



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

This application is being submitted under a Master Resolution of Intent approved for Issuance of Industrial Revenue Bonds by the City Council on August 5, 2008, amended October 21, 2014

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 \$2,000 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.

Scannell Properties #798, LLC and assigns

Applicant's Name

cam.duff@scannellproperties.com

816-217-8181

Applicant's Email Address

Telephone Number

8801 River Crossing Blvd #300, Indianapolis, IN 46240

Applicant's Address

Cam Duff, Director of Development

816-217-8181

Name and Title of Responsible Officer/Contact

Telephone Number

Address (if other than corporate address)

Mark Sprecker, Polsinelli PC

Attorney for Applicant

msprecker@polsinelli.com

816-572-4558

Attorney's Email Address

Telephone Number

900 West 48th Place, Suite 900, Kansas City, Missouri 64112

Attorney's Address

Applicant

Bond Purchaser/Underwriter for Applicant

Same as above

Bond Purchaser/Underwriter's Address

Telephone Number

Same as above

Bond Counsel for Applicant

Same as above

Bond Counsel's Address

Telephone Number

I. BUSINESS INFORMATION

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

Real Estate Development & Investment

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

Corporation (LLC)

C. Year and State of incorporation 2026, Indiana

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

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

Marc Pfleging, Manager
David Duncan, Manager
Ralph Shiley, Manager
Douglas Snyder, Manager
Robert Scannell, Manager

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.

One speculative industrial building of approximately 646,380 SF on a portion of a parcel located in the NWQ of Clare Road and 159th Street 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>)	\$ 3,900,000
Building	\$ 51,100,000
Machinery and Equipment	\$
Pollution Control Facilities	\$
Other Costs*	\$
Total	\$ 55,000,000

* State other costs:

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

Yes If yes, please describe below.

Developed Building 3 within I-35 Logistics Park and Building 4 within I-35 Logistics Park.

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?

Within the I-35 Logistics Park (NW corner of Old 56 Hwy & W 159th St)

E. Is the prospective location properly zoned?_ Yes

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:

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

One speculative industrial building of approximately 646,380 SF on a portion of a parcel located in the NWQ of Clare Road and 159th Street along with all associated site work and infrastructure.

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

No

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

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:

Water/Sewer usage is anticipated to be standard for this type of building.

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:

GC: Brinkmann Constructors, 11101 Switzer Rd Suite 310, Overland Park, KS 66210

Architect: Gray Design Group, 349 Marshall Ave Suite 100, St. Louis, MO 63119

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 firm data sheet

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

Less than 5%.

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:

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?
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 PF&E.

9. What will be the applicant's equity investment? Please describe:
TBD

10. Has the applicant considered conventional financing? Yes

11. Indicate name of primary officer, institution name, and address of trustee and/or fiscal agent.
BOKF, Wendee Peres, 2405 Grand Boulevard, Suite 840 Kansas City, Missouri 64108

12. Proposed date of issuing bonds: 2027

B. List below previous participation in IRB financing:

Building #3 & #4 in I-35 Logistics Park.

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
80 %

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

Applicant requests to fix the PILOTs at 20% of the current comparable market value.

- 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.

The proposed project is expected to stimulate growth and development within Olathe by providing a new source of employment and additional tax and utility revenue for the community.

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 21-1074.

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 16th day of March, 2026, 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 Director of Development
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. Figures below are in year 1.

Occupational Classification	Total	Average Starting Wage	Average Maximum Wage	Number By County of Residence *
				Johnson
				Other
				Johnson
				Other
Management	66	\$65,000		Johnson 33
				Other 33
Unskilled	368	\$45,000		Johnson 134
				Other 134
				Johnson
				Other
				Johnson
				Other

EXHIBIT A

Insert or attach here:

All that part of an unplatted tract of land, lying in the Southeast Quarter of Section 8, Township 14 South, Range 23 East, in the City of Olathe, Johnson County, Kansas, described by Michael J. Bogina, Kansas PS-1655, of Olsson, KSLS-114, on March 18, 2026, as follows:

COMMENCING at the Northwest corner of said Southeast Quarter; thence North 87 degrees 54 minutes 55 seconds East, on the North line of said Southeast Quarter, a distance of 135.01 feet to a point; thence South 02 degrees 05 minutes 05 seconds East, departing said North line, a distance of 30.00 feet to a point on the South line of 155th Street right of way, as established in I-35 Logistics Park, a subdivision in the City of Olathe, Johnson County, Kansas, the POINT OF BEGINNING; thence North 87 degrees 54 minutes 55 seconds East, on said South line, a distance of 1366.40 feet to a point; thence South 01 degree 47 minutes 03 seconds East, departing said South line, a distance of 1009.85 feet to a point on the North line of Green Road right of way, as established in I-35 Logistics Park Third Plat, a subdivision in the City of Olathe, Johnson County, Kansas; thence South 87 degrees 54 minutes 09 seconds West, on the North line of said Green Road right of way, and on the North line of 156th Place right of way, as established in I-35 Logistics Park, Fourth Plat, a subdivision in the City of Olathe, Johnson County, Kansas, a distance of 1370.13 feet to a point of curvature; thence in a Westerly, Northwesterly and Northerly direction, continuing on said North line, and on the East line of Mize Road right of way, as established in said I-35 Logistics Park, Fourth Plat, and on a curve to the right, having a radius of 30.00 feet, through a central angle of 90 degrees 14 minutes 28 seconds, an arc distance of 47.25 feet to a point of tangency; thence North 01 degree 51 minutes 23 seconds West, on said East line, a distance of 960.25 feet to a point on a non-tangent curve, said point also lying on said South line of 155th Street right of way; thence in an Easterly and Northeasterly direction, on said South line, and on a curve to the left whose initial tangent bears North 82 degrees 24 minutes 57 East, having a radius of 50.00 feet, through a central angle of 47 degrees 37 minutes 51 seconds, an arc distance of 41.57 feet to the POINT OF BEGINNING, containing 1,414,230 Square Feet or 32.4663 Acres, more or less.

Firm Data Sheet

Information for firm that will occupy the facility and its employees

PLEASE NOTE APPENDIX TWO (BOTTOM TABS)

Use information on firm that will occupy the facility

Name of Firm

Scannell Properties #798, LLC

Description of the firm's location or expansion in the community:

NWQ of Clare Road and 159th Street

Requested tax abatement term in years 10 Abatement percentage requested

80%

Square footage of the facility 646,380

Acreage of land the project will occupy TBD with platting

NAICS or SIC Code 493110

Market Value of the firm's initial new or additional investment in:

Land	<u>\$3,900,000</u>
Building and Improvements	<u>\$51,100,000</u>
Furniture, Fixtures and Equipment	<u></u>
Other Costs	<u></u>
Total	<u>\$55,000,000</u>

Project expansion (if acceptable):

Year of expansion N/A

Additional investment in:

Land	<u></u>
Building and Improvements	<u></u>
Furniture, Fixtures and Equipment	<u></u>

Total Sales (from the most current completed fiscal year):

Year N/A Sales

New or additional sales of the firm - as a result of the project:

Year			
1	<u>\$969,571</u>	6	<u>\$1,068,952</u>
2	<u>\$969,571</u>	7	<u>\$1,122,400</u>
3	<u>\$1,018,050</u>	8	<u>\$1,122,400</u>
4	<u>\$1,018,050</u>	9	<u>\$1,178,520</u>
5	<u>\$1,068,952</u>	10	<u>\$1,178,520</u>

Percent of those sales subject to sales tax in the:

City (Olathe)	<u>TBD</u>
County (Johnson)	<u>TBD</u>
State (Kansas)	<u>TBD</u>

Annual net taxable income, as a percent of sales, on which state corporate income taxes will be computed:

TBD

New or Additional annual purchases of the firm as a result of the project:
(items used in operations of business, not inventory that will be sold)

<i>Year</i>	
1	\$782,120
2	\$172,066
3	\$172,066
4	\$172,066
5	\$172,066
6	\$172,066
7	\$172,066
8	\$172,066
9	\$172,066
10	\$172,066

Percent of those purchases subject to sales taxes in the:

<i>City (Olathe)</i>	15%
<i>County (Johnson)</i>	30%
<i>State (Kansas)</i>	30%

Additional annual utilities that will be used by the firm as a result of the project

Water	\$102,258
Wastewater	\$25,569
Telephone	\$191,543
Electricity	\$547,902
Gas	\$182,632
Garbage	\$14,612
Cable	N/A

Number of new employees to be hired each year (to be used to complete Appendix II)

<i>Year</i>	
1	434
2	3
3	3
4	3
5	3
6	3
7	3
8	3
9	3
10	3

Number of new employees moving to the county each year (use numbers from above):

<i>Year</i>	<i>From Out-of-State</i>	<i>From Another Kansas County</i>	<i>Will not move</i>	<i>Total</i>
1	87	130	217	434
2	0	0	3	3
3	0	0	3	3
4	1	0	2	3
5	0	1	2	3
6	0	1	2	3
7	1	1	2	4
8	0	0	3	3
9	0	0	3	3
10	1	2	0	3
<i>Total</i>	90	135	237	462

Average annual salary of all employees:

Year	
1	\$48,000
2	\$50,400
3	\$52,920
4	\$55,566
5	\$58,344
6	\$61,262
7	\$64,325
8	\$67,541
9	\$70,918
10	\$74,464

Household size of a typical new worker 2.80

Number of school age children in the household of a typical new worker 0.75

Construction

Initial construction or expansion

Cost of Construction at the firm's new or expanded facility \$51,100,000

If construction is by an outside contractor, estimate percent profit on the cost of construction: 4.00%

Total construction salaries (A) \$25,550,000

Amount paid to average construction worker during the construction period (B) \$63,875 $A \div C = B$

Number of construction workers (C) 400

Household size of an average construction worker 2.83

Expansion II (if applicable):

Cost of Construction at the firm's new or expanded facility

If construction is by an outside contractor, estimate percent profit on the cost of construction:

Total construction salaries (A)

Amount paid to average construction worker during the construction period (B) $A \div C = B$

Number of construction workers (C)

Household size of an average construction worker

Visitors

Number of out-of-town visitors expected at the firm:

Year			
1	434	6	554
2	456	7	582
3	478	8	611
4	502	9	641
5	528	10	673

Number of days that each visitor will stay in the area 1.75

Number of nights that a typical visitor will stay in a local hotel or motel:

<i>In the City of Olathe</i>	<u>1</u>
<i>Anywhere in the county</i>	<u>1.75</u>

Firm Data Sheet
July 2024

Sales Tax Exemption Certificate Yes

Prior to the contractor starting construction on the project, that applicant shall notify the City Clerk whether or not to proceed with an applicant for a sales tax exemption from the state of Kansas.

Project Completion and Processing of the Tax Abatement

Prior to the completion of the project, the applicant shall inform the City and Bond Counsel to proceed with the state board of tax appeals for a tax abatement on the project.

