

3780 Greenway Circle
Lawrence, KS 66046
Telephone (785) 330-7100
Fax (785) 749-1693

November 30, 2017

Britt Crum-Cano
City of Lawrence, Kansas
City Manager's Office, Economic Development Coordinator
6 East 6th Street, Lawrence, KS 66044

Dear Ms. Crum-Cano:

Plastikon Healthcare, LLC, a contract manufacturing specializing in medical device products and located at 3780 Greenway Drive, Lawrence, Kansas, 66046, is requesting the City's economic assistance for our contemplated business expansion project.

In operation in Lawrence since 2011, Plastikon is a pioneer and innovator in producing high-value products serving the pharmaceutical and other medical device markets. The company has continued to experience increased demand from existing and new customers. In response, the company is exploring further investment in the business with a new 50,000 square foot expansion that will also add new, high paying jobs.

With this letter, Plastikon Healthcare, LLC, is formally requesting economic assistance of the City to support our proposed investment in the business. We anticipate further investments in the coming years to meet the ever increasing demand for our products and services.

Thank you in advance for your support and assistance with this and future projects. Should you need additional information please do not hesitate to contact me.

Sincerely,

Sandy Dixon

Sandy Dixon, General Manager,
Plastikon Healthcare, LLC

Application for Catalyst Program
Lawrence VenturePark or East Hills Business Center
City of Lawrence Development Assistance

Economic development assistance is available for building projects within Lawrence VenturePark and the East Hills Business Center. To apply, please fill out and submit completed application to:

City of Lawrence, Kansas
City Manager's Office, Economic Development Coordinator
6 East 6th Street, Lawrence, KS 66044
bcano@lawrenceks.org

Applicant Information

Name: Sandy Dixon

Title: General Manager

Company/Organization: Plastikon Healthcare, LLC

Address 1: 3780 Greenway Cir., Lawrence, KS 66046

Address 2:

Phone: 785-330-7109

Email: sdixon@plastikon.com

Fax: 785-749-1693

Project Information

Building Location (specify park name and Lot(s): East Hills Business Park, Lot

Construction Type

Size (sf)

New Construction, Free-Standing Building: ☐

New Construction, Expansion of Existing Building: ☒

50,000 sf

If Expansion, Address of Existing Building: 3780 Greenway Cir, Lawrence KS 66046

Estimated Construction Start: January 2018

Estimated Construction End: December 2018

Project to be Built to LEED Equivalent Level

Certified: No

Silver: Yes

Gold: As feasible in design

Platinum: As feasible in design

Is Applicant a taxable entity? Yes

Will project be taxable? Yes

Applicant is current on all property tax, special assessments, or any obligations to the City of Lawrence? (Y/N) Y

If not, please explain:

Marketing Expertise

Please provide details on how the project will be marketed:

Plastikon is a CMO (contract manufacturing organization) specializing in plastic bottle production, formulation of liquid med device and pharmaceuticals, and final packaging of products. Plastikon needs to expand the facility located at 3780 Greenway Circle to accommodate an aseptic Injection Molding technology suite and space for a future large volume sterile pharmaceutical suite. The initial project activity will increase staffing by a minimum of 13 jobs by end of year 2018.

The initial project construction will be executed in 2-phases. Phase 1 includes construction of a 50,000 ft² addition to the existing facility with an initial investment of approximately \$3.2 million in building materials and labor. Phase II will include an additional investment of approximately \$1 million for the interior build-out of the aseptic Injection Molding technology suite required for the the additional clean room, utilities upgrades, and other infrastructure. Completion of Phase 1 and Phase 2 is scheduled for 4th quarter of 2018 with a staff increase of 13 employees supporting the Injection Molding production. The initial total investment in buildings, infrastructure and equipment is estimated at \$7.3 million.

Future expansion plans that are not included in the scope of this request, may include completion of the 50,000 ft² interior build-out which is estimated at approximately \$7 million to complete the large volume sterile pharmaceutical suite and supporting utilities/formulation/WFI water system, coupled with an additional \$15 million in equipment for a total of \$22 million. Phase 3 is tentatively scheduled for completion in 2019 with an additional headcount of 40-60 employees pending market development.

Plastikon has an extended expansion plan for additional facility expansions up to 200,000 ft² as new contracts are awarded in the next 5-10 years.

Attach additional documentation regarding marketing team, qualifications, expertise, and past experience in successfully marketing similar properties.

Financial Capacity

Total Building Investment:	Labor Expense:	
	Construction Materials:	
	Other (please describe):	
	Estimated Total Building Investment:	3,200,000

Please provide details on how the project will be funded, including sources and amounts (e.g. owner equity, lender commitments, investor commitments, additional funding sources)

The project will be funded by a combination of owner equity and from a new building loan guaranteed by Plastikon Healthcare, LLC, that is operating at the current building site. Based on a preliminary term sheet from our Bank, we anticipate owner equity funding contribution may total up to \$900,000 with the balance of \$2,300,000 provided by the new building loan.

Attach additional documentation regarding financial capacity to successfully fund similar projects.

I hereby certify that the foregoing and attached information contained is true and correct, to the best of my knowledge:

Applicant Signature: _____



Date: _____

11/16/17

Disclosures

Company Form of Organization:

It is the policy of the City that no economic development incentive will be granted to any applicant or petitioner who owns any financial interest in any real property, anywhere within the state of Kansas, with delinquent special assessments, delinquent ad valorem taxes, or federal or state tax liens, or who is currently delinquent or in default on any debts, responsibilities, or other obligations owed to the City.

List the full name(s) of each principal (partner or member) who owns (or will own) 5% or more capital of the company. In the case of businesses owning another business (such as an umbrella LLC that is the owner of several other LLC's), the actual partners' names need to be listed, not just the registrant's name with the Secretary of State.

Are all above listed principals currently delinquent or in default on any debts, responsibilities, or other obligations owed to the City? If delinquent or in default, provide details on property owner name, property address, current property tax status, special assessment status, and outstanding obligations owed to the City, and why delinquent or in default.

List all subsidiaries or affiliates and details of ownership:

Subsidiary : Plastikon Healthcare LLC is a subsidiary of Plastikon Industries, Hayward, CA

Principals: Fred Soofer, Pete Petri, Kaveh Soofer, Guiv Soofer, Mark Petri, Isabelle Petri-Shuman

Has Company or any of its Directors/Officers been involved in or is the Company presently involved in any type of litigation?	No
Has the Company, developer or any affiliated party declared bankruptcy?	No
Has the Company, developer or any affiliated party defaulted on a real estate obligation?	No
Has the Company, developer or any affiliated party been the defendant in any legal suit or action?	No
Has the Company, developer or any affiliated party had judgments recorded against them?	No

If the answer to any of the above question is yes, please explain:

Note: Applicant may be required to provide additional financial information for the project and company.

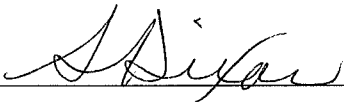
AFFIDAVIT

THE STATE OF Kansas)
)
THE COUNTY OF Douglas)

ss:

I, Sandy Dixon, being of lawful age, and having been first
duly sworn upon my oath, do hereby state:
Kansas

1. I am a resident of Lawrence, _____.
2. As of the date set forth below, I have no financial interest and no entity in which I have any interest has any financial interest in any real property, located anywhere in the state of Kansas, that is delinquent on any special assessments, delinquent on any *ad valorem* taxes, or the subject of any federal, state, or local tax lien.
3. As of the date set forth below, I am not currently delinquent or in default and no entity in which I have any interest is currently delinquent or in default on any debts, responsibilities, or other obligations owed to the City of Lawrence, Kansas.



SUBSCRIBED AND SWORN before the undersigned on this 5 day of DECEMBER,
2017.


Notary Public

My Appointment Expires: 06/26/2021

