

Conceptual Presentation – Cargo Largo Project

Independence Economic Development and Incentives Commission

D & J Realty Holdings, LLC (the “Developer”) has applied to the City of Independence, Missouri for incentives relating to a redevelopment project located at the northwest corner of 35th & Noland Road, including the site of an existing Cargo Largo store. The project involves the demolition of existing facilities and the construction of the following (altogether, the “Project”), as generally depicted on the attached site plan:

- Phase 1 Construction of an approximately 524,672 square foot mixed use facility and surface parking lots containing approximately 960 parking spaces; uses will include warehouse and distribution, retail merchandise sales and offices including the corporate headquarters for Recovery Management Corporation (“RMC”)
- Phase 2 Rehabilitation/redevelopment of approximately 76,439 square foot existing Cargo Largo store for use as warehouse and distribution facility
- Phase 3 Construction of an approximately 80,000 square foot building intended for mixed uses not yet determined
- Phase 4 Construction of an approximately 10,000 square foot building intended for mixed uses not yet determined

The Developer estimates that the following new jobs will be created by the Project*:

	Job Category (executive, professional, clerical, general labor, etc.)	# new full- time employees	# new part-time employees	Average hourly wage (excluding benefits)/employee
2022	Retail/warehouse	363	5	20.15
2023	Retail/warehouse	15	3	21.01
2024	Retail	15		18.00
2025	Retail	5		18.72

*In addition to the new jobs that will be created, approximately 101 existing jobs will be retained as a result of the Project.

Anticipated costs for the Project include \$58,243,212 in private development costs for real property improvements, \$5,400,000 in private costs for personal property and equipment (excluding inventory), and \$3,486,026 in public infrastructure costs consisting of, among other things, the construction of (i) a westbound right turn lane from 35th Street to Lynn Court, (ii) a new street connecting northbound Lynn Court to southbound Weatherford Avenue, (iii) a new street (33rd Street) westbound from Noland Road to the Lynn Court/Weatherford Avenue street connection, (iv) southbound right turn lane from Noland Road to 33rd Street, (v) traffic signalization improvements, and (vi) sewers and related utilities (the “Street Project”). The total costs of the Project (including the Street Project) are estimated at \$67,129,238.

In connection with the Project, the Developer is requesting that the City approve the following incentives:

- (1) real property tax abatement under Chapter 353 of the Revised Statutes of Missouri at the rate of 85% for the first 5 years, 84% for the next 5 years, and 50% for the next ten years;
- (2) reimbursement from net new sales tax revenues generated at the Project by the City's half-cent streets sales tax and half of such net new revenues generated at the Project by the City's one-cent general sales tax for \$1,736,026 of Developer-paid costs related to the Street Project, plus annual interest at the rate of 6.5 percent (6.5%) until paid; and
- (3) reimbursement from net new sales tax revenues generated at the Project by the three-quarter cent sales tax imposed by the Noland Road Community Improvement District for \$1,750,000 of Developer-paid costs related to the Street Project, plus annual interest at the rate of 6.5 percent (6.5%) until paid.

The result of such incentives is shown on the second page of the attached Impact Analysis (entitled "Summary of Request"), expressed both in terms of present value to the Developer and total impact to the taxing jurisdictions. The pages of the Impact Analysis are summarized as follows:

Page 1	Benefits Analysis: shows the real estate tax payments made to taxing jurisdictions as a result of the Project, the sales tax revenue generated by the Project and the number of new jobs created and the number of jobs retained as a result of the Project.
Page 2	Summary of Request: shows costs of Project and requested incentives on both a present value basis (value to Developer) and a total tax impact basis (tax impact to taxing jurisdictions).
Page 3	Total Impact of Real Property Tax Abatement: shows the total tax impact of the requested Chapter 353 tax abatement (net of PILOT payments to be made based on existing value) and the anticipated PILOT payments on new value.
Page 4	Comparison of Requested Abatement to City's Economic Development Policy: shows the difference between the abatement requested by the Developer and the abatement suggested by the City's Economic Development Policy, which results in more abatement during early years under the Developer's request but no abatement in the final five years due to the shortened period requested by the Developer (20 years requested versus 25 years permitted under the Policy). The Developer's request results in 4.3% more in total abatement compared to the Policy suggestion, but this is the result of an abatement restructuring requested by the Independence School District to decrease abatement in the first 10 years while retaining a similar present value to the developer by increasing abatement in the final 10 years (abatement in later years produces less present value per actual dollar abated).
Page 5	Total Impact to City and CID of Sales Tax Incentives Requested: shows the total impact of City and CID sales tax reimbursements for the Street Project.
Page 6	Present Value to Developer: shows the immediate value to the Developer of future abatements and reimbursements under the incentives request.

On a present value basis, the total percentage of the Project to be paid by incentives is 19.3% (with 14.1% being incentivized by tax abatement), which is within the 20% guideline established by the City's Economic Development Policy.

IMPACT ANALYSIS

Cargo Largo Project

RMC Headquarters Development - Benefits Analysis

'Net New' Real Estate Tax Payments to Taxing Jurisdictions (est.)

Taxing Jurisdictions	Assessment	Project Years	Average Annual Net New Tax Payments to Taxing Jurisdictions				Total Payments
			1-5	6-10	11-20	21-25	Years 1-25
Independence School District	5.4371		115,755	129,482	436,378	940,700	10,293,472
City of Independence	0.6672		14,205	15,889	53,549	115,436	1,263,137
Junior College	0.2128		4,530	5,068	17,079	36,818	402,871
Sheltered Workshop	0.0649		1,382	1,546	5,209	11,229	122,868
Library	0.3696		7,869	8,802	29,664	63,946	699,724
Mental Health	0.1056		2,248	2,515	8,475	18,270	199,921
Jackson County	0.4015		8,548	9,562	32,224	69,466	760,116
State Tax	0.0300		639	714	2,408	5,190	56,796
Replacement Tax	1.5900		33,851	37,865	127,612	275,094	3,010,175
Total	8.8787		\$ 189,027	\$ 211,442	\$ 712,599	\$ 1,536,150	\$ 16,809,080
PILOT Payment to Taxing Jurisdictions Based on Existing Value			\$ 88,740	\$ 93,059	\$ 100,360	\$ 108,173	\$ 2,481,370
Total Real Estate Tax Payments Made to Taxing Jurisdictions			\$ 277,767	\$ 304,501	\$ 812,959	\$ 1,644,323	\$ 19,290,450

'Net New' Sales Tax Revenue (est.)

Generated from CID for Public Improvements Including Amounts Paid to Developer for Public Improvements (.075%)	\$ 128,222	\$ 251,618	\$ 423,538	\$ 583,556	\$ 9,052,363
New City Tax after Public Improvement Reimbursement from City (2.25%)	\$ 213,703	\$ 419,363	\$ 1,260,819	\$ 1,750,667	\$ 24,526,858
Total Net New Sales Tax Revenue	\$ 341,925	\$ 670,981	\$ 1,684,357	\$ 2,334,223	\$ 33,579,221
CID Sales Tax Revenue From Existing Base Sales (est.) ¹	\$ 128,243	\$ 128,243	\$ 128,243	\$ 128,243	\$ 3,206,075
City Sales Tax Revenue From Existing Base Sales (est.) ¹	\$ 384,728	\$ 384,728	\$ 384,728	\$ 384,728	\$ 9,618,200
Total Sales Tax Revenue	\$ 854,896	\$ 1,183,952	\$ 2,197,328	\$ 2,847,194	\$ 46,403,496

'Net New' Employees (est.)

	398
Jobs Retained	101

Notes on proposed tax abatement:

Abatement levels

Project Years 1-5	85.0%
Project Years 6-10	84.0%
Project Years 11-20	50.0%
Project Years 21-25	0.0%
Estimated Project Value	\$ 43,652,022
Estimated Assessed Valuation (32%) ²	\$ 13,968,647

¹ Based on 2020 sales tax base at the Cargo Largo retail store

² Assessed valuation projected to increase 2% every other year

Summary of Request
Present Value v. Total Estimated Tax Impact to Taxing Jurisdictions

RMC Proposal - Net Present Value (Benefit to Developer)			
Costs	Total	Private Sources	Public Sources
Private (Real Property)	58,243,212	58,243,212	
Public	3,486,026		3,486,026
Subtotal	61,729,238		
Private (Personal Property)	5,400,000	5,400,000	
Total	67,129,238	63,643,212	3,486,026
Incentive Sources	Total	Private Projects	Public Projects
Chapter 353 Property Tax Abatement ¹	9,491,497	9,491,497	
CID Sales Tax Proceeds ²	1,750,000		1,750,000
City Contribution ³	1,736,026		1,736,026
Total Incentives	12,977,523	9,491,497	3,486,026
Percentage Incentivized	19.3%	14.9%	100.0%
Percentage Incentivized by Abatement	14.1%	14.9%	0.0%

¹ Net Present Value of adjusted Tax Abatement, received over 20 years

² Net Present Value CID Sales Tax received over 14 years with interest at 6.5%.

³ Net Present Value of 0.5% Streets Tax and 50% of 1% General Tax, received over 11 years with interest at 6.5%.

RMC Proposal - Total Impact (Actual Impact to Taxing Jurisdictions)			
Costs	Total	Private Sources	Public Sources
Private (Real Property)	58,243,212	58,243,212	
Public	3,486,026		3,486,026
Subtotal	61,729,238		
Private (Personal Property)	5,400,000	5,400,000	
Total	67,129,238	63,643,212	3,486,026
Incentive Sources	Total	Private Projects	Public Projects
Chapter 353 Property Tax Abatement ¹	16,119,509	16,119,509	
CID Sales Tax Proceeds ²	2,937,497		2,937,497
City Contribution ²	2,630,232		2,630,232
Total Incentives	21,687,237	16,119,509	5,567,729
Percentage Incentivized	32.3%	25.3%	159.7% ³
Percentage Incentivized by Abatement	24.0%	25.3%	0.0%

¹ Impact of Abatement affects only new revenues produced by Project, no existing value will be abated.

² Represents collections of net new sales tax, the existing sales tax base will not be reduced by the incentive.

³ Percentage represents the payment of reimbursable costs, with interest, over time.

**Total Impact of Real
Property Tax Abatement**

Phases 1-4 - Estimated Tax Abatement

Abatement levels	
Years 1-5	85%
Years 6-10	84%
Years 11-20	50%
Hard Costs	43,652,022
Estimated Improvements AV	13,968,647

Abatement - Gross Calculation

Taxing Jurisdictions	Year AV	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
		85.0%	85.0%	85.0%	85.0%	85.0%	84.0%	84.0%	84.0%	84.0%	84.0%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	
Independence School District	5.4371	645,566	645,566	658,477	658,477	671,647	663,745	677,020	677,020	690,560	690,560	419,269	419,269	427,654	427,654	436,207	436,207	444,931	444,931	453,830	453,830	11,042,422
City of Independence	0.6672	79,219	79,219	80,803	80,803	82,419	81,450	83,079	83,079	84,740	84,740	51,450	51,450	52,479	52,479	53,528	53,528	54,599	54,599	55,691	55,691	1,355,043
Junior College	0.2128	25,266	25,266	25,772	25,772	26,287	25,978	26,498	26,498	27,028	27,028	16,410	16,410	16,738	16,738	17,073	17,073	17,414	17,414	17,762	17,762	432,184
Sheltered Workshop	0.0649	7,706	7,706	7,860	7,860	8,017	7,923	8,081	8,081	8,243	8,243	5,005	5,005	5,105	5,105	5,207	5,207	5,311	5,311	5,417	5,417	131,808
Library	0.3696	43,884	43,884	44,762	44,762	45,657	45,120	46,022	46,022	46,943	46,943	28,501	28,501	29,071	29,071	29,652	29,652	30,245	30,245	30,850	30,850	750,635
Mental Health	0.1056	12,538	12,538	12,789	12,789	13,045	12,891	13,149	13,149	13,412	13,412	8,143	8,143	8,306	8,306	8,472	8,472	8,642	8,642	8,814	8,814	214,467
Jackson County	0.4015	47,672	47,672	48,625	48,625	49,597	49,014	49,994	49,994	50,994	50,994	30,961	30,961	31,580	31,580	32,212	32,212	32,856	32,856	33,513	33,513	815,422
State Tax	0.0300	3,562	3,562	3,633	3,633	3,706	3,662	3,736	3,736	3,810	3,810	2,313	2,313	2,360	2,360	2,407	2,407	2,455	2,455	2,504	2,504	60,928
Replacement Tax	1.5900	188,786	188,786	192,562	192,562	196,413	194,102	197,985	197,985	201,944	201,944	122,609	122,609	125,061	125,061	127,562	127,562	130,114	130,114	132,716	132,716	3,229,194
Total	8.8787	1,054,199	1,054,199	1,075,283	1,075,283	1,096,789	1,083,885	1,105,563	1,105,563	1,127,674	1,127,674	684,659	684,659	698,353	698,353	712,320	712,320	726,566	726,566	741,097	741,097	18,032,104

PILOT Payment on New Value

Taxing Jurisdictions	Year AV	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
		15.0%	15.0%	15.0%	15.0%	15.0%	16.0%	16.0%	16.0%	16.0%	16.0%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	
Independence School District	5.4371	113,923	113,923	116,202	116,202	118,526	126,428	128,956	128,956	131,535	131,535	419,269	419,269	427,654	427,654	436,207	436,207	444,931	444,931	453,830	453,830	5,589,970
City of Independence	0.6672	13,980	13,980	14,259	14,259	14,545	15,514	15,825	15,825	16,141	16,141	51,450	51,450	52,479	52,479	53,528	53,528	54,599	54,599	55,691	55,691	685,959
Junior College	0.2128	4,459	4,459	4,548	4,548	4,639	4,948	5,047	5,047	5,148	5,148	16,410	16,410	16,738	16,738	17,073	17,073	17,414	17,414	17,762	17,762	218,783
Sheltered Workshop	0.0649	1,360	1,360	1,387	1,387	1,415	1,509	1,539	1,539	1,570	1,570	5,005	5,005	5,105	5,105	5,207	5,207	5,311	5,311	5,417	5,417	66,725
Library	0.3696	7,744	7,744	7,899	7,899	8,057	8,594	8,766	8,766	8,941	8,941	28,501	28,501	29,071	29,071	29,652	29,652	30,245	30,245	30,850	30,850	379,992
Mental Health	0.1056	2,213	2,213	2,257	2,257	2,302	2,455	2,505	2,505	2,555	2,555	8,143	8,143	8,306	8,306	8,472	8,472	8,642	8,642	8,814	8,814	108,569
Jackson County	0.4015	8,413	8,413	8,581	8,581	8,752	9,336	9,523	9,523	9,713	9,713	30,961	30,961	31,580	31,580	32,212	32,212	32,856	32,856	33,513	33,513	412,789
State Tax	0.0300	629	629	641	641	654	698	712	712	726	726	2,313	2,313	2,360	2,360	2,407	2,407	2,455	2,455	2,504	2,504	30,843
Replacement Tax	1.5900	33,315	33,315	33,982	33,982	34,661	36,972	37,711	37,711	38,466	38,466	122,609	122,609	125,061	125,061	127,562	127,562	130,114	130,114	132,716	132,716	1,634,705
Total	8.8787	186,035	186,035	189,756	189,756	193,551	206,454	210,583	210,583	214,795	214,795	684,659	684,659	698,353	698,353	712,320	712,320	726,566	726,566	741,097	741,097	9,128,335

PILOT on Existing Value

2020 Real Property AV

Taxing Jurisdictions	Year AV	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Independence School District	5.4371	53,482	53,482	54,552	54,552	55,643	55,643	56,756	56,756	57,891	57,891	59,048	59,048	60,229	60,229	61,434	61,434	62,663	62,663	63,916	63,916	1,171,227
City of Independence	0.6672	6,563	6,563	6,694	6,694	6,828	6,828	6,965	6,965	7,104	7,104	7,246	7,246	7,391	7,391	7,539	7,539	7,689	7,689	7,843	7,843	143,724
Junior College	0.2128	2,093	2,093	2,135	2,135	2,178	2,178	2,221	2,221	2,266	2,266	2,311	2,311	2,357	2,357	2,404	2,404	2,453	2,453	2,502	2,502	45,840
Sheltered Workshop	0.0649	638	638	651	651	664	664	677	677	691	691	705	705	719	719	733	733	748	748	763	763	13,980
Library	0.3696	3,636	3,636	3,708	3,708	3,782	3,782	3,858	3,858	3,935	3,935	4,014	4,014	4,094	4,094	4,176	4,176	4,260	4,260	4,345	4,345	79,617
Mental Health	0.1056	1,039	1,039	1,060	1,060	1,081	1,081	1,102	1,102	1,124	1,124	1,147	1,147	1,170	1,170	1,193	1,193	1,217	1,217	1,241	1,241	22,748
Jackson County	0.4015	3,949	3,949	4,028	4,028	4,109	4,109	4,191	4,191	4,275	4,275	4,360	4,360	4,448	4,448	4,537	4,537	4,627	4,627	4,720	4,720	86,489
State Tax	0.0300	295	295	301	301	307	307	313	313	319	319	326	326	332	332	339	339	346	346	353	353	6,462
Replacement Tax	1.5900	15,640	15,640	15,953	15,953	16,272	16,272	16,597	16,597	16,929	16,929	17,268	17,268	17,613	17,613	17,965	17,965	18,325	18,325	18,691	18,691	342,508
Total	8.8787	87,335	87,335	89,082	89,082	90,864	90,864	92,681	92,681	94,535	94,535	96,425	96,425	98,354	98,354	100,321	100,321	102,327	102,327	104,374	104,374	1,912,595

Net Abatement - Total Impact to Taxing Jurisdictions

Taxing Jurisdictions	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
		592,084	592,084	603,926	603,926	616,004	608,102	620,264	620,264	632,670	632,670	360,220	360,220	367,425	367,425	374,773	374,773	382,269	382,269	389,914	389,914	
Independence School District	5.4371	592,084	592,084	603,926	603,926	616,004	608,102	620,264	620,264	632,670	632,670	360,220	360,220	367,425	367,425	374,773	374,773	382,269	382,269	389,914	389,914	9,871,195
City of Independence	0.6672	72,656	72,656	74,109	74,109	75,591	74,622	76,114	76,114	77,636	77,636	44,204	44,204	45,088	45,088	45,989	45,989	46,909	46,909	47,847	47,847	1,211,319
Junior College	0.2128	23,173	23,173	23,637	23,637	24,109	23,800	24,276	24,276	24,762	24,762	14,098	14,098	14,380	14,380	14,668	14,668	14,961	14,961	15,261	15,261	386,344
Sheltered Workshop	0.0649	7,067	7,067	7,209	7,209	7,353	7,259	7,404	7,404	7,552	7,552	4,300	4,300	4,386	4,386	4,473	4,473	4,563	4,563	4,654	4,654	117,828
Library	0.3696	40,248	40,248	41,053	41,053	41,874	41,337	42,164	42,164	43,007	43,007	24,487	24,487	24,977	24,977	25,476	25,476	25,986	25,986	26,505	26,505	671,018
Mental Health	0.1056	11,500	11,500	11,730	11,730	11,964	11,811	12,047	12,047	12,288	12,288	6,996	6,996	7,136	7,136	7,279	7,279	7,424	7,424	7,573	7,573	191,720
Jackson County	0.4015	43,722	43,722	44,597	44,597	45,489	44,905	45,803	45,803	46,719	46,719	26,600	26,600	27,132	27,132	27,675	27,675	28,228	28,228	28,793	28,793	728,934
State Tax	0.0300	3,267	3,267	3,332	3,332	3,399	3,355	3,422	3,422	3,491	3,491	1,988	1,988	2,027	2,027	2,068	2,068	2,109	2,109	2,151	2,151	54,466
Replacement Tax	1.5900	173,146	173,146	176,609	176,609	180,141	177,831	181,387	181,387	185,015	185,015	105,341	105,341	107,448	107,448	109,597	109,597	111,789	111,78			

Comparison of Requested Abatement to City's Economic Development Policy

Gross Abatement Comparison

Abatement levels	Requested	Policy
Years 1-5	85%	75%
Years 6-10	84%	75%
Years 11-20	50%	37.5%
Years 21-25	0.0%	37.5%
Hard Costs	43,652,022	
Estimated Improvements AV	13,968,647	

Requested Net Abatement (abatement percentage shown less Base PILOT for existing land value)

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	Total		
AV	13,968,647	13,968,647	14,248,020	14,248,020	14,532,980	14,532,980	14,823,640	14,823,640	15,120,113	15,120,113	15,422,515	15,422,515	15,730,965	15,730,965	16,045,585	16,045,585	16,366,496	16,366,496	16,693,826	16,693,826	17,027,703	17,027,703	17,368,257	17,368,257	17,715,622			
Net Abatement	85.0%	85.0%	85.0%	85.0%	85.0%	84.0%	84.0%	84.0%	84.0%	84.0%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
Independence School District	5.4371	592,084	592,084	603,926	603,926	616,004	608,102	620,264	620,264	632,670	632,670	360,220	360,220	367,425	367,425	374,773	374,773	382,269	382,269	389,914	389,914	0	0	0	0	0	0	9,871,195
City of Independence	0.6672	72,656	72,656	74,109	74,109	75,591	74,622	76,114	76,114	77,636	77,636	44,204	44,204	45,088	45,088	45,989	45,989	46,909	46,909	47,847	47,847	0	0	0	0	0	0	1,211,319
Junior College	0.2128	23,173	23,173	23,637	23,637	24,109	23,800	24,276	24,276	24,762	24,762	14,098	14,098	14,380	14,380	14,668	14,668	14,961	14,961	15,261	15,261	0	0	0	0	0	0	386,344
Sheltered Workshop	0.0649	7,067	7,067	7,209	7,209	7,353	7,259	7,404	7,404	7,552	7,552	4,300	4,300	4,386	4,386	4,473	4,473	4,563	4,563	4,654	4,654	0	0	0	0	0	0	117,828
Library	0.3696	40,248	40,248	41,053	41,053	41,874	41,337	42,164	42,164	43,007	43,007	24,487	24,487	24,977	24,977	25,476	25,476	25,986	25,986	26,505	26,505	0	0	0	0	0	0	671,018
Mental Health	0.1056	11,500	11,500	11,730	11,730	11,964	11,811	12,047	12,047	12,288	12,288	6,996	6,996	7,136	7,136	7,279	7,279	7,424	7,424	7,573	7,573	0	0	0	0	0	0	191,720
Jackson County	0.4015	43,722	43,722	44,597	44,597	45,489	44,905	45,803	45,803	46,719	46,719	26,600	26,600	27,132	27,132	27,675	27,675	28,228	28,228	28,793	28,793	0	0	0	0	0	0	728,934
State Tax	0.0300	3,267	3,267	3,332	3,332	3,399	3,355	3,422	3,422	3,491	3,491	1,988	1,988	2,027	2,027	2,068	2,068	2,109	2,109	2,151	2,151	0	0	0	0	0	0	54,466
Replacement Tax	1.5900	173,146	173,146	176,609	176,609	180,141	177,831	181,387	181,387	185,015	185,015	105,341	105,341	107,448	107,448	109,597	109,597	111,789	111,789	114,025	114,025	0	0	0	0	0	0	2,886,686
Total	8.8787	966,864	966,864	986,201	986,201	1,005,925	993,022	1,012,882	1,012,882	1,033,140	1,033,140	588,234	588,234	599,999	599,999	611,999	611,999	624,239	624,239	636,724	636,724	0	0	0	0	0	0	16,119,509

Economic Development Policy - Suggested Net Abatement (abatement percentage shown less Base PILOT for existing land value)

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	Total	
AV	13,968,647	13,968,647	14,248,020	14,248,020	14,532,980	14,532,980	14,823,640	14,823,640	15,120,113	15,120,113	15,422,515	15,422,515	15,730,965	15,730,965	16,045,585	16,045,585	16,366,496	16,366,496	16,693,826	16,693,826	17,027,703	17,027,703	17,368,257	17,368,257	17,715,622		
Abatement	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%	
Independence School District	5.4371	516,135	516,135	526,458	526,458	536,987	536,987	547,727	546,591	558,681	558,681	255,403	255,403	260,511	260,511	265,721	265,721	271,036	271,036	276,457	276,457	281,986	281,986	287,625	287,625	293,378	9,461,695
City of Independence	0.6672	63,336	63,336	64,603	64,603	65,895	65,895	67,213	67,074	68,557	68,557	31,341	31,341	31,968	31,968	32,607	32,607	33,259	33,259	33,925	33,925	34,603	34,603	35,295	35,295	36,001	1,161,068
Junior College	0.2128	20,201	20,201	20,605	20,605	21,017	21,017	21,437	21,393	21,866	21,866	9,996	9,996	10,196	10,196	10,400	10,400	10,608	10,608	10,820	10,820	11,036	11,036	11,257	11,257	11,482	370,317
Sheltered Workshop	0.0649	6,161	6,161	6,284	6,284	6,410	6,338	6,524	6,469	6,669	6,669	3,049	3,110	3,172	3,235	3,295	3,358	3,425	3,490	3,556	3,625	3,696	3,768	3,843	3,920	4,000	112,940
Library	0.3696	35,086	35,086	35,787	35,787	36,503	36,503	37,233	37,156	37,978	37,978	17,362	17,362	17,709	17,709	18,063	18,063	18,424	18,424	18,793	18,793	19,169	19,169	19,552	19,552	19,943	643,182
Mental Health	0.1056	10,024	10,024	10,225	10,225	10,429	10,429	10,638	10,616	10,851	10,851	4,960	4,960	5,060	5,060	5,161	5,161	5,264	5,264	5,369	5,369	5,477	5,477	5,586	5,586	5,698	183,766
Jackson County	0.4015	38,114	38,114	38,876	38,876	39,654	39,654	40,447	40,363	41,256	41,256	18,860	18,860	19,237	19,237	19,622	19,622	20,015	20,015	20,415	20,415	20,823	20,823	21,240	21,240	21,664	698,694
State Tax	0.0300	2,848	2,848	2,905	2,905	2,963	2,963	3,022	3,016	3,083	3,083	1,409	1,409	1,437	1,466	1,495	1,525	1,556	1,587	1,619	1,652	1,687	1,723	1,759	1,797	1,835	52,206
Replacement Tax	1.5900	150,936	150,936	153,955	153,955	157,034	157,034	160,175	159,843	163,378	163,378	74,689	74,689	76,183	76,183	77,706	77,706	79,260	79,260	80,846	80,846	82,463	82,463	84,112	84,112	85,794	2,766,934
Total	8.8787	842,840	842,840	859,697	859,697	876,891	876,891	894,429	892,575	912,318	912,318	417,069	417,069	425,411	425,411	433,919	433,919	442,597	442,597	451,449	451,449	460,478	460,478	469,688	469,688	479,082	15,450,801

Difference between Requested Abatement and City's Economic Development Policy

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	Total	
Comparison	124,023	124,023	126,504	126,504	129,034	116,131	118,453	120,307	120,822	120,822	171,165	171,165	174,588	174,588	178,080	178,080	181,642	181,642	185,274	185,274	(460,478)	(460,478)	(469,688)	(469,688)	(479,082)	(479,082)	668,708

Note: positive numbers show requested abatement in excess of policy and negative numbers show policy in excess of requested abatement.

Total Impact to City and CID of Sales Tax Incentives Requested - Net New Revenues

SALES TAX ESTIMATES

Net Sales Calculation	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
2020 Sales Tax Base	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	17,099,002	341,980,040
Projected Sales	22,521,742	23,647,829	39,589,787	41,569,276	43,647,740	45,830,127	48,121,633	50,527,715	53,054,101	55,706,806	58,492,146	61,416,753	64,487,591	67,711,970	71,097,569	74,652,447	78,385,070	82,304,323	86,419,539	90,740,516	1,159,924,681
Net New Sales	5,422,740	6,548,827	22,490,785	24,470,274	26,548,738	28,731,125	31,022,631	33,428,713	35,955,099	38,607,804	41,393,144	44,317,751	47,388,589	50,612,968	53,998,567	57,553,445	61,286,068	65,205,321	69,320,537	73,641,514	817,944,641

Noland Road CID - Estimate of Sales Tax Revenues to Public Project Costs

CID Sales Tax Rate 0.75%

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
Net Taxable Sales	5,422,740	6,548,827	22,490,785	24,470,274	26,548,738	28,731,125	31,022,631	33,428,713	35,955,099	38,607,804	41,393,144	44,317,751	47,388,589	50,612,968	53,998,567	57,553,445	61,286,068	65,205,321	69,320,537	73,641,514	817,944,641
CID Gross Taxes	40,671	49,116	168,681	183,527	199,116	215,483	232,670	250,715	269,663	289,559	310,449	332,383	355,414	379,597	404,989	431,651	459,646	489,040	519,904	552,311	6,134,585

Net New CID Sales Tax paid out until CID's portion of Public Improvements covered

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
Net Taxable Sales	5,422,740	6,548,827	22,490,785	24,470,274	26,548,738	28,731,125	31,022,631	33,428,713	35,955,099	38,607,804	41,393,144	44,317,751	47,388,589	50,612,968	53,998,567	57,553,445	61,286,068	65,205,321	69,320,537	73,641,514	817,944,641
Streets	40,671	49,116	168,681	183,527	199,116	215,483	232,670	250,715	269,663	289,559	310,449	332,383	355,414	379,597	404,989	431,651	459,646	489,040	519,904	552,311	6,134,585
Annual summary	40,671	49,116	168,681	183,527	199,116	215,483	232,670	250,715	269,663	289,559	310,449	332,383	355,414	379,597	404,989	431,651	459,646	489,040	519,904	552,311	6,134,585
Cumulative summary	40,671	89,787	258,468	441,995	641,110	856,594	1,089,263	1,339,979	1,609,642	1,899,201	2,209,649	2,542,032	2,897,447	3,277,044							
Starting Unreimbursed Costs	1,750,000	1,823,080	1,892,464	1,846,793	1,783,308	1,700,107	1,595,131	1,466,144	1,310,728	1,126,262	909,911	658,607	369,033	37,606							
Interest @ 6.5%	113,750	118,500	123,010	120,042	115,915	110,507	103,683	95,299	85,197	73,207	59,144	42,809	23,987	2,444							
Total Unreimbursed Cost	1,863,750	1,941,580	2,015,474	1,966,835	1,899,223	1,810,614	1,698,814	1,561,444	1,395,926	1,199,470	969,055	701,416	393,020	40,050							
Ending Unreimbursed Cost	1,823,080	1,892,464	1,846,793	1,783,308	1,700,107	1,595,131	1,466,144	1,310,728	1,126,262	909,911	658,607	369,033	37,606	(339,547)							
Total Annual Reimbursement	40,671	49,116	168,681	183,527	199,116	215,483	232,670	250,715	269,663	289,559	310,449	332,383	355,414	40,050							
Total Cumulative Reimbursement	40,671	89,787	258,468	441,995	641,110	856,594	1,089,263	1,339,979	1,609,642	1,899,201	2,209,649	2,542,032	2,897,447	2,937,497							

City Taxes - Estimate of Sales Tax Revenues Available for Public Portion of Project

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
Net Taxable Sales	5,422,740	6,548,827	22,490,785	24,470,274	26,548,738	28,731,125	31,022,631	33,428,713	35,955,099	38,607,804	41,393,144	44,317,751	47,388,589	50,612,968	53,998,567	57,553,445	61,286,068	65,205,321	69,320,537	73,641,514	817,944,641
1.000% General	54,227	65,488	224,908	244,703	265,487	287,311	310,226	334,287	359,551	386,078	413,931	443,178	473,886	506,130	539,986	575,534	612,861	652,053	693,205	736,415	8,179,446
0.500% Streets	27,114	32,744	112,454	122,351	132,744	143,656	155,113	167,144	179,775	193,039	206,966	221,589	236,943	253,065	269,993	287,767	306,430	326,027	346,603	368,208	4,089,723

Net New City Sales Tax paid out until City's portion of Public Improvements covered

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
Net Taxable Sales	5,422,740	6,548,827	22,490,785	24,470,274	26,548,738	28,731,125	31,022,631	33,428,713	35,955,099	38,607,804	41,393,144	44,317,751	47,388,589	50,612,968	53,998,567	57,553,445	61,286,068	65,205,321	69,320,537	73,641,514	817,944,641
0.500% General (@50%)	27,114	32,744	112,454	122,351	132,744	143,656	155,113	167,144	179,775	193,039	206,966	221,589	236,943	253,065	269,993	287,767	306,430	326,027	346,603	368,208	4,089,723
0.500% Streets	27,114	32,744	112,454	122,351	132,744	143,656	155,113	167,144	179,775	193,039	206,966	221,589	236,943	253,065	269,993	287,767	306,430	326,027	346,603	368,208	4,089,723
Annual summary	54,227	65,488	224,908	244,703	265,487	287,311	310,226	334,287	359,551	386,078	413,931	443,178	473,886	506,130	539,986	575,534	612,861	652,053	693,205	736,415	8,179,446
Cumulative summary	54,227	119,716	344,624	589,326	854,814	1,142,125	1,452,351	1,786,638	2,146,189	2,532,267	2,946,199										
Starting Unreimbursed Costs	1,736,026	1,794,640	1,845,804	1,740,873	1,609,327	1,448,446	1,255,284	1,026,651	759,096	448,886	91,986										
Interest @ 6.5%	112,842	116,652	119,977	113,157	104,606	94,149	81,593	66,732	49,341	29,178	5,979										
Total Unreimbursed Cost	1,848,868	1,911,292	1,965,781	1,854,030	1,713,933	1,542,595	1,336,877	1,093,383	808,437	478,064	97,965										
Ending Unreimbursed Cost	1,794,640	1,845,804	1,740,873	1,609,327	1,448,446	1,255,284	1,026,651	759,096	448,886	91,986	(315,967)										
Total Annual Reimbursement	54,227	65,488	224,908	244,703	265,487	287,311	310,226	334,287	359,551	386,078	413,931	443,178	473,886	506,130	539,986	575,534	612,861	652,053	693,205	736,415	8,179,446
Total Cumulative Reimbursement	54,227	119,716	344,624	589,326	854,814	1,142,125	1,452,351	1,786,638	2,146,189	2,532,267	2,946,199										

Present Value to Developer

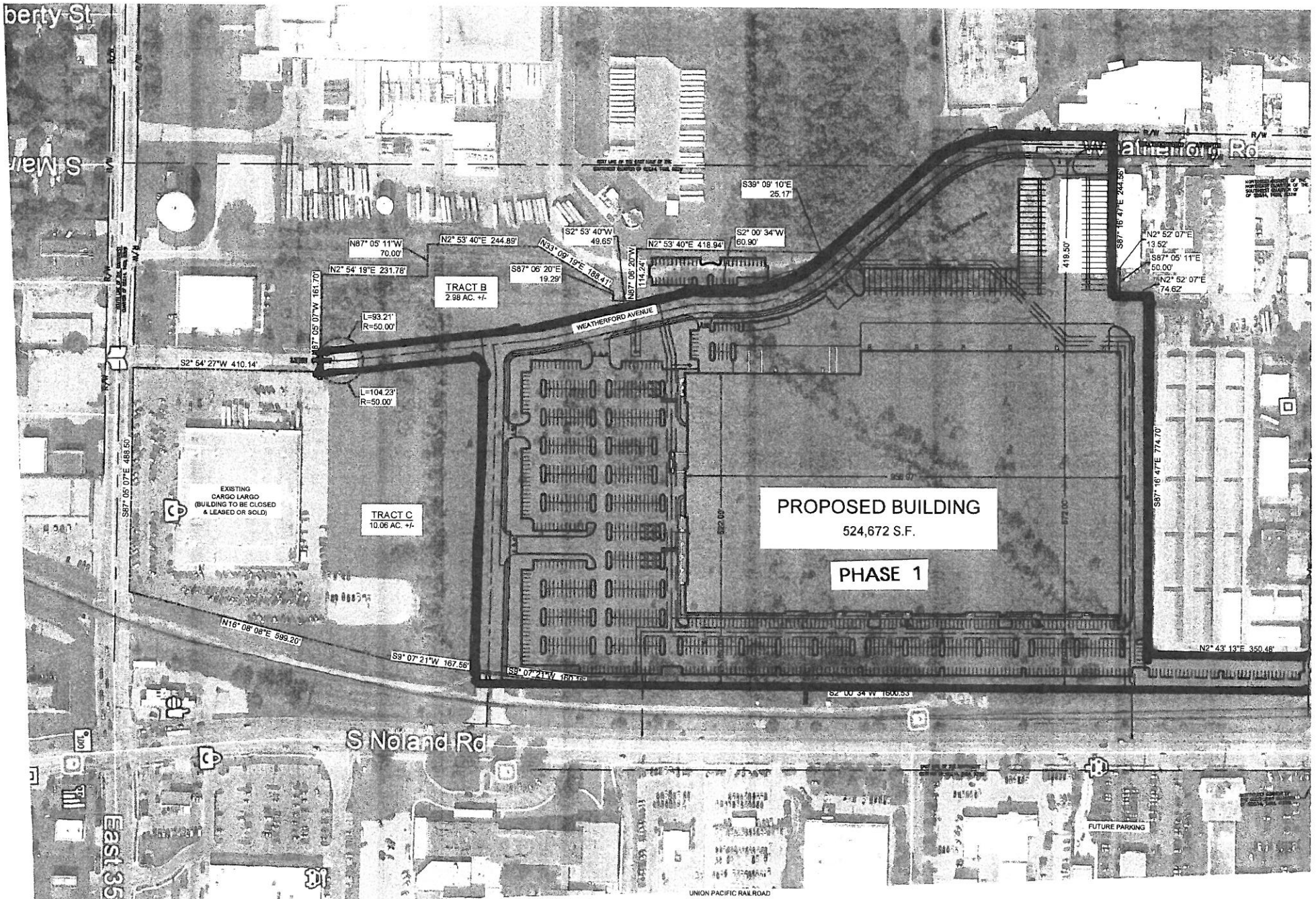
RMC Proposal - NP

	Chapter 353 (85% 1-5, 84% 6-10, 50% 11-20)	CID Sales Tax .75% @ 100%	General Tax 1.000% @ 50% (.5%)	Streets Tax .500% @ 100% (.5%)	Total NPV of Benefit
Total of Payments	16,119,509	2,937,497	1,315,116	1,315,116	
Annual Discount Rate	6.50%	6.50%	6.50%	6.50%	
Net Present Value	\$9,491,496.78	\$ 1,750,000	\$868,013	\$868,013	\$ 12,977,523
NPV/Total Payments %	44.72%	59.57%	73.11%	73.11%	

Year	Chapter 353	CID Sales Tax	General Tax	Streets Tax	Total NPV of Benefit
1	966,864	40,671	27,114	27,114	
2	966,864	49,116	32,744	32,744	
3	986,201	168,681	112,454	112,454	
4	986,201	183,527	122,351	122,351	
5	1,005,925	199,116	132,744	132,744	
6	993,022	215,483	143,656	143,656	
7	1,012,882	232,670	155,113	155,113	
8	1,012,882	250,715	167,144	167,144	
9	1,033,140	269,663	179,775	179,775	
10	1,033,140	289,559	193,039	193,039	
11	588,234	310,449	48,982	48,982	
12	588,234	332,383			
13	599,999	355,414			
14	599,999	40,050			
15	611,999				
16	611,999				
17	624,239				
18	624,239				
19	636,724				
20	636,724				
Total Payments	\$ 16,119,509	\$ 2,937,497	\$ 1,315,116	\$ 1,315,116	\$ 21,687,237

SITE PLAN

Cargo Largo Project



LEGAL DESCRIPTION FOR TRACT 'A':

A TRACT OF LAND BEING PART OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 49 NORTH, RANGE 32 WEST, IN INDEPENDENCE, JACKSON COUNTY, MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTER OF SAID SECTION 14, THENCE ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER NORTH 87 DEGREES, 16 MINUTES 47 SECONDS WEST, 177.04 FEET; THENCE SOUTH 02 DEGREES, 00 MINUTES, 34 SECONDS WEST, 25.00 FEET TO THE POINT OF BEGINNING OF THIS TRACT; THENCE SOUTH 02 DEGREES, 00 MINUTES, 34 SECONDS WEST, 600.53 FEET; THENCE SOUTH 09 DEGREES, 07 MINUTES, 21 SECONDS WEST, 160.16 FEET; THENCE NORTH 86 DEGREES, 39 MINUTES, 52 SECONDS WEST, 312.29 FEET; THENCE SOUTH 03 DEGREES, 30 MINUTES, 08 SECONDS WEST, 10.00 FEET; THENCE NORTH 86 DEGREES, 29 MINUTES, 52 SECONDS WEST, 321.55 FEET; THENCE WESTERLY, ON A CURVE TO THE LEFT HAVING A RADIUS OF 430.00 FEET AND TANGENT TO THE LAST DESCRIBED COURSE, 39.64 FEET TO A POINT

LEGAL DESCRIPTION FOR TRACT 'B':

A TRACT OF LAND BEING PART OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 49 NORTH, RANGE 32 WEST, IN INDEPENDENCE, JACKSON COUNTY, MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTER OF SAID SECTION 14, THENCE ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER SECTION NORTH 87 DEGREES, 16 MINUTES 47 SECONDS WEST, 177.04 FEET; THENCE SOUTH 02 DEGREES, 00 MINUTES, 34 SECONDS WEST, 1625.53 FEET; THENCE SOUTH 09 DEGREES, 07 MINUTES, 21 SECONDS WEST, 241.21 FEET; THENCE NORTH 86 DEGREES, 29 MINUTES 52 SECONDS WEST, 4.19 FEET; THENCE NORTH 83 DEGREES, 23 MINUTES, 00 SECONDS WEST, 196.39 FEET; THENCE NORTH 86 DEGREES, 29 MINUTES, 52 SECONDS WEST, 433.60 FEET; THENCE SOUTH 48 DEGREES, 12 MINUTES, 17 SECONDS WEST, 7.03 FEET; THENCE SOUTH 02 DEGREES, 54 MINUTES, 27 SECONDS WEST, 268.02 FEET; THENCE SOUTHERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 50.00 FEET AND AN INITIAL TANGENT BEARING OF

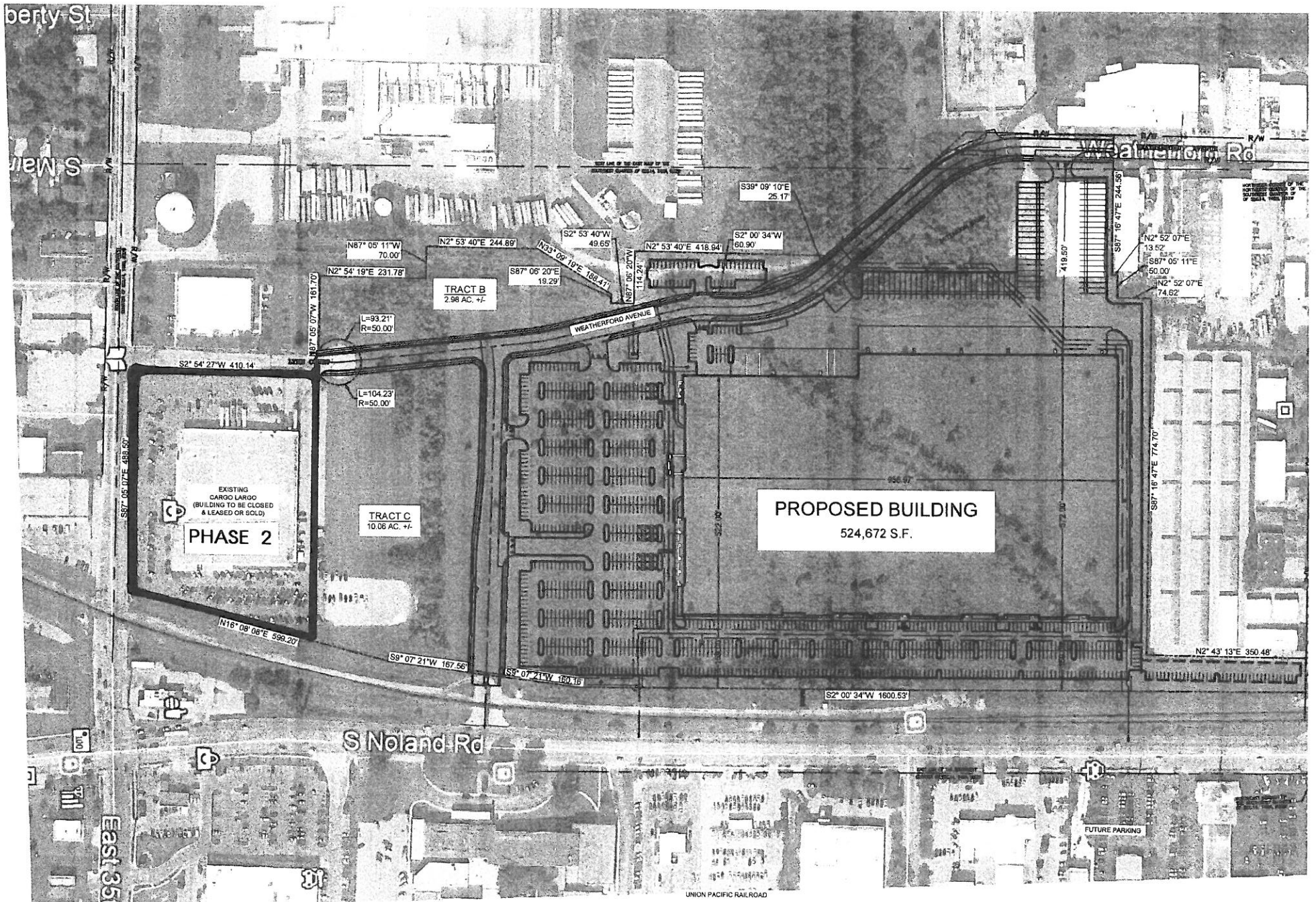
LEGAL DESCRIPTION FOR TRACT 'C':

A TRACT OF LAND BEING PART OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 49 NORTH, RANGE 32 WEST, IN INDEPENDENCE, JACKSON COUNTY, MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTER OF SAID SECTION 14, THENCE ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER SECTION NORTH 87 DEGREES, 16 MINUTES 47 SECONDS WEST, 177.04 FEET; THENCE SOUTH 02 DEGREES, 00 MINUTES, 34 SECONDS WEST, 1625.53 FEET; THENCE SOUTH 09 DEGREES, 07 MINUTES, 21 SECONDS WEST, 240.36 FEET TO THE POINT OF BEGINNING OF THIS TRACT; THENCE SOUTH 09 DEGREES 07 MINUTES 21 SECONDS WEST, 167.56 FEET; THENCE SOUTH 15 DEGREES 08 MINUTES 08 SECONDS WEST, 599.20 FEET; THENCE NORTH 87 DEGREES 05 MINUTES 07 SECONDS WEST, 488.50 FEET; THENCE NORTH 02 DEGREES 54 MINUTES 27 SECONDS EAST, 410.13 FEET; THENCE NORTHERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 50.00 FEET AND AN INITIAL TANGENT BEARING OF NORTH 02 DEGREES 54 MINUTES 27 SECONDS EAST, TO A POINT OF BEGINNING OF THIS TRACT

LEGEND

---	PRO
---	PRO
---	EXIS
---	EAST



LEGAL DESCRIPTION FOR TRACT 'A':

A TRACT OF LAND BEING PART OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 49 NORTH, RANGE 32 WEST, IN INDEPENDENCE, JACKSON COUNTY, MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTER OF SAID SECTION 14, THENCE ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER NORTH 87 DEGREES, 16 MINUTES 47 SECONDS WEST, 177.04 FEET; THENCE SOUTH 07 DEGREES, 00 MINUTES, 34 SECONDS WEST, 25.00 FEET TO THE POINT OF BEGINNING OF THIS TRACT; THENCE SOUTH 02 DEGREES, 00 MINUTES, 34 SECONDS WEST, 600.53 FEET; THENCE SOUTH 09 DEGREES, 07 MINUTES, 21 SECONDS WEST, 160.16 FEET; THENCE NORTH 86 DEGREES, 29 MINUTES, 52 SECONDS WEST, 313.29 FEET; THENCE SOUTH 03 DEGREES, 30 MINUTES, 08 SECONDS WEST, 10.00 FEET; THENCE NORTH 86 DEGREES, 29 MINUTES, 52 SECONDS WEST, 321.35 FEET; THENCE WESTERLY, ON A CURVE TO THE LEFT HAVING A RADIUS OF 430.00 FEET AND TANGENT TO THE LAST DESCRIBED COURSE, 39.64 FEET TO A POINT

LEGAL DESCRIPTION FOR TRACT 'B':

A TRACT OF LAND BEING PART OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 49 NORTH, RANGE 32 WEST, IN INDEPENDENCE, JACKSON COUNTY, MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTER OF SAID SECTION 14, THENCE ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER SECTION NORTH 87 DEGREES, 16 MINUTES 47 SECONDS WEST, 177.04 FEET; THENCE SOUTH 02 DEGREES, 00 MINUTES, 34 SECONDS WEST, 1625.53 FEET; THENCE SOUTH 09 DEGREES, 07 MINUTES, 21 SECONDS WEST, 241.21 FEET; THENCE NORTH 86 DEGREES, 29 MINUTES 52 SECONDS WEST, 4.19 FEET; THENCE NORTH 83 DEGREES, 23 MINUTES, 00 SECONDS WEST, 196.33 FEET; THENCE NORTH 86 DEGREES, 29 MINUTES, 52 SECONDS WEST, 433.60 FEET; THENCE SOUTH 48 DEGREES, 12 MINUTES, 17 SECONDS WEST, 7.03 FEET; THENCE SOUTH 02 DEGREES, 34 MINUTES, 27 SECONDS WEST, 268.02 FEET; THENCE SOUTHERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 50.00 FEET AND AN INITIAL TANGENT BEARING OF

LEGAL DESCRIPTION FOR TRACT 'C':

A TRACT OF LAND BEING PART OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 49 NORTH, RANGE 32 WEST, IN INDEPENDENCE, JACKSON COUNTY, MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTER OF SAID SECTION 14, THENCE ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER SECTION NORTH 87 DEGREES, 16 MINUTES 47 SECONDS WEST, 177.04 FEET; THENCE SOUTH 02 DEGREES, 00 MINUTES, 34 SECONDS WEST, 1625.53 FEET; THENCE SOUTH 09 DEGREES, 07 MINUTES, 21 SECONDS WEST, 240.36 FEET TO THE POINT OF BEGINNING OF THIS TRACT; THENCE SOUTH 09 DEGREES 07 MINUTES 21 SECONDS WEST, 167.58 FEET; THENCE SOUTH 16 DEGREES 08 MINUTES 08 SECONDS WEST, 599.20 FEET; THENCE NORTH 87 DEGREES 05 MINUTES 07 SECONDS WEST, 488.50 FEET; THENCE NORTH 02 DEGREES 54 MINUTES 27 SECONDS EAST, 410.13 FEET; THENCE NORTHLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 50.00 FEET AND AN INITIAL TANGENT BEARING OF NORTH 62 DEGREES 54 MINUTES 27 SECONDS EAST, 164.73 FEET TO A POINT; THENCE NORTH 02 DEGREES 54 MINUTES 27 SECONDS

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