



GRAYSON CAPITAL

— DEVELOPMENT & ADVISORY —

Developer

- Fully integrated real estate company offering:
 - Advisory and Owner's Representation
 - Development Management
 - Project Management
 - Asset and Property Management
- Asset Classes
 - Public, Private Partnerships
 - Multi-Family
 - Healthcare
 - Hospitality



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Prior LCRA Redevelopment Plan

- Approved LCRA Redevelopment Plan – June 8, 2022
 - Gold Crown Properties, Inc.
 - Multifamily - Single Phase ~380 units
- LCRA Redevelopment Plan Factual Findings:
 - Blight finding – 2016 TIF Plan
 - Necessity finding – Council previously found that incentives are necessary for the project to occur as a whole
 - Conformity with comprehensive plan – existing approval for PDP (Ordinance No. 8644) consistent with City’s Ignite! Comprehensive Plan

Project Site - Unchanged



Amended & Restated LCRA Redevelopment Plan

- **Not Changing:**
 - Project site & scope
 - Prior factual findings
 - Sales tax exemption benefit
 - Benefit is only for sales tax exemption on construction materials during the construction of each project phase
 - No impact to Real Property Taxing Districts due to existing TIF Plan
 - Zoning
- **Changes with Amended & Restated LCRA Redevelopment Plan:**
 - Developer
 - Delivery; Phased approach – sequencing through three independent phases:
 - Phase 1: ~225 Units – Will commence now
 - Phase 2: ~75 Units – Developer has ROFR
 - Phase 3: ~100 Units – Developer has ROFR

Phases

Phase 1: ~225 Units

Est. Construction Budget	\$	44,102,051.00
Est. Materials Percentage		35.00%
Est. Materials Cost	\$	15,435,717.85
Total Sales and Use Tax Rate		10.475%
Est. Sales and Use Tax Savings	\$	1,095,164.18

City Sales and Use Tax Rate		2.750%
County Sales Tax Rate		1.375%
State Sales Tax Rate		4.225%
Zoo Sales Tax Rate		0.125%
CID Sales and Use Tax Rate		1.000%
TDD Sales Tax Rate		1.000%
		10.475%
Est. Allocation of Materials Purchases:		
Lee's Summit		8.00%
Missouri (outside Lee's Summit)		50.00%
Outside Missouri		42.00%

Lee's Summit Sales Tax Savings	\$	33,958.58
Lee's Summit Use Tax Savings	\$	178,282.54
Total Lee's Summit Sales and Use Tax	\$	212,241.12
County Sales Tax Savings	\$	70,039.57
State Sales and Use Tax Savings	\$	652,159.08
Zoo Sales Tax Savings	\$	6,367.23
CID Sales and Use Tax Savings	\$	77,178.59
TDD Sales Tax Savings	\$	77,178.59
Lee's Summit % of Total Savings		19.38%

Phase 2: ~75 Units

Est. Construction Budget	\$	14,274,900.00
Est. Materials Percentage		35.00%
Est. Materials Cost	\$	4,996,215.00
Total Sales and Use Tax Rate		10.475%
Est. Sales and Use Tax Savings	\$	354,481.45

City Sales and Use Tax Rate		2.750%
County Sales Tax Rate		1.375%
State Sales Tax Rate		4.225%
Zoo Sales Tax Rate		0.125%
CID Sales and Use Tax Rate		1.000%
TDD Sales Tax Rate		1.000%
		10.475%
Est. Allocation of Materials Purchases:		
Lee's Summit		8.00%
Missouri (outside Lee's Summit)		50.00%
Outside Missouri		42.00%

Lee's Summit Sales Tax Savings	\$	10,991.67
Lee's Summit Use Tax Savings	\$	57,706.28
Total Lee's Summit Sales and Use Tax	\$	68,697.96
County Sales Tax Savings	\$	22,670.33
State Sales and Use Tax Savings	\$	211,090.08
Zoo Sales Tax Savings	\$	2,060.94
CID Sales and Use Tax Savings	\$	24,981.08
TDD Sales Tax Savings	\$	24,981.08
Lee's Summit % of Total Savings		19.38%

Phase 3: ~100 Units

Est. Construction Budget	\$	19,033,200.00
Est. Materials Percentage		35.00%
Est. Materials Cost	\$	6,661,620.00
Total Sales and Use Tax Rate		10.475%
Est. Sales and Use Tax Savings	\$	472,641.94

City Sales and Use Tax Rate		2.750%
County Sales Tax Rate		1.375%
State Sales Tax Rate		4.225%
Zoo Sales Tax Rate		0.125%
CID Sales and Use Tax Rate		1.000%
TDD Sales Tax Rate		1.000%
		10.475%
Est. Allocation of Materials Purchases:		
Lee's Summit		8.00%
Missouri (outside Lee's Summit)		50.00%
Outside Missouri		42.00%

Lee's Summit Sales Tax Savings	\$	14,655.56
Lee's Summit Use Tax Savings	\$	76,941.71
Total Lee's Summit Sales and Use Tax	\$	91,597.28
County Sales Tax Savings	\$	30,227.10
State Sales and Use Tax Savings	\$	281,453.45
Zoo Sales Tax Savings	\$	2,747.92
CID Sales and Use Tax Savings	\$	33,308.10
TDD Sales Tax Savings	\$	33,308.10
Lee's Summit % of Total Savings		19.38%

This financial benefit is approximately **2.48%** of the total project costs (exclusive of land and permanent financing costs)
 Lee's Summit exemption benefit as a percentage of total project costs = **0.48%**



 **FINKLE + WILLIAMS**
ARCHITECTURE