



CITY OF OLATHE, KANSAS
APPLICATION FOR ISSUANCE OF INDUSTRIAL REVENUE BONDS
Master Park Resolution - Existing Olathe Company
To be submitted in conjunction with first phase project application.

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 sheets, if any, are submitted as part of this application. 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 .25% of the first \$10 million of bonds issued and .1% of the amount of bonds issued in excess thereof (which amount shall not be less than \$1,500 and not more than \$100,000). 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. 06-1177 and contact Bond Council for a more detailed explanation of the fees.*

Applicant's Name

Applicants Address

Telephone Number

Name and Title of Responsible Officer/Contact

Telephone Number

Address (if other than corporate address)

Attorney for Applicant

Attorney's Address

Telephone Number

Bond Counsel for Applicant

Bond Counsel's Address

Telephone Number

I. BUSINESS INFORMATION

If the applicant corporation or its parent is a publicly-held corporation and regularly files annual reports on Form 10-K, respectively attach as a part of this application, a copy of the most recent Form 10-K and the applicant's most recent annual report to shareholders.

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

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

- C. Year and State of incorporation _____

 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: _____

- E. List the name of the certified public accounting firm (or firms) which has performed audits of the applicant firm (or its parent) books and records for the past three (3) years. Attach financial reports (income statements, retained earnings statements, changes in working capital, balance sheets, etc.) for same years. _____

- F. Have the applicant's credit instruments been rated by a rating service? _____
 Indicate name of rating service and types of instruments. Attach most recent copy of credit rating report. _____

- G Describe all outstanding or threatened litigation: _____

II. THE PROJECT

Briefly describe the nature of the proposed project, including information as to the size of the entire park or parcel, expected structures (potential size of buildings, amount of land to be purchased, etc.), and what types of businesses are expected to locate there. _____

| A. Approximate amount requested for: | Entire Project | First Phase Project |
|--------------------------------------|----------------|---------------------|
| Land* | \$ _____ | \$ _____ |
| Building | \$ _____ | \$ _____ |
| Machinery and Equipment | \$ _____ | \$ _____ |
| Pollution Control Facilities | \$ _____ | \$ _____ |
| Other Costs** | \$ _____ | \$ _____ |
| Total | \$ _____ | \$ _____ |

**Attach legal description of property*

**State other costs: _____

- B. Does the applicant or its parent presently have offices or industrial facilities located in Olathe, Kansas? If so, describe. _____

- C. Where is the location of the project? _____

- D. Is the prospective location properly zoned? _____ 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: _____

- E. Describe the type of buildings to be constructed and type of machinery and equipment to be financed? _____

- F. Will the applicant be in direct competition with other local firms? _____ If so name the firms: _____
Describe the nature of the competition: _____

- G. Are adequate public streets and utilities available to the proposed site? _____
- H. Specify if unusual demands for water and sewer will be made? _____

- I. Name and address of construction contractor and/or architect: _____

- J. How many persons will be employed at the project? _____ Will this project represent an increase in employment opportunities in Olathe, Kansas? _____
Please complete Appendix I.
- K. Briefly describe the approximate numbers of persons to be employed at the project at all levels (management, office, skilled and unskilled, for example): _____

- L. Is there likelihood for expansion of the proposed facility within 3 years? _____ If such expansion is contemplated, please describe? _____

- M. Has or will an environmental audit be performed for the site? _____

III. FINANCING

- A. Will the applicant pledge any assets other than the project itself to secure the bonds? If so, what?

- B. Will a bond and interest reserve be provided for? _____ State amount and source of funding. _____
- C. What portion of the project will be financed from funds other than bond proceeds? _____
What is the source of such funds? _____

- D. What will be the applicant's equity investment? Describe _____

- E. 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? _____
If so, please describe. _____

- F. List previous participation in IRB financing: _____

- G. Has a bond underwriter determined whether or not the bonds are marketable? If so, describe its determination and attach statement. _____
- H. Have arrangements been made for the marketing of the bonds? _____ Describe interest rate structure and term of bonds. _____

- I. Indicate whether bonds will be publicly or privately placed. _____

- J. Has the applicant considered conventional financing? _____

- K. Does the applicant or its parent, intend to purchase all or any part of the proposed bond issue?

- L. Indicate name of primary officer, institution name, and address of trustee and/or fiscal agent. _____

- M. Proposed date of issuing the bonds. _____
- N. ***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 appropriate filing with the state board of tax appeals for a tax abatement on the project.

IV. FINANCIAL PLAN

Attach, as part of this application, **projected proforma statements** for the first ten (10) years of operations which include revenue projections, operating expense projections, and debt amortization schedule.

V. TAXES

- A. What is the requested tax abatement term in years? _____ Percentage requested _____%
- B. 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. _____

VI. CERTIFICATION OF APPLICANT

It is agreed that the applicant will be responsible for any legal fees incurred by the city relating to this application.

It is understood that a performance agreement shall be required as set forth in the city's tax abatement policy. I hereby swear that the foregoing and attached information dated this _____, day of _____ 20____, is true and correct to the best of my knowledge.

Further, it is understood that additional information may be requested by the city to assist the Governing Body in its consideration of this matter.

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 A and B of Appendix I is essential in order for the city to meet this requirement.

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

| Occupational Classification | Total | Average Starting Wage | Average Maximum Wage | Number By County of Residence * |
|-----------------------------|-------|-----------------------|----------------------|---------------------------------|
| | | | | Johnson |
| | | | | Other |
| | | | | Johnson |
| | | | | Other |
| | | | | Johnson |
| | | | | Other |
| | | | | Johnson |
| | | | | Other |
| | | | | Johnson |
| | | | | Other |

* To be completed by firms with current operations in the Kansas City Metropolitan area.