



Legend

LCRA

ZONING

	Agricultural		Single Family Residential
	Planned Central Business District		Residential Large Lot
	Planned Commercial Services		Rural Density Residential
	Planned Neighborhood Commercial		Planned Single Family Residential
	Planned Community Commercial		Planned Two Family Residential
	Neighborhood Fringe Office		Planned Residential Mixed Use
	Planned Industrial		Planned Apartment Residential
	Planned Mixed Use		Transitional Neighborhood Zone
	Planned Office		CDO-RMD
	Planned Residential Office		CDO-MR
			CDO-MC
			CDO-ME



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T&W Steel Retention and Expansion
Revised Incentive Request
 March 25, 2026 LCRA Board of Commissioners

Developer Request

Construction Period

Sales & Use Tax Exemption on Construction Materials*

Years 1-10

Real Property Tax Abatement 75% Redevelopment Plan
 Fixed PILOTs structure with projected taxes

* Company pays sales taxes on personal property purchases (machinery and equipment)

Property Tax Benefit to Taxing Districts

Real Property Taxes	2025 Taxes		First Year	Taxes & PILOTs
		%	Taxes & PILOTs	Over 10 Years
BOARD OF DISABLED SERVICES	\$1	0.8%	\$206	\$2,189
CITY - LEES SUMMIT	\$28	17.2%	\$4,404	\$46,749
JACKSON COUNTY	\$12	7.1%	\$1,807	\$19,180
LEES SUMMIT SCHOOL R-VII	\$109	66.6%	\$17,007	\$180,541
MENTAL HEALTH	\$2	1.3%	\$334	\$3,545
METRO JUNIOR COLLEGE	\$4	2.5%	\$629	\$6,680
MID-CONTINENT LIBRARY	\$7	4.2%	\$1,075	\$11,412
STATE BLIND PENSION	\$1	0.4%	\$92	\$975
	\$164	100.0%	\$25,553	\$271,270

Value of Incentive Request to Developer

Project Costs		
Land Acquisition	\$1,300,000	
Project Construction	\$7,000,000	
Soft Costs	\$250,000	
Total	\$8,550,000	
Value of Sales Tax Exemption	\$170,660	2.0%
NPV of Property Tax Abatement*	\$595,448	7.0%
Total Value of Incentive Request	\$766,108	9.0%

* Assumes County valuation at 67% of construction budget.

Impact to City

Impact of Abated Taxes

Sales & Use Tax Exemption	\$38,500
Real Property Tax Abatement	\$101,226
	<u>\$139,726</u>

T&W Steel Retention and Expansion
Revised Incentive Request
 May 5, 2026 City Council

Developer Request

Source	Incentive Tool	Applicable Rate	Purpose	Estimated Financial Benefit	% Project Costs
LCRA	Sales Tax Exemption on Construction Materials	100%	Reduce Project Costs for Retention & Expansion	\$170,660	2.0%
LCRA	Real Property Tax Abatement	75%*	Reduce Project Costs for Retention & Expansion	\$595,448	7.0%
				\$766,108	9.0%

* Fixed PILOT structure