



LS Industrial

Conceptual Presentation to
Lee's Summit City Council

June 7, 2022

Overview

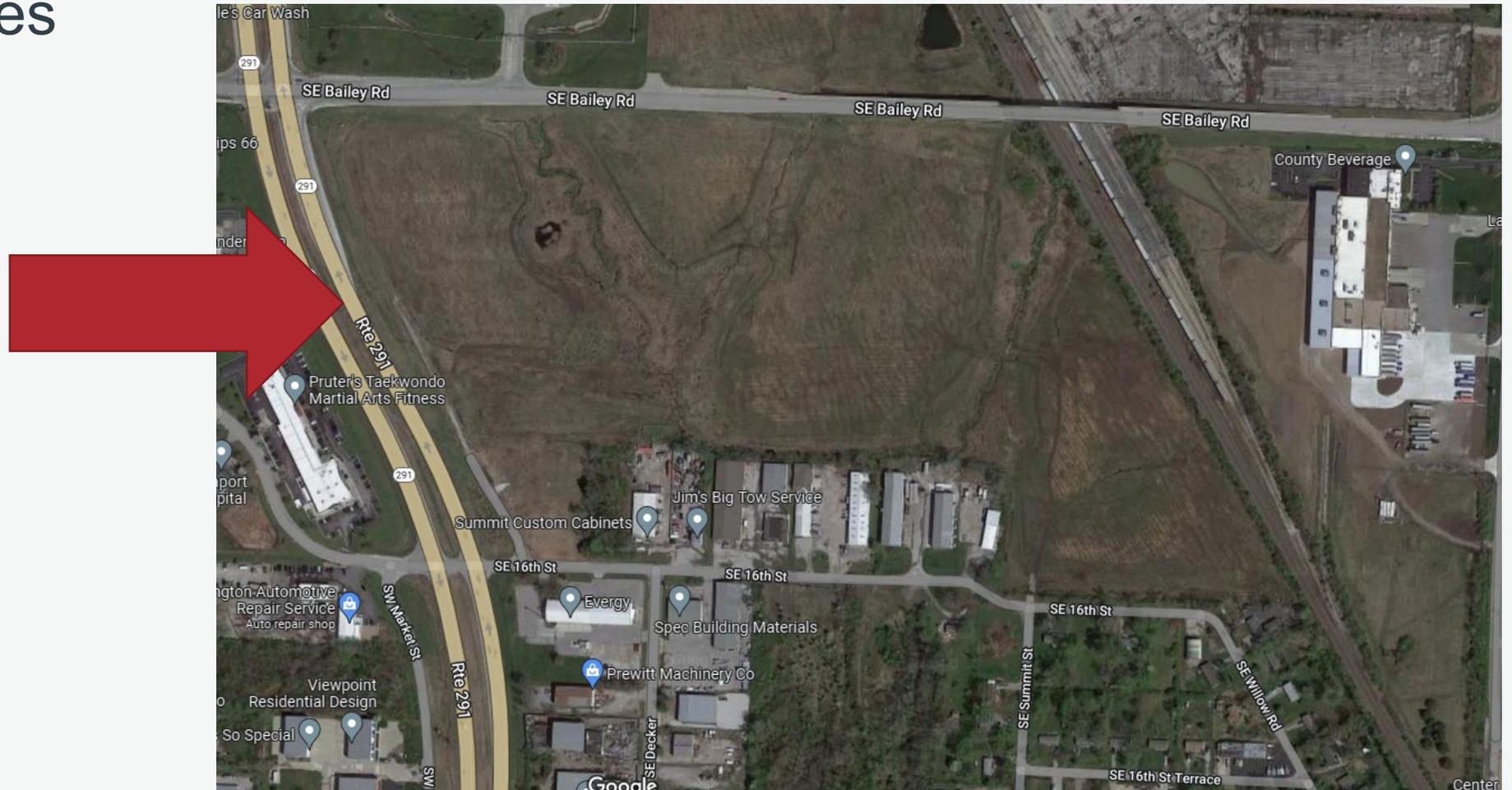
- Proposed Developer
- Proposed Project
- Competition for Tenants
- Proposed Public Incentives
- Value Proposition for City

Proposed Developer

- LS Industrial
 - Real estate development / holding company
 - O'Dell Family
 - Liberty, Missouri
- Extensive history
 - Building and holding Class A office, industrial, and multi-family assets
 - Project lead - Gary O'Dell

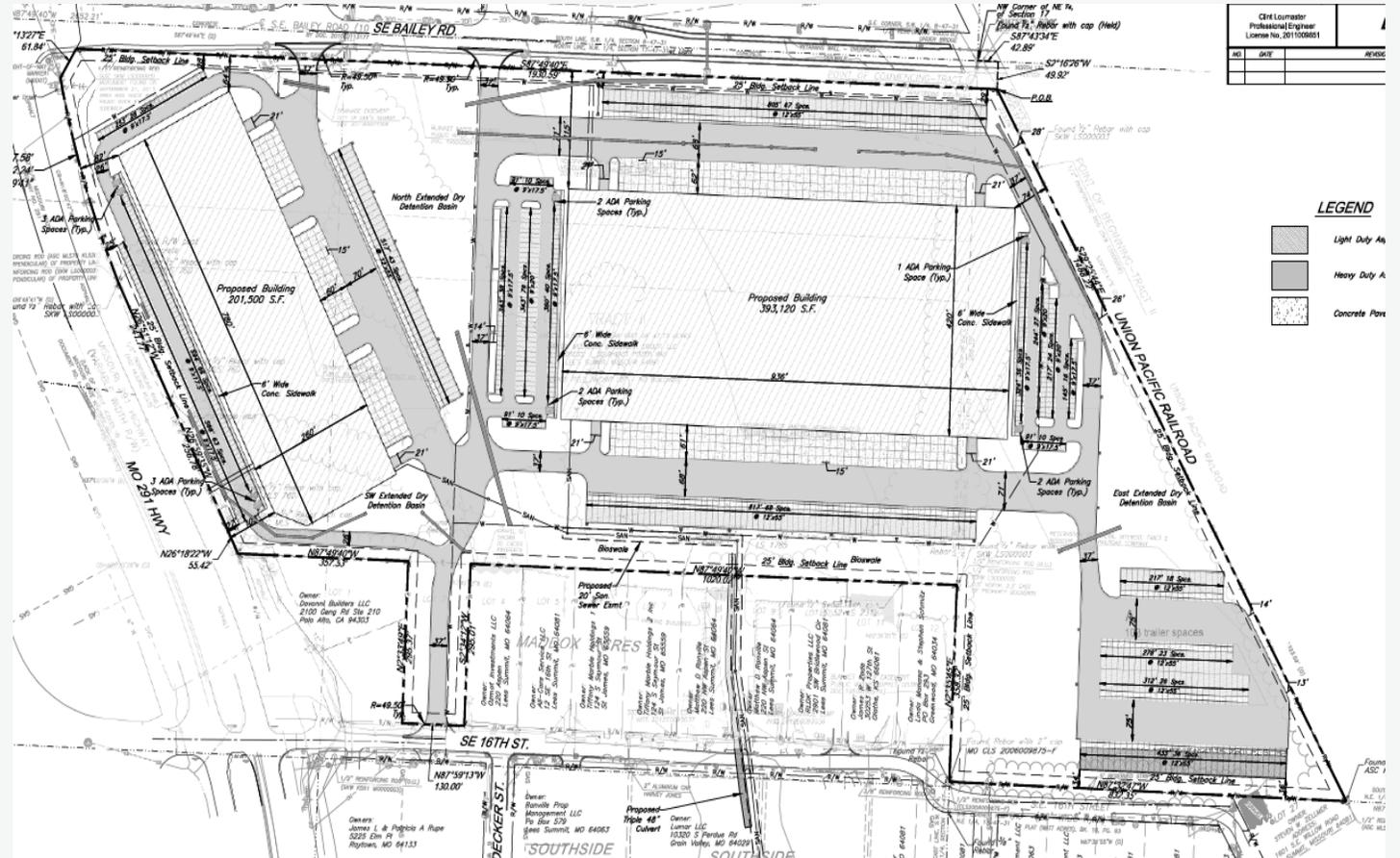
Proposed Project

- SEC of MO-291 Hwy / Bailey
- 50 +/- acres



Proposed Project

- Building 1 – 201,500 sf
- Building 2 – 393,120 sf
- Surface Lot -103 Trailer Spaces



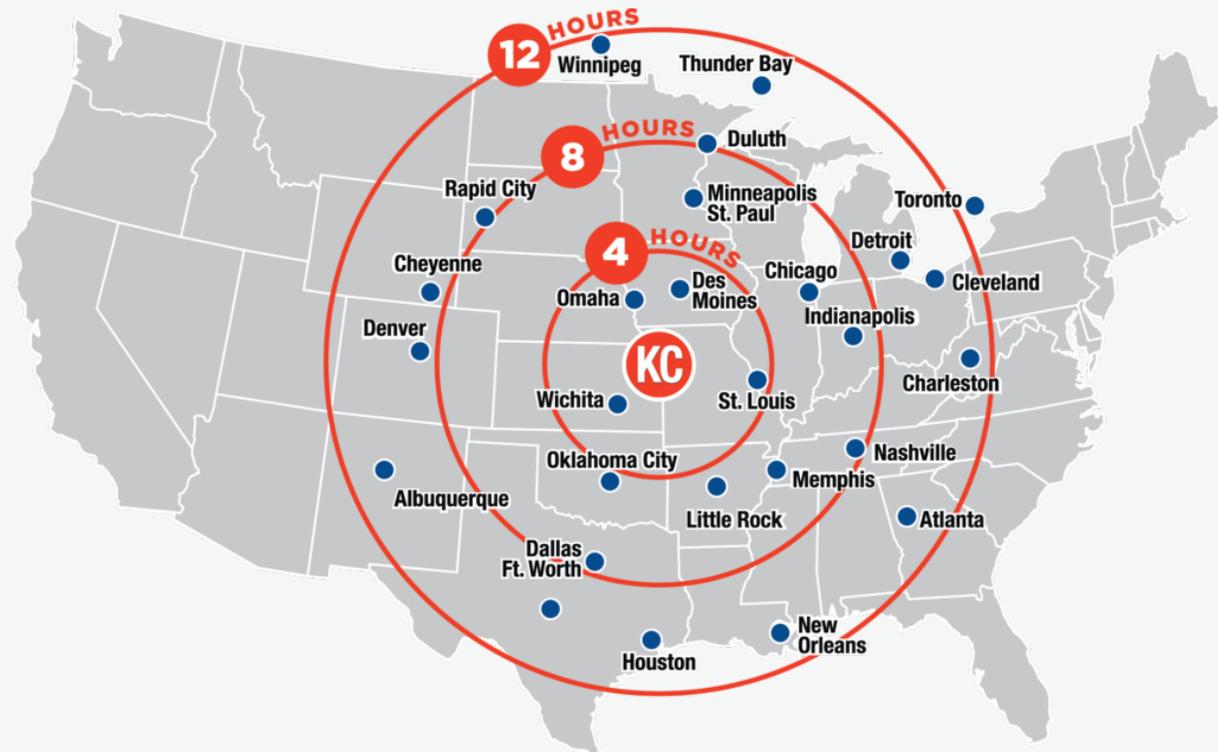
Proposed Project

- Quality design
- Est. Timeline



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 public improvements
 - 5% - PILOT to taxing jurisdictions
 - Years 11 – 20
 - 50% - Net tenant abatement
 - 50% - PILOT to taxing jurisdictions

Value Proposition for City

- Property Tax / Fee Generation

- Today

- Annual real property taxes: \$175 (\$30 to City)

- During Ch. 100 (20 years)

- Annual real property taxes: \$28,530 - \$966,000 (\$5,000 - \$166,000 to City)
 - Total real property taxes: \$6.6 million (\$1.13 million to City)
 - Excise taxes paid to City: \$374,610

**After 20-year Ch. 100 period, \$1.16 million annually (\$200,000 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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