



CITY OF OLATHE, KANSAS
APPLICATION FOR ISSUANCE OF INDUSTRIAL REVENUE BONDS
(IRB)
New Business to Olathe

This application is submitted in conformance with the city's tax abatement policy. It is understood that the city may require in lieu payments for property which becomes tax exempt. The attached sheet(s), if any, are submitted as Exhibit A of this application. This application must be submitted within sufficient time to meet procedural requirements of the abatement policy, (refer to the tax abatement calendar).

A non-refundable \$4,000 application / filing fee must accompany this application. If bonds are issued, the City will require an issuance fee of .0025 of the first \$40 million of bonds issued plus .0020 of the amount of bonds issued in excess of \$40 million (issuance fee shall not be less than \$2,500 or more than \$250,000). For warehouse distribution or logistics-type projects the City will require an issuance fee of .0030 of the par amount of bonds being issued (which amount shall not be less than \$2,500 or more than \$250,000). Additionally, the applicant shall be responsible for bond counsel fees, trustee fees and other fees associated with the issuance of the bonds. See Section 6 of Resolution No. 21-1074 and contact Bond Counsel for a more detailed explanation of the fees.

PDC STL/INDY LPIV, LLC and assigns

Applicant's Name

mbranstetter@panattoni.com

314.236.2630

Applicant's Email Address

Telephone Number

12444 Powerscourt Dr., Suite 380, St. Louis, MO 63131

Applicant's Address

Mark Branstetter, Authorized Representative

314.236.2630

Name and Title of Responsible Officer/Contact

Telephone Number

N/A

Address (if other than corporate address)

Curt Petersen, Polsinelli PC

Attorney for Applicant

cpetersen@polsinelli.com

(913) 234-7458

Attorney's Email Address

Telephone Number

900 W. 48th Place, Suite 900 Kansas City, MO 64112

Attorney's Address

N/A - Applicant will purchase bonds

Bond Purchaser/Underwriter for Applicant

Bond Purchaser/Underwriter's Address

Telephone Number

Same as above

Bond Counsel for Applicant

Bond Counsel's Address

Telephone Number

I. BUSINESS INFORMATION

A. In what line or lines of business is the applicant engaged?

Industrial, office and build-to-suit developments.

B. Is the applicant (or its parent) a proprietorship, partnership, or corporation (LLC)?

Corporation (LLC)

C. Year and State of incorporation 2017, Delaware

If proprietorship, partnership, or close corporation, list the names of owners and the approximate amounts owned by each of its principal stockholders.

N/A - limited liability company

D. List the names and titles of the officers of the applicant firm:

Mark Branstetter - Authorized Representative

E. Are you pursuing an other incentives offered by another government entity? No
If yes, please indicate below what the other incentives are.

II. THE PROJECT

Briefly describe the nature of the proposed project, including information as to the structure itself (size of building, amount of land to be purchased, etc.), whether it is an expansion of an existing facility or the construction of a new facility, and what products or services are to be manufactured or provided there.

Construction of a business park consisting of eight buildings totaling approximately 2,828,059 SF along with all associated site work and infrastructure.

A. Approximate amount requested for:

Land (Attach a legal description of property as <u>Exhibit A</u>)	\$ 39,590,400
Building	\$ 89,633,999
Machinery and Equipment	\$
Pollution Control Facilities	\$
Other Costs*	\$ 132,199,560
Total	\$ 261,423,959

* State other costs:

Sitework: \$90,959,790
Soft costs: \$37,181,346
Contingency: \$4,058,424

B. Does the applicant, or its parent, presently have offices or industrial facilities located in Olathe, Kansas?

No If yes, please describe below.

C. Will you be relocating from your existing Olathe facilities to new facilities constructed by this project?

No If yes, what will you be doing with your existing facilities after relocating?

D. Where is the location of the project?

NEC of West 175th St. and S. Clare Road.

E. Is the prospective location properly zoned? No

If a zoning change is pending, cite application number and present status. If application has not been made, briefly describe what change will be needed and plans for submitting application:

Rezoning application submitted to City for rezoning from County RUR to M-2.

F. Describe the type of buildings to be constructed and type of machinery and equipment to be financed:

2,828,059 SF of flex and industrial buildings and all associated site work and infrastructure.

G. Will the applicant be in direct competition with other local firms? Yes

If yes, name the firms and describe the nature of the competition:

Other new, large industrial facilities, but there is more than sufficient demand. This project keeps businesses from locating in other cities due to lack of supply.

H. Are adequate public streets and utilities available to the proposed site? Yes

I. Specify if unusual demands for water and sewer will be made:

N/A

J. Per the City IRB policy, an applicant is required to use City of Olathe solid waste service upon the start of the abatement period. Please indicate that you understand this requirement by answering yes: Yes

If you have a current existing contract with another contractor, please indicate below when that will expire. If you have any extenuating circumstances that would result in the City not being able to adequately serve your needs, please indicate those below:

K. What percentage of usable floor space will be occupied by applicant? 0%

What percentage will be occupied by other occupants? 100% If known, indicate each occupant below:

L. Name and address of construction contractor and/or architect:

Contractor: Not selected

Architect: Gray Design Group, 9 Sunnen Drive, Suite 110, Saint Louis, MO 63143

M. How many persons will be employed at the project? See firm data sheet.

Will this project represent an increase in employment opportunities in Olathe, Kansas? Yes

*** Please complete Appendix I on page 10.**

N. Briefly describe the approximate number of persons to be employed by the project at all levels.

(e.g. - management, office, skilled and unskilled):

See appendix attached hereto.

O. What dollar amount and percentage of the applicant's total projected annual sales for the next ten (10) years, is expected to be generate by the project?

N/A

P. What percentage of sales will be sold locally? N/A Is this percentage increasing, decreasing, or remaining stable from the current trend? Increasing

Q. What is the estimated annual amount of merchandise and services purchased locally by the applicant?

N/A

R. Is there likelihood for expansion of the proposed facility within three (3) years? No

If such expansion is contemplated, please describe below:

N/A

III. FINANCING

A. Have arrangements been for the marketing of the bonds? No

If yes, please proceed to answer 1 - 7.

If no, please proceed to answer 8 - 12.

1. Describe interest rate structure and term of bonds below:

2. Will the applicant pledge any assets other than the project itself to secure the bonds?
3. Will a bond and interest reserve be provided for? No If yes, state amount and source of funding.
4. Does the applicant have any major contractual arrangements that would tend to assure, or be a detriment to, the successful financing and marketing of the proposed bonds? No If yes, describe below:
5. Has a bond underwriter determined whether or not the bonds are marketable? No
If yes, describe its determination below:
6. Indicate whether bonds will be publicly or privately placed. Privately
7. Does the applicant, or its parent, intend to purchase all or any part of the proposed bond issue?
Yes, applicant will purchase all bonds.
8. What portion of the project will be financed from funds other than bond proceeds, and what is the source of such funds?
Project will be 100% privately financed, with IRBs reimbursing costs of land acquisition, construction, and FF&E.
9. What will be the applicant's equity investment? Please describe:
45%.
10. Has the applicant considered conventional financing? Yes

11. Indicate name of primary officer, institution name, and address of trustee and/or fiscal agent.

TBD.

12. Proposed date of issuing bonds: 5/1/2024

B. List below previous participation in IRB financing:

N/A

Prior to the contractor starting construction on the project, the applicant shall notify the City Clerk whether or not to proceed with an application for a sales tax exemption from the state of Kansas. Prior to, or at completion, of the project, the applicant shall inform the City Clerk to proceed with the issuance of the industrial revenue bonds and filing with the state board of tax appeals for a tax abatement on the project.

V. TAXES

A. What is the requested tax abatement term in years? 10 Percentage requested 50 %

B. If a Fixed PILOT payment is proposed for the project, please outline proposed structure:

Applicant wishes to establish a master IRB resolution of intent that contemplates approximately 2,828,059 SF of flex office/warehousing space located in eight buildings. With each issuance, Applicant would like the option over ten years to either (1) fix the PILOT at 50% of the then comparable market value or (2) develop a PILOT schedule which provides the City with 50% of the net present value of ad valorem taxes expected otherwise in a graduated schedule agreeable to the City.

- C. Under normal circumstances, the City will require payment in lieu of payments for property which becomes tax exempt. If tax abatement is requested, please describe special features or benefits of the project, which would justify tax abatements at the requested percentage and term. Include information about other local revenues associated with the project, such as sales taxes and franchise fees.

This application pertains to the overall development, which includes 8 buildings totaling approximately 2,828,059 SF at a total estimated cost of approximately \$261,423,959. Upon full build-out, this project will be very beneficial to the City of Olathe by creating new jobs, new residents, increasing the property tax base, and increasing sales tax revenues from business spending and employee/resident spending.

VI. CERTIFICATION OF APPLICANT

Applicant understands and agrees to pay all fees described on Page 1 of this application.

Applicant agrees to comply with the provisions of Chapter 2.82 of the Olathe Municipal Code (the "Code") regarding Public Art for the Project, or to pay the necessary payment to the City's Public Art Fund. Applicant agrees to comply with Section 2(D) of Policy No. F-5, Resolution 22-1080.

It is understood that a performance agreement shall be required, as set forth in the City's tax abatement policy, for applications requesting tax abatement. I hereby swear that the foregoing and attached information dated this 11th day of March 2024, is true and correct to the best of my knowledge.

Applicant understands that the City reserves the right to ask for additional financial information, including, but not limited to financial reports, credit ratings, shareholder reports, on-going litigation information and proforma statements.

Signed _____
Name

By _____
Title of Responsible Officer

APPENDIX I* **EMPLOYMENT INFORMATION** **APPLICATION FOR ISSUANCE OF INDUSTRIAL REVENUE BONDS**

State law requires a fiscal impact analysis be performed prior to the issuance of a tax abatement. Information provided in sections below of Appendix I is essential in order for the city to meet this requirement.

Current number of employees at firm's present site. ⁰ _____

Occupational Classification	Total	Average Starting Wage	Average Maximum Wage	Number By County of Residence *
				Johnson
				Other
				Johnson
				Other
Non-management	1573	36,000	40,000	Johnson 524
				Other 1049
Management	278	60,000	65,000	Johnson 92
				Other 186
				Johnson
				Other
				Johnson
				Other

EXHIBIT A

Insert or attach here:

ALL THAT PART OF SECTION 21, TOWNSHIP 14 SOUTH, RANGE 23 EAST, IN JOHNSON COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 14 SOUTH, RANGE 23 EAST; THENCE NORTH 1° 50' 33" WEST ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 21 A DISTANCE OF 60.00 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF 175TH STREET, THE POINT OF BEGINNING; THENCE SOUTH 88° 06' 22" WEST ALONG THE NORTH RIGHT OF WAY LINE OF 175TH STREET A DISTANCE OF 1891.91 FEET TO A POINT; THENCE NORTH 89° 59' 05" WEST ALONG THE NORTH RIGHT OF WAY LINE OF 175TH STREET A DISTANCE OF 600.33 FEET TO A POINT; THENCE NORTH 58° 27' 25" WEST ALONG THE NORTH RIGHT OF WAY LINE OF 175TH STREET A DISTANCE OF 35.91 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF CLARE ROAD; THENCE NORTH 4° 33' 14" WEST ALONG THE EAST RIGHT OF WAY LINE OF CLARE ROAD A DISTANCE OF 200.25 FEET TO A POINT; THENCE NORTH 16° 26' 06" WEST ALONG THE EAST RIGHT OF WAY LINE OF CLARE ROAD A DISTANCE OF 98.23 FEET TO A POINT; THENCE NORTH 1° 41' 29" WEST ALONG THE EAST RIGHT OF WAY LINE OF CLARE ROAD A DISTANCE OF 363.68 FEET TO A POINT; THENCE NORTH 8° 50' 52" EAST ALONG THE EAST RIGHT OF WAY LINE OF CLARE ROAD A DISTANCE OF 191.30 FEET TO A POINT; THENCE NORTH 1° 09' 30" EAST ALONG THE EAST RIGHT OF WAY LINE CLARE ROAD A DISTANCE OF 1105.95 FEET TO A POINT ON THE SOUTHEASTERLY RIGHT OF WAY LINE OF INTERSTATE HIGHWAY I-35; THENCE IN A NORTHEASTERLY DIRECTION ALONG THE SOUTHEASTERLY RIGHT OF WAY LINE OF INTERSTATE HIGHWAY I-35 AND ALONG A CURVE TO THE LEFT WHOSE INITIAL TANGENT BEARS NORTH 56° 11' 53" EAST, HAVING A RADIUS OF 11,609.16 FEET, THROUGH A CENTRAL ANGLE OF 4° 43' 03", AN ARC DISTANCE OF 955.86 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 21; THENCE NORTH 87° 17' 46" EAST ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 21 A DISTANCE OF 351.60 FEET TO A POINT THAT LIES 33.00 FEET WEST OF THE SOUTHWEST CORNER OF THE EAST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 21; THENCE NORTH 1° 51' 33" WEST FOLLOWING A LINE FORMED BY STRIKING A LINE BETWEEN A POINT LYING 33.00 FEET WEST OF THE SOUTHWEST CORNER OF THE EAST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 21 AND A POINT LYING 37.00 FEET WEST OF THE NORTHWEST CORNER OF THE EAST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 21, A DISTANCE OF 267.10 FEET TO A POINT ON THE SOUTHEASTERLY RIGHT OF WAY LINE OF INTERSTATE HIGHWAY I-35; THENCE IN A NORTHEASTERLY DIRECTION ALONG THE SOUTHEASTERLY RIGHT OF WAY LINE OF INTERSTATE HIGHWAY I-35 AND ALONG A CURVE TO THE LEFT WHOSE INITIAL TANGENT BEARS NORTH 49° 17' 09" EAST, HAVING A RADIUS OF 11609.16 FEET, THROUGH A CENTRAL ANGLE OF 5° 15' 23", AN ARC DISTANCE OF 1065.03 FEET TO A POINT; THENCE NORTH 44° 01' 46" EAST ALONG THE SOUTHEASTERLY RIGHT OF WAY LINE OF INTERSTATE HIGHWAY I-35 A DISTANCE OF 1111.52 FEET TO A POINT; THENCE NORTH 50° 52' 20" EAST ALONG THE SOUTHEASTERLY RIGHT OF WAY LINE OF INTERSTATE HIGHWAY I-35 A DISTANCE OF 503.59 FEET TO A POINT; THENCE NORTH 44° 01' 46" EAST ALONG THE SOUTHEASTERLY RIGHT OF WAY

LINE OF INTERSTATE HIGHWAY I-35 A DISTANCE OF 100.00 FEET TO A POINT; THENCE NORTH 39° 34' 26" EAST ALONG THE SOUTHEASTERLY RIGHT OF WAY LINE OF INTERSTATE HIGHWAY I-35 A DISTANCE OF 386.17 FEET TO A POINT; THENCE SOUTH 45° 58' 14" EAST ALONG THE SOUTHEASTERLY RIGHT OF WAY LINE OF INTERSTATE HIGHWAY I-35 A DISTANCE OF 205.00 FEET TO A POINT; THENCE NORTH 44° 01' 46" EAST ALONG THE SOUTHEASTERLY RIGHT OF WAY LINE OF INTERSTATE HIGHWAY I-35 A DISTANCE OF 171.20 FEET TO A POINT; THENCE SOUTH 53° 17' 01" EAST ALONG THE SOUTHEASTERLY RIGHT OF WAY LINE OF INTERSTATE HIGHWAY I-35 A DISTANCE OF 67.05 FEET TO A POINT THAT IS 363.45 FEET NORTHWESTERLY OF INTERSTATE I-35 HIGHWAY RIGHT OF WAY, 812 FEET RIGHT OF CENTERLINE STATION 717 + 11, AS ESTABLISHED IN PROJECT 50-46-I-02-3(10) PART 2 (AS MEASURED ALONG SAID RIGHT OF WAY LINE); THENCE SOUTH 1° 54' 42" EAST A DISTANCE OF 969.14 FEET TO THE A POINT ON THE SOUTH LINE OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SAID SECTION 21; THENCE SOUTH 87° 35' 10" WEST ALONG THE SOUTH LINE OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SAID SECTION 21 A DISTANCE OF 1321.33 FEET TO THE SOUTHWEST CORNER THEREOF; THENCE SOUTH 1° 50' 30" EAST ALONG THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 21 A DISTANCE OF 1338.85 FEET TO THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 21; THENCE SOUTH 1° 50' 33" EAST ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 21 A DISTANCE OF 2552.59 FEET TO THE POINT OF BEGINNING, EXCEPT ANY PART USED OR DEDICATED FOR STREETS ROADS AND PUBLIC RIGHTS OF WAY.