

policy requirement of an investment requirement under a master resolution. This project will be generating new jobs and wages for the community and the cost benefit report illustrates that this project exceeds the targeted cost benefit ratio.

- The first phase project request of \$3,038,000 in industrial revenue bonds consists of;
 - \$463,000 to acquire land
 - \$2,575,000 to construct the building and other costs
- The second phase requests \$1,200,000
 - \$1,200,000 to construct the building and other costs
- The first phase project creates 74 new jobs over the next 10 years.
 - Average salaries of new jobs:
 - \$30,000
 - \$1,440,000 approximately in new annual wages in year 1
 - \$2,220,000 approximately in new annual wages in year 10
 - \$19,170,000 approximately in total new wages over the next 10 years
- Property taxes over the 10-year period with 50% property tax phase in on this first and second phases of this project:
 - All jurisdictions = \$50,467 annually / \$504,670 10-year total
 - Olathe = \$9,693 annually / \$96,932 10-year total
 - Olathe's current annual property tax revenue from the property is \$254
 - Upon retirement of the tax phase in, the City will receive approximately a total of \$19,386 in annual property tax revenue
- Overall the first phase project has a positive fiscal/economic impact on the community with a cost benefit ratio of 5.16, which exceeds the target of 1.3.

FINANCIAL IMPACT:

See attached materials for more detailed fiscal impact information.

ACTION NEEDED:

Accept report. A public hearing and resolution regarding the project will go before the City Council at the August 18th meeting.

ATTACHMENT(S):

Attachment A: Application Attachment B: Firm Data Sheet Attachment C: Executive Summary
Attachment D: Aerial of Property Attachment E: Cost Benefit Report