



# Campus Wide 353 Plan

Meeting with the City of Lee's Summit

July 15, 2025

**John Knox Village Attendees:**

Anthony Columbatto, CEO and President

Steve Seggerman, CFO and VP Finance

Maria Timberlake, VP Senior Living

Deana Thomas, Director of Finance

Eric Scott, Director of Operations and Development

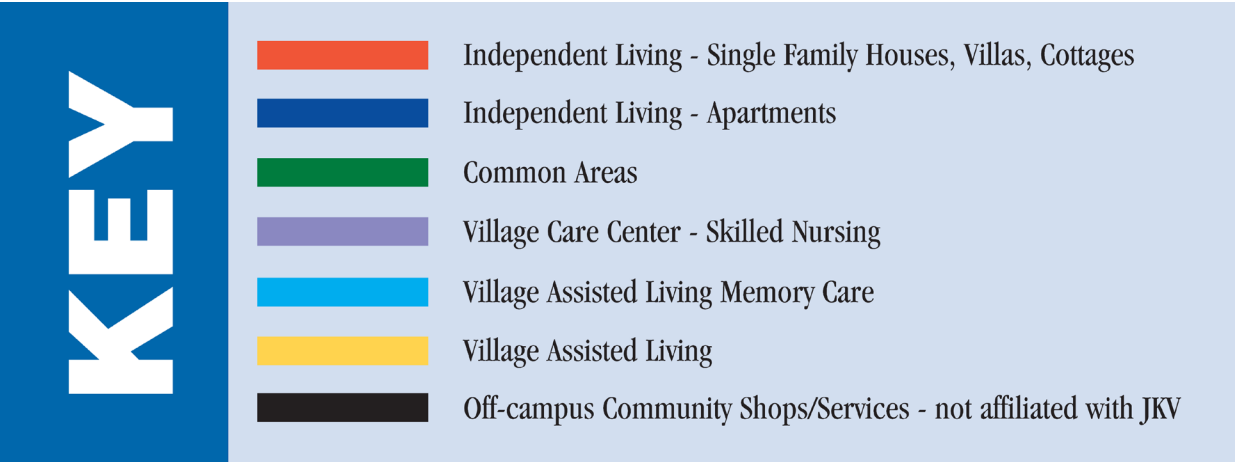
# Agenda

1. Overview of John Knox Village *(page 3)*
2. Map of the Campus *(page 4)*
3. History of 353 Abatement
  - Targeted 2004 Plan *(page 5)*
  - Campus-Wide 2015 Plan *(pages 6 – 12)*
4. 2025 Plan
  - Examples of Remaining Blight / Obsolescence *(pages 13 – 16)*
  - New Projects *(pages 17 – 19)*
  - Plan Details *(pages 20 – 22)*
5. Questions / Comments ?

# Overview of John Knox Village (JKV)

1. JKV is a Missouri nonprofit 501(c)(3) corporation that opened in 1970.
2. JKV's vision is "To be the leader among senior living communities in the Greater Kansas City area."
3. JKV's mission is "To enrich the lives of older adults through community living: "Enriching lives, building community."
4. The JKV campus is ~ 200 acres and is home to ~ 1,380 residents (1,100 independent living + 170 in assisted living + 110 skilled nursing).
5. JKV also provides various services, including home health, hospice, outpatient therapy, ambulance services, private duty nursing and related social, health, and wellness programs for seniors within the Village and the general public.
6. JKV has around 800 employees.

# Map as of November 2024

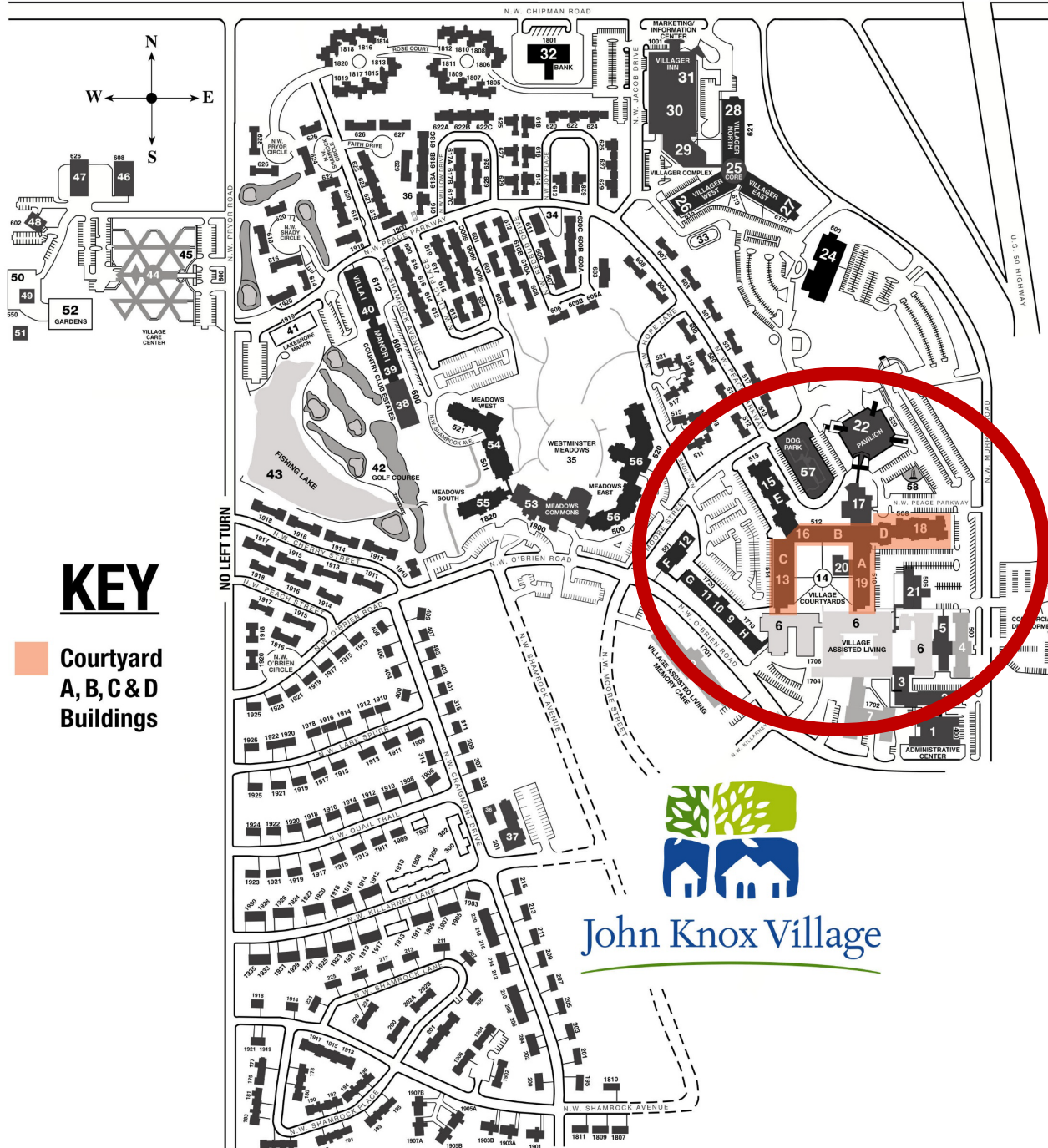




# History of 353 Abatement

## 2004 Plan (Targeted)

- Approximately \$32 million redevelopment of certain residential buildings located generally at Peace Parkway and Murray Road.
- 10 years at 100% followed by 10 years at 50%.
- No tax base reduction: PILOT payments in amount equal to the greater of (i) base year taxes and (ii) 50% of taxes on the completed project.
- The project included the following 3 phases:
  1. Courtyard B: Project costs of \$6.9 million, which is now in year 19.
  2. Courtyard A & C: Project costs of \$7.0 million, which is now in year 18.
  3. Courtyard D: Project costs of \$18.1 million, which is now in year 10.



# History of 353 Abatement

## 2015 Plan (Campus-Wide)

- Campus-wide master plan to replace aging and dilapidated units throughout the JKV campus.
- 10 years at 100% followed by 5 years at 50%.

No tax base reduction: Base PILOT was set at \$536,091 less taxes actually paid so that taxing jurisdictions would receive at least what was paid in tax year 2014.

Greenfield restoration: 2015 Plan limited tax abatement savings to recoupment of reimbursable greenfield restoration costs, which consist only of (a) site preparation and environmental abatement, (b) demolition, (c) soil remediation and consultant costs associated with such work, and (d) relocation costs.

Projects completed: Under the 2015 Plan, JKV completed \$105,000,000 in total project costs and incurred \$7,857,783 in reimbursable greenfield restoration costs.

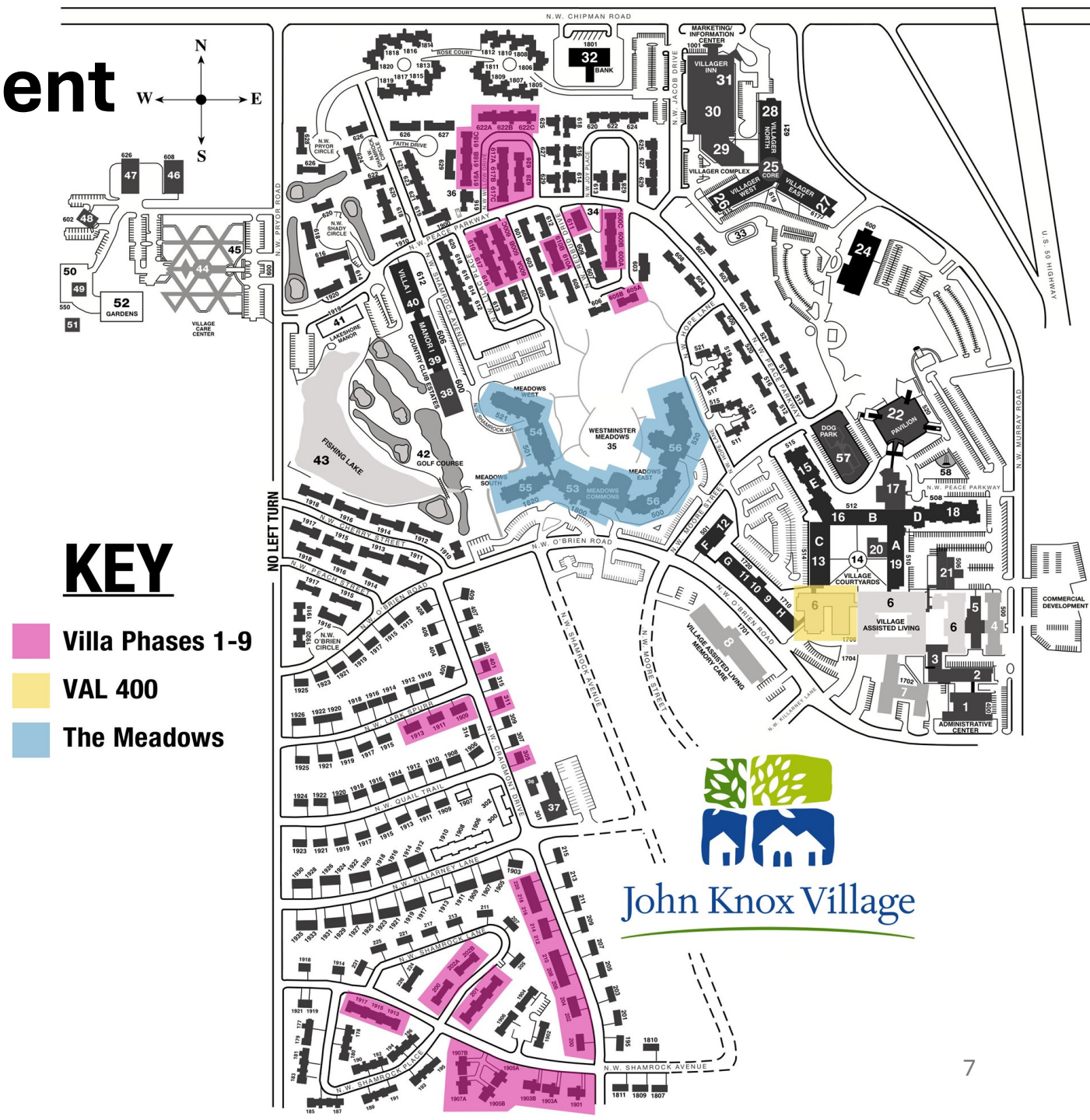
- As of August of 2025, no additional projects may be approved for abatement under this plan. No projects will be added to the 2015 plan in 2025. The last project added to the 2015 plan was in 2024, so the final year of abatement will be 2038 (2024 – 2038 = 15 years).

# History of 353 Abatement

## 2015 Plan (Campus-Wide)

### Completed Projects

- **Villa Phases 1 – 9:** 85 obsolete cottages were demolished and replaced with 59 new villas.
- **Village Assisted Living:** A 28-unit obsolete residential care facility was demolished and replaced with 25 new assisted living units.
- **Meadows Phases I and II:** 167 obsolete cottages were demolished and replaced with 156 new apartments.







# Completed Villa Program

Phases 1 – 9

Eliminated 98 units/80,736 sq ft

Added 59 units/75,139 sq ft



# Completed

## Village Assisted Living Expansion

- New Village Assisted Living units
  - Demolished old Astoria building that was not compatible with current Assisted Living classifications.
  - Created 25 new units which opened in January 2020.







# Completed

## Meadows I & II

Eliminated many old homes and added 156 apartments, a restaurant, and common areas



# History of 353 Abatement

## 2015 Plan (Campus-Wide)

### Value of Abatement:

- Total Reimbursable Costs:
  - \$7,857,783
- Reimbursable Costs Paid as of 2025:
  - \$1,862,905
- Estimated Total Reimbursable Costs Paid During Life of 2015 Plan:
  - \$3,869,795 (49% of Reimbursable Costs)

# History of 353 Abatement

## 2015 Plan (Campus-Wide)

### **Issues preventing full reimbursement under 2015 Plan:**

1. 15-year total abatement period (shorter than 25-year period allowed by Chapter 353); and
2. Individual project reimbursement maximums
  - a. 2015 Redevelopment Contract divides total reimbursable greenfield restoration costs up among various parcels, causing some parcels to hit individual maximums or term out without reaching maximum.
  - b. Individualizing reimbursable greenfield restoration costs to parcels instead of grouping them to reach a total maximum causes delays in reimbursement and increases anticipated overall shortfalls adding up to an estimated \$1,086,266 decrease in reimbursement.

JKV is not asking for additional assistance for 2015 Plan projects but would like the City to consider the effect of these issues on reimbursement levels for future projects.



# **2025 Plan**

## **Examples of Remaining Blight Obsolescence**



# Country Club Corridor Apartments

- Apartments
  - Three apartment buildings
    - ✓ 143 units
  - Average 614 sq. ft.
  - No washers/dryers or dishwashers
  - Small bathrooms, small kitchens
  - Lakeshore already vacant
    - ✓ 42 units
  - 54% occupied with Lakeshore; 76% occupied without
  - 12% entry fee; 88% lease
  - Single-elevator buildings
  - Opened in 1975 (49 years ago)
  - Mansard roof (four sloping sides, which is costly to install, repair, and maintain)
  - Other Increasing maintenance costs



Cottages



Cottages



Apartments



Lakeshore





# Country Club Corridor Cottages

## ■ Cottages

- 104 units
- Average 804 sq. ft. (some as small as 532 sq. ft.)
- 55% occupied
- 40% entry fee; 60% lease
- Lack of garages
- Most built in 1976
- Increasing maintenance costs

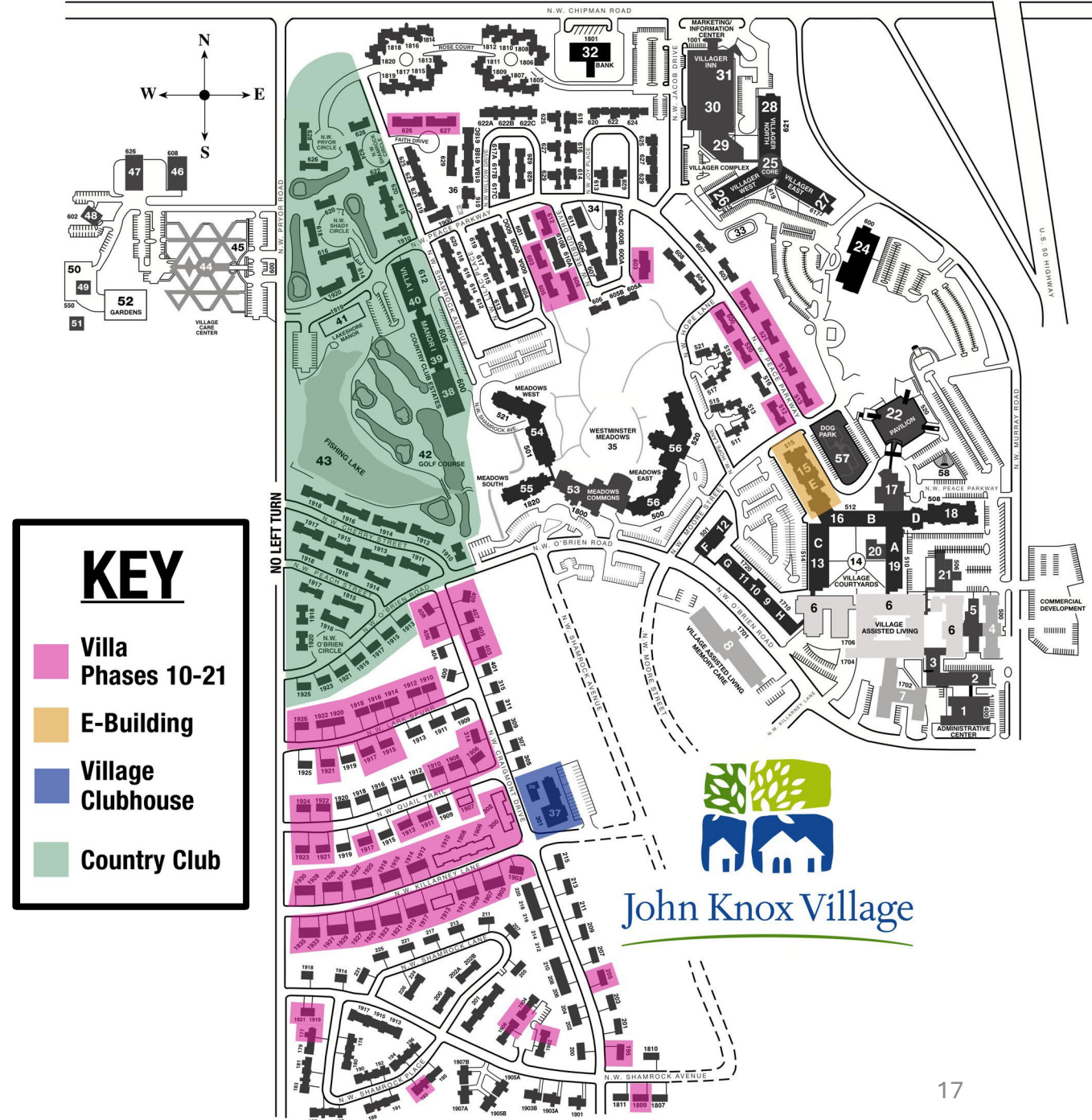




# 2025 Plan

## New Projects

1. **New Villa Phases 10 – 21:** Demolishing 97 obsolete cottages, mainly located south of NW O'Brien Road, and replacing them with 82 new villas.
2. **Courtyard E Project:** Demolishing 35 obsolete apartments in the Lindbergh building and replacing them with 52 new apartments called Courtyard E.
3. **Sun Valley Clubhouse:** Demolishing an obsolete clubhouse and outdoor pool and replacing it with a new clubhouse, outdoor pool, and 2 pickleball courts.
4. **Country Club Corridor Project:** Demolishing 247 obsolete units and replacing them with 186 apartments (spread across 8 new buildings).
5. **Summary of New Projects:**
  - a. Total Cost = \$171,075,000
  - b. Reimbursable greenfield restoration costs, replacement year = \$12,653,155 (7.4% of the total costs).



# New Projects Underway

## Villa Program

### Phases 10 & 11

#### ■ Phase 10

- Seven (7) new units
- Completed and occupied in 2025

#### ■ Phase 11

- Five (5) new units
- Will be completed and occupied later in 2025





# New Project Underway

## Courtyard E Building

- Replacing the Lindbergh Building located southwest of the Pavilion that had 35 apartments
- The new building will be called Courtyard E and will have 52 apartments
- Straub Construction chosen for the project
- Site work began on April 30, 2024
- 46 net deposits as of May 31, 2025
- Completion date August 2025



# Requests for 2025 Plan

## Continued Concepts

Concepts continued from 2015 Plan:

1. No tax base reduction: New base PILOT to be set at \$748,629 (increased from \$536,091) less taxes actually paid so that taxing jurisdictions receive at least what was paid in tax year 2024.
2. Greenfield restoration: Abatement savings will be limited to recoupment of reimbursable greenfield restoration costs which consist only of:
  - Site preparation and environmental abatement
  - Demolition
  - Soil remediation and consultant costs associated with such work
  - Relocation costs

Estimated reimbursable greenfield restoration costs for 2025 Plan: \$12,653,155  
(includes 2% annual escalation)



# 2025 Plan Requests

## Plan Differences

### Differences from 2015 Plan:

1. Longer abatement period: In order to allow for greater recoupment of the anticipated \$12,653,155 in reimbursable greenfield restoration costs, JKV requests that the 2025 Plan allow for a 25-year abatement (10 years at 100% abatement and 15 years at 50% abatement).
2. Group all reimbursable greenfield restoration costs: As opposed to tying reimbursable greenfield restoration costs to specific parcels to be reimbursed from abatement on those specific parcels (as was done under the 2015 Plan), JKV requests that the aggregate reimbursable greenfield restoration costs from the 2025 Plan be reimbursable from abatement on all new projects receiving abatement under the 2025 Plan.
3. Effect of differences: JKV estimates that the longer term and grouping of costs will allow for approximately \$10,156,778 of the 2025 Plan reimbursable greenfield restoration costs to be reimbursed (approximately 80%), in contrast to the 49% of reimbursable greenfield restoration costs estimated to be reimbursed under the 2015 Plan.

# Comparison of the 2015 and 2025 Plans

<u>Description</u>	<u>2015 Plan Assumptions</u>	<u>Actual Projects Completed on 2015 Plan</u>	<u>New Projects for 2025 Plan</u>	<u>Total Completed 2015 Plan Projects and New 2025 Plan Projects</u>
1 Investment	90,330,290	105,000,000	171,075,000	276,075,000
2 Units demolished	526	280	379	659
3 New units constructed	365	240	320	560
4 Minimum tax & PILOT payment	536,091	536,091	748,629	n/a
5 Maximum abatement term per parcel	15 years	15 years	25 years	n/a
6 Reimbursable greenfield restoration costs	16,504,808	7,857,783	12,653,155	20,510,938
7 Estimated actual reimbursement	11,487,510	3,869,795	10,156,778	14,026,573
8 Percentage of reimbursement	70%	49%	80%	68%
9 Percentage of total investment reimbursed	13%	4%	6%	5%



Thank you for supporting the Village's mission of  
"Enriching lives, building community"  
in the growing and vibrant Lee's Summit!