



SCANNELL
P R O P E R T I E S



POLSINELLI

Lee's Summit Logistics Park

Conceptual Presentation to
Lee's Summit City Council

November 2, 2021

Overview

- Proposed Developer
- Proposed Project
- Competition for Tenants
- Proposed Public Incentives
- Value Proposition for City

PROPOSED DEVELOPER

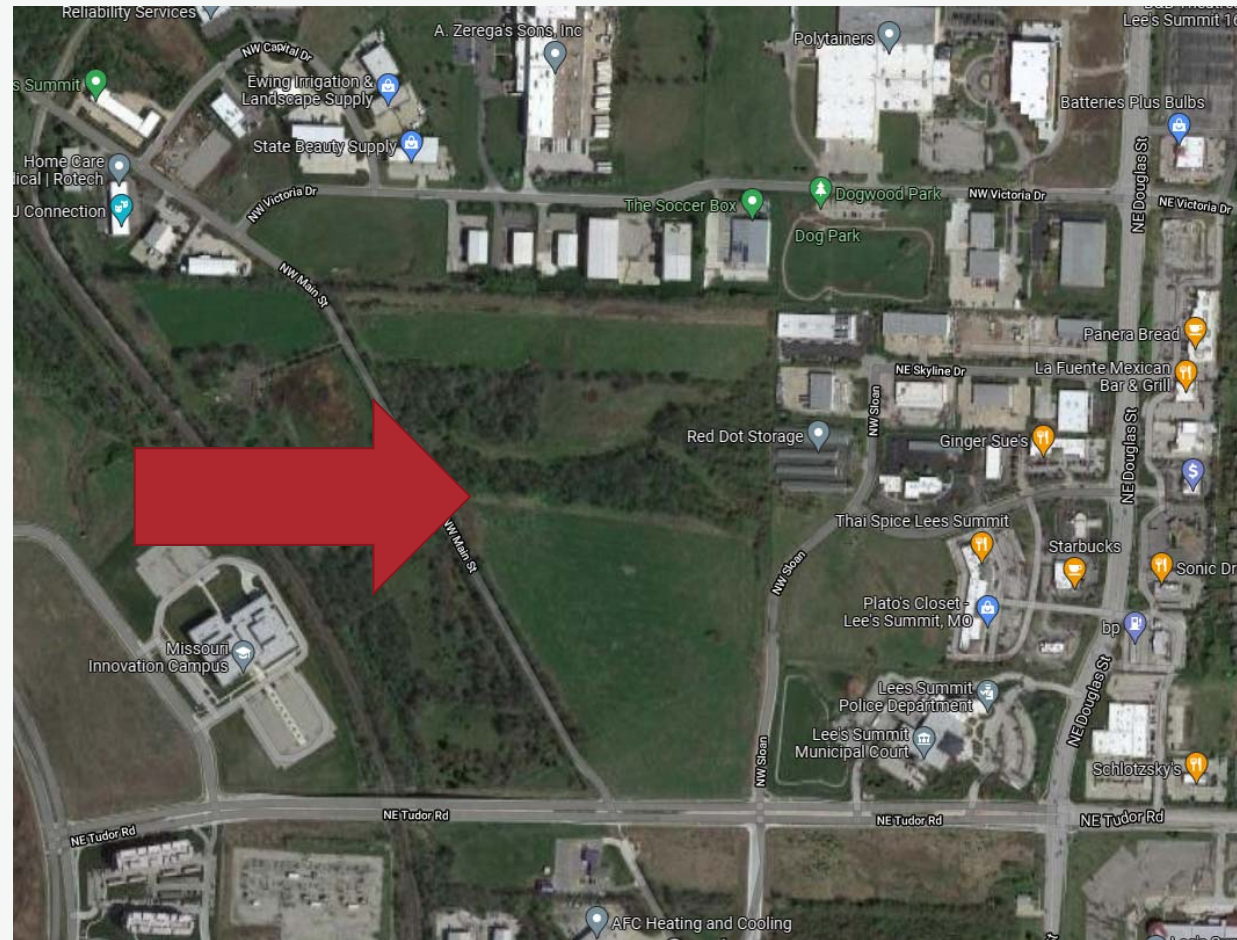
- Privately owned real estate development and investment company focused on projects throughout the U.S., Canada, and Europe
- Founded in 1990, headquartered in Indianapolis
 - Additional offices in Minneapolis, Denver, Alexandria, VA, Kansas City, Dallas, San Francisco Bay area, and London, England
 - Kansas City office located in Lee's Summit
- In the 31 years since Scannell was established, they have done 450 projects for a total of 75 million square feet developed
- Clients include: Alcoa, Apria Healthcare, FedEx, Gold's Gym, ITT Educational Services, Scott's Lawn Care, Wausau Window & Wall Systems, and Wesco Distribution
 - 70% of Scannell's business is derived from repeat clients



SCANNELL
PROPERTIES

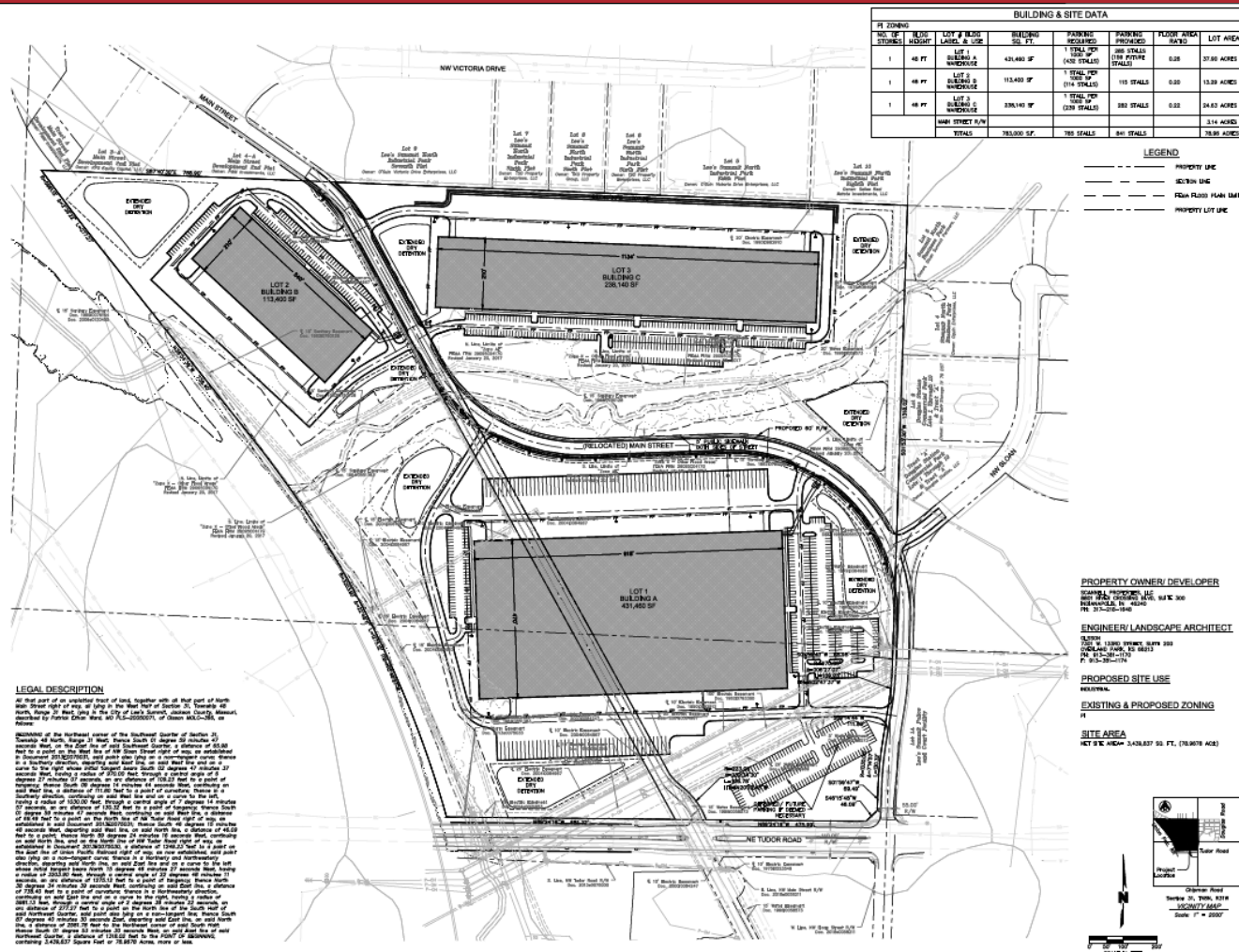
Proposed Project

- NE Tudor / NW Main
- 79 +/- acres



Proposed Project

- \$6.6MM Main St. relocation
- Building A (cross dock):
431,460 SF
- Building B (single load):
113,400 SF
- Building C (single load):
238,140 SF



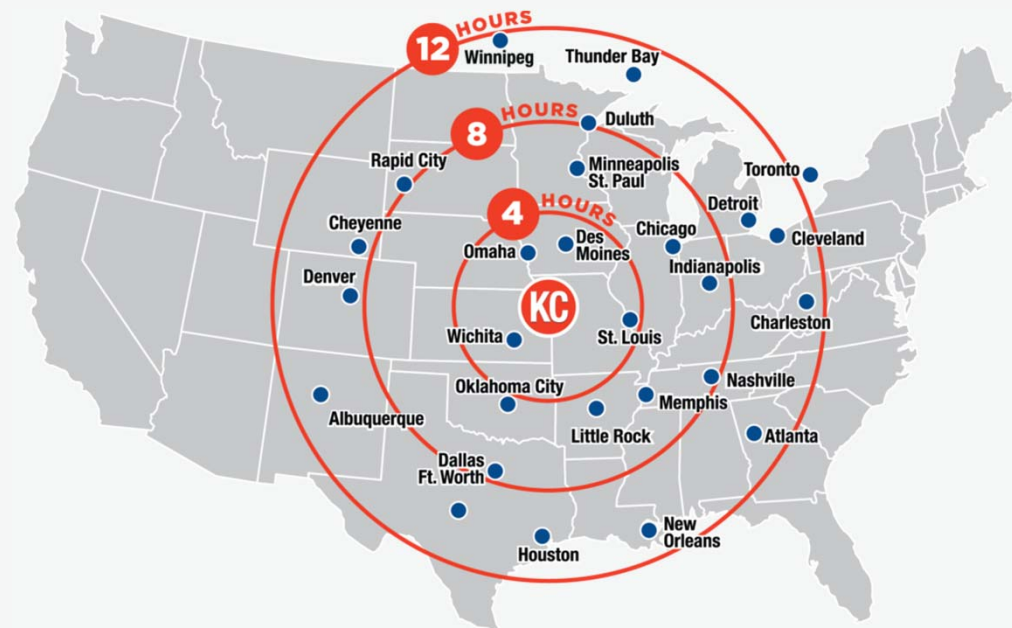
Proposed Project

- Quality design
- Est. Timeline:
 - Commence 2022 - Infrastructure + Building A (15-16 months)
 - Commence 2022/2023 – Buildings B & C (10 months)



Competition for Tenants

- Target businesses/users
 - Warehouse/distribution
 - Light industrial
- Extremely competitive market in Kansas City



GOVERNMENTAL ENTITY	PROJECT	SF	ABATEMENT TERM	ABATEMENT LEVEL (Converted to Est. % Abatement, where applicable)
Kansas City (PortKC)	Three Trails Industrial Park (three buildings)	1,300,000	20 years	100% (Yrs 1-13); 50% (Yr 14); 40% (Yr 15); 30% (Yr 16); 20% (Yr 17); 10% (Yrs 18-20)
Kansas City (PortKC)	Northland Park (HWY 210 & N. Kimball Drive)	1,500,000	20 years	90% (Yrs 1-10); 50% (Yrs 11-20)
Grandview	Southpointe Business Park	737,000	15 years	58.5% (Yrs 1-15) INCLUDING 20% "Additional Rent" for infrastructure
Kansas City (PortKC)	Skyport Industrial Park	762,000	22 years	90% (Yrs 1-12); 50% (Yrs 13 - 22) [plus 10-yr personal property abatement on equipment]
Kansas City (EEZ)	Hunt Midwest Business Center (HMBC I - III)	623,785	25 years	100% (Yrs 1 - 25)
Belton	Southview Commerce Center (Building I)	454,489	20 years	96% (Yrs 1-5); 93% (Yrs 6-8); 90% (Yrs 9-10); 88.5% (Yrs 11-12); 55% (Yrs. 13-20)
Blue Springs	Faurecia	250,000	15 years	100% (Yrs 1-10); 50% (Yrs 11-15) [plus 15-yr personal property abatement on equipment]
Liberty	Liberty Logistics Center (three buildings)	922,000	10 years	100% (Yrs 1-10)
Liberty	Heartland Meadows Commerce Center	181,321	10 years	90% (Yrs 1-10)
Liberty	Broadacres Industrial Park	3,300,000	20 years	90% (Yr 1); Decline from 90% to 18% (Yrs 2 - 20)
Kansas City	Executive Park Logistics Center (2 buildings)	396,455	15 years	100% (Yrs 1 - 10); 50% (Yrs 11 - 15)
Kansas City (Port KC)	Blue River Commerce Center	2,590,000	20 years	94% (Yrs 1-10); 50% (Yrs 11-20)
Kansas City (Port KC)	Niagra (NWC 112th and North Congress Ave.)	630,000	16 years	~92% (Yrs 1-7); ~83% (Yrs 8-11); ~73% - 35% (Yrs 12 -16) [plus personal prop. abatement]
Raymore	Raymore Commerce Center	564,970	20 years	~97.5% (Yrs 1-20)

Proposed Public Incentives – Chapter 100

1. Sales tax exemption on construction materials
2. Property tax abatement
 - Years 1 – 10
 - 75% - Net tenant abatement
 - 20% - Approximate amount of Public Improvements Assessment imposed to reimburse portion of Main Street relocation
 - 5% - PILOT to taxing jurisdictions
 - Years 11 – 20
 - 50% - Net tenant abatement
 - 25% - Approximate amount of Public Improvements Assessment imposed to reimburse portion of Main Street relocation
 - 25% - PILOT to taxing jurisdictions

Value Proposition for City

- Property Tax / Fee Generation

- Today

- Annual real property taxes: \$1,317 (\$231 to City)

- During Ch. 100 (20 years)

- Annual real property taxes: \$27,000 - \$999,000 (\$4,700 - \$175,000 to City)
 - Total real property taxes: \$5,200,000 (\$922,000 to City)
 - Excise taxes paid to City: \$1,072,710

**After 20-year Ch. 100 period, \$1.3MM annually (\$225,000+ to City).

Value Proposition for City

- Job Creation
- Multiplier Effect
- Sales Tax

Scenario	Industry	Additional Jobs Created	Total Economic Output Generated
If 100 new jobs are created in:	Mining, Quarrying, and Oil and Gas Extraction	61	\$30,942,048
	Utilities	66	\$33,225,027
	Construction	61	\$32,747,794
	Manufacturing	73	\$42,552,458
	Wholesale Trade	59	\$33,845,791
	Retail Trade	29	\$13,974,281
	Transportation and Warehousing	47	\$21,028,653
	Information	113	\$52,017,563
	Finance and Insurance	74	\$40,921,393
	Real Estate and Rental and Leasing	296	\$111,369,716
	Professional, Scientific, and Technical Services	58	\$28,137,328
	Management of Companies and Enterprises	59	\$29,399,135
	Administrative & Support, Waste Management, Remediation Services	30	\$12,541,127
	Educational Services	32	\$14,735,516
	Health Care and Social Assistance	43	\$13,908,705
	Arts, Entertainment, and Recreation	55	\$17,986,008
	Accommodation and Food Services	20	\$10,088,176
	Other Services (except Public Administration)	29	\$13,400,135

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