

Pryor Mixed-Use Project
Incentive Request
 October 24, 2023 Public Hearing

Developer Request

Construction Period

Sales & Use Tax Exemption on Construction Materials

- 4 Residential Buildings
- Commercial on First Floor of Building 4

Years 1-10: Fixed PILOTs for Residential

- Buildings 1-3 and Residential in Building 4

Abatement 34% \$1,600 PILOT vs \$2,427 taxes per unit
 PILOTs 66%

Years 1-27: CID for Commercial

- Commercial Pads and Commercial in Building 4

Sales & Use Tax 1%

Tax Benefit to Taxing Districts

	2022 Taxes	%	First Year PILOTs*	PILOTs Over 10 years
BOARD OF DISABLED SERVICES	\$1.35	1.0%	\$3,985	\$42,314
CITY - LEES SUMMIT	\$22.91	16.7%	\$67,683	\$718,674
JACKSON COUNTY	\$9.55	7.0%	\$28,219	\$299,637
BLUE SPRINGS SCHOOL DISTRICT	\$92.42	67.5%	\$273,067	\$2,899,496
MENTAL HEALTH	\$1.80	1.3%	\$5,305	\$56,334
METRO JUNIOR COLLEGE	\$3.27	2.4%	\$9,667	\$102,646
MID-CONTINENT LIBRARY	\$5.23	3.8%	\$15,444	\$163,991
STATE BLIND PENSION	\$0.48	0.4%	\$1,430	\$15,184
	\$137.00	100.0%	\$404,800	\$4,298,276

* Residential completed in 2026.

Value of Incentive Request to Developer

Total Project Costs	\$64,474,275	
Sales & Use Tax Exemption	\$1,180,474	1.8%
Real Property Tax Abatement (NPV)	\$1,459,865	2.3%
CID Reimbursement (NPV)	\$1,526,043	2.4%
Total Value of Incentive Request	\$4,166,382	6.5%

Impact to City from Abatement & Exemption

Real Property Tax Abatement	\$377,532
Sales & Use Tax Exemption	\$290,320
	<u>\$667,852</u>

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Source	Incentive Tool	Applicable Rate	Purpose	Estimated Financial Benefit	% Project Costs
Chapter 100	Sales Tax Exemption on Construction Materials	100%	Reduce Development Costs	\$1,180,474	1.8%
Chapter 100	Fixed PILOTs - Real Property Tax Abatement	34%	Tax Certainty & Reduce Dev. Costs	\$1,459,865	2.3%
CID	Sales & Use Tax	1%	Reimbursement for Public Improvements	\$1,526,043	2.4%

\$4,166,382

6.5%

Total Project Costs:

\$64,474,275

**Incentivized Apartment Projects
Taxes vs PILOTS Comparison**

Updated October 24, 2023

Chapter 100 Projects		Market Value			2023 Taxes			
		2021	2023	% Increase	Assessed Value	Tax Bill*	Units	Tax / Unit
Residences @ New Longview	2014	\$41,453,200	\$55,961,260	35.0%	\$10,632,639	\$902,945	309	\$2,922
Summit Square Apartments	2016	\$41,872,000	\$56,527,300	35.0%	\$10,740,187	\$912,078	310	\$2,942
Residences @ Echelon	2017	\$28,281,000	\$38,179,400	35.0%	\$7,254,086	\$616,031	243	\$2,535
Meridian @ View High	2017	\$37,750,000	\$50,962,500	35.0%	\$9,682,875	\$822,289	312	\$2,636
The Donovan	2018	\$37,490,000	\$50,611,500	35.0%	\$9,616,185	\$816,626	326	\$2,505
Streets of West Pryor Phase 1	2019	\$43,744,000	\$43,744,000	0.0%	\$8,311,360	\$705,817	237	\$2,978
Blackwell Mixed-Use Resid.	2022							
Streets of West Pryor Phase 2	2022							
Northpoint Phase III	2023							
							Average	\$2,753

* 2022 tax rates

All Incentivized Apartments			
- with PILOTS or Tax Data			
	PILOT per unit	Taxes per unit	Notes
Residences @ New Longview	\$935	\$2,922	
Summit Square Apartments	\$935	\$2,942	
Residences @ Echelon	\$993	\$2,535	
Meridian @ View High	\$1,051	\$2,636	
The Donovan	\$1,350	\$2,505	
Streets of West Pryor Phase I	\$1,350	\$2,978	
Streets of West Pryor Phase II	\$1,350		
Elevate 114 Downtown	-	\$3,239	TIF Plan
Blackwell Mixed-Use Resid.	\$1,400		Closed 9-7-23
Northpoint Phase III	\$1,800		Construction
Cityscape at Tudor Road	\$1,800		Plan approved
Greens at Woods Chapel	\$1,600		Plan approved
Douglas Station	\$1,600		Plan approved
Pryor Mixed Use	\$1,600		
Average of Approved Projects	\$1,347	\$2,822.42	

Lee's Summit Incentives for Residential Development

Updated October 24, 2023

* Conceptual and Pending Projects are Red

	Acres	Units	Cost (Millions)	Legal Authority				Incentive			Characteristics			
				Chapter 100	LCRA	Chapter 353	TIF	Sales & Use Tax Exemption	Real Prop. Tax Abatement	Real Prop. Tax Redirection	Blighted Area	Greenfield	Redevelopment	Unique Factors
Apartments														
Residents at New Longview (2014)	15.48	309	\$35.0	•				•					•	
Summit Square #1 (2016)	15.00	310	\$36.0	•				•					•	
Paragon Star (2016)	3.64	390	\$52.7				•			•		•	•	•
Echelon (2017)	11.15	243	\$27.0	•				•					•	
Meridian (2017)	21.43	312	\$39.5	•				•					•	
Summit Square #2 (2018)	12.78	326	\$48.5	•				•					•	
Cityscape Downtown (2019)	3.69	273	\$51.8		•		•	•				•	•	•
Streets of West Pryor Phase 1 (2019)	6.17	237	\$48.0	•				•					•	
Streets of West Pryor Phase 2 (2021)	9.25	184	\$36.5	•				••					•	
Stag's Field (2021, amendments pending)	27.00	356	\$85.0	•				••					•	
Discovery Park (2022)	200.40	2,791	\$951.0				•			•			•	•
Summit Square III (2022)	11.40	324	\$72.2	•				••	•				•	
Cityscape at Douglas & Tudor (2022)	13.20	358	\$65.7	•				••	•				•	
Ellis Glen (2023)	1.20	26	\$8.0		•			••	•				•	
Greens at Woods Chapel (2023)	18.00	396	\$70.5	•				••	•				•	
Douglas Station (2023)	6.30	150	\$24.9	•				••	•				•	
Pryor Mixed Use (2023)	8.00	253	\$64.5											
Subtotal	384.09	7,238	\$1,716.8											
Townhomes														
Streets of West Pryor Villas (2021)	9.34	78	\$30.5		•			••	•				•	•
Mixed Residential (Rental)														
Griffin Riley - Blackwell (2022)	56.22	442	\$103.1	•				••	•				•	
Senior Care														
John Knox Village (2015)	170.00	369	\$90.3			•			•				•	•
The Princeton (2019)	37.00	153	\$35.5		•			•					•	•
Scenic Development (2022)	11.86	186	\$48.4	•				••	•				•	•
Subtotal	218.86	708	\$174.2											
Grand Totals	668.51	8466	\$2,024.6	14	4	1	3	19	9	3	8	16	6	6