



Developer Statement on Kansas Senate Bills 432 & 434

VanTrust Real Estate, Woodbury Corporation, and Loretto Properties (collectively, the “Development Team”) have been working together with the City of Olathe (“City”), and the State of Kansas, for well over a year to bring forward the potential of a \$250 million mixed-use commercial and entertainment district at the intersection of Interstate 35 and 151st Street in the City (on the site of the abandoned former The Great Mall of the Great Plains). This location is a key gateway in the City, and all of Southwest Johnson County, and neighbors the Olathe Medical Center and the corporate headquarters for Garmin.

The current plan includes a mixed-use arena and youth sport facilities, entertainment facilities, new-to-market retailers, and other first-class development (the “Project”). A key financing component of the Project is the utilization of Kansas Sales Tax and Revenue (“STAR”) bonds. The Project site was approved for a STAR Bond district in December of 2016, and an Application for STAR Bond Financing was filed with the Department of Commerce on December 13, 2017. The Development Team is working collectively with the City to file a STAR Bond Project Plan in the near future.

This transformative Project and its economic benefits cannot move forward if certain proposed amendments to the STAR Bond statute are approved by the Kansas Legislature. Specifically, Kansas Senate Bills 432 and 434 change and restrict the current law so drastically as to make it unusable. At the same time, they create a system of political uncertainty in which the Development Team cannot responsibly push forward with the proposed multi-million dollar investment it takes to pursue a development Project of this scale. The entire Development Team supports the appropriate and careful use of public-private partnership tools within any city or state in which they work. However, the Development Team cannot move forward under rules that fundamentally alter current STAR bond law in the middle of a project.