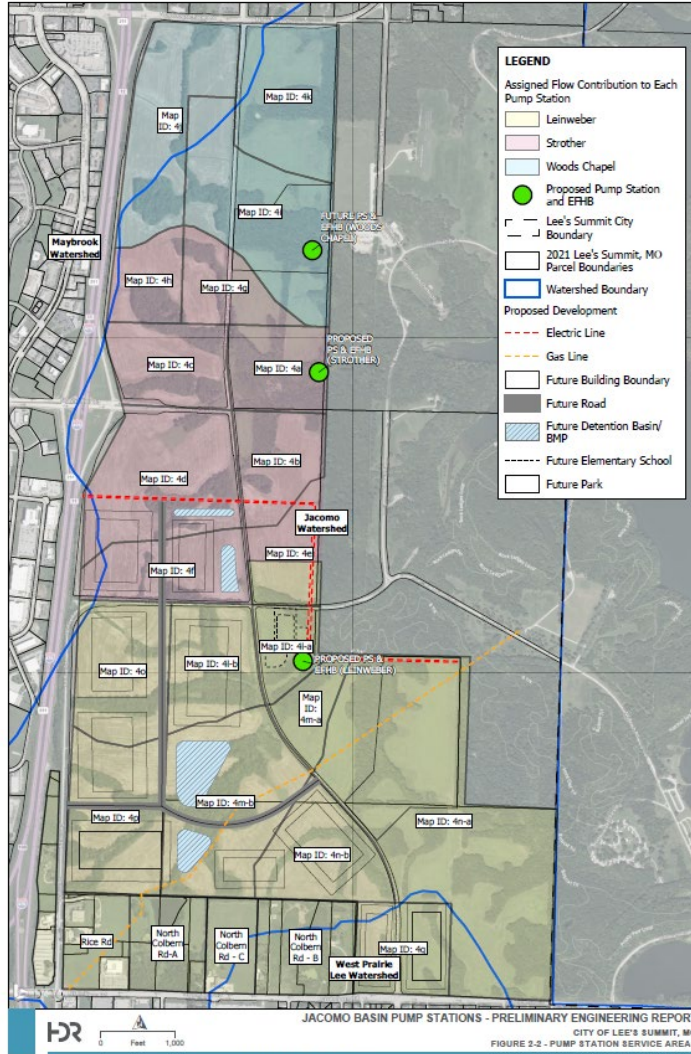


# Financing Plan – Sanitary Sewer Improvements

## 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

# Financing Plan

|  |           | Taxes / PILOTs<br>-----<br>Payments to<br>Taxing Districts | Tax Redirection<br>-----<br>Regional Public<br>Improvements | Tax Redirection<br>-----<br>Local Public<br>Improvements | Abatement<br>-----<br>Business<br>Attraction |
|--|-----------|--|---|--|--|
| Single Family Residential (R-1)                      | 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.

# Financing Plan

|  |           | Taxes / PILOTs<br>-----<br>Payments to<br>Taxing Districts | Tax Redirection<br>-----<br>Regional Public<br>Improvements | Tax Redirection<br>-----<br>Local Public<br>Improvements | Abatement<br>-----<br>Business<br>Attraction |
|--|-----------|--|---|--|--|
| Single Family Residential (R-1)                      | 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.

# Financing Plan

Land Reserve  
 Infrastructure Financing Plan  
 May 12, 2026 City Council

## 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

## 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

## 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

## 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

# Decision Framework

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

# 4 Next Steps

# Next Steps

- **Today** – Receive Council feedback
- **May 14** – Planning Commission, consistency recommendation for Arborside area
- **May 27** – LCRA Board, Arborside LCRA Plan
- **June 16** – City Council, LCRA and CID hearings for Arborside
- **June 25** – Planning Commission, consistency recommendation for South Area
- **July 22** – LCRA Board, South Area LCRA Plan
- **August 4** – City Council, LCRA and CID hearings for South Area

End