

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE KANSAS DEPARTMENT OF COMMERCE  
AND  
CITY OF OLATHE**

THIS MEMORANDUM OF UNDERSTANDING, hereinafter “MOU,” is entered into between the Kansas Department of Commerce, hereinafter “KDC,” and the City of Olathe, hereinafter “Olathe,” collectively, the “Parties,” to memorialize an agreement to recruit Project Amber to expand in Olathe “Project”; and

**WHEREAS**, KDC and Olathe play critical roles in growing the state’s economy through the recruitment and expansion of business; and

**WHEREAS**, KDC and Olathe have determined to jointly participate in funding Project Amber; and

**WHEREAS**, the Secretary of Commerce and Olathe have determined that a formal agreement to fund and administer the Project will lead to a successful collaboration between the two entities; and

**THEREFORE**, effective January 1, 2024, the Parties will participate in the Project as set forth below.

- I. **PROJECT.** The Project is being induced to expand in Kansas using incentives including \$4,000,000 from the Job Creation Fund (JCF) administered by KDC. Project Amber is anticipated to have \$84 million in capital investment and ultimately create 156 new jobs in Olathe.
- II. **PURPOSE OF FUNDS.** For purposes of the Project and this MOU, the use of funds shall generally include and mean building renovations, acquisition of equipment, machinery and fixtures. Any other use of the JCF funding must be approved in writing by KDC.
- III. **FUNDING/REIMBURSEMENT.**
  - A. JCF funding is allocated by Commerce for the Project as follows:
    - \$1.5M at contract execution
    - \$1.5M at end of Year 1 with 40 total new jobs
    - \$500K at end of Year 2 with 101 total new jobs
    - \$500K at end of Year 3 with 120 total new jobs
  - B. Olathe agrees to reimburse KDC in the amount of Five Hundred Thousand Dollars (\$500,000) in consideration for KDC providing the JCF award to the Project. This funding commitment will be reimbursed by Olathe to KDC, commencing the year the JCF contract is executed for Project Amber, in an annual amount equal to all of Olathe’s portion of real property taxes paid by Project for the preceding year until such time as Olathe’s funding commitment is paid in full.
- IV. **IMPLEMENTATION AND SUMMARY OF RESPONSIBILITIES.**
  - A. KDC shall through its JCF Agreement:

1. Require Project to remain current on its property and real estate taxes for at least the next ten (10) years from the date of the JCF contract.
2. Require that all work performed by and on Project meet with the terms of Olathe's Unified Development Ordinance.
3. Require Project to invest at least \$84 million and create 156 new jobs in Olathe within the first five (5) years following execution of JCF Agreement.
4. Require Project to provide quarterly progress reports in a format acceptable to the Parties.

**B. Olathe shall:**

1. Obtain all necessary city council and administrative approvals to give full effect to the form of this Agreement.
2. Take all other reasonable and necessary action to assist Project in expanding in Olathe.
3. Remit reimbursement payments within thirty (30) days from receiving from KDC a request for reimbursement.
4. Provide other services and technical assistance as needed to implement this MOU.

- V. AMENDMENT.** This MOU may only be amended, altered, or modified by an instrument in writing duly executed by the Parties.
- VI. TERM.** This MOU shall be for a period of sixty (60) months starting January 1, 2024 through December 31, 2029, unless terminated by both Parties in writing, and may be extended from year to year as agreed by the Parties hereto, in writing. Notice of termination shall be provided at least thirty (30) days prior to the effective date of the termination.
- VII. CONTRACTUAL PROVISIONS ATTACHMENT.** The Provisions found in the current version of the "Contractual Provisions Attachment (Form DA-146a)." which is attached hereto, are hereby incorporated into this MOU and made a part thereof. Any terms or conditions of this Agreement that are in conflict with Contractual Provisions Attachment (Form DA-146a) will be interpreted in a manner consistent with the terms and conditions of Contractual Provisions Attachment (Form DA-146a).
- VIII. COUNTERPARTS.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

*The signature pages immediately follow this paragraph.*

**CITY OF OLATHE**

\_\_\_\_\_  
John W. Bacon, Mayor

\_\_\_\_\_  
Date

ATTEST:

SEAL

\_\_\_\_\_  
Brenda D. Swearingian, City Clerk

\_\_\_\_\_  
Date

**KANSAS DEPARTMENT OF COMMERCE**

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David C. Toland, Lt. Governor and Secretary

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Date