



MIDWEST HEALTH

December 31, 2014

The Honorable Mike Amyx
Mayor of Lawrence, Kansas and
City Commissioners
City Hall
6 East 6th St.
PO Box 708
Lawrence, KS 66044

Re: Request for IRB Sales Tax Exemption for Pioneer Ridge Independent Living Project

Dear Mayor Amyx:

Midwest Health, Inc. (the "Applicant") wishes to apply for Industrial Revenue Bonds for the exemption of sales tax on the purchase of construction materials, fixtures and furniture for its new senior living development at Harvard and Wakarusa called "Pioneer Ridge Independent Living" (the "Project"). The Project is planned to consist of 76 independent living units and will fulfill a significant need for such senior housing in the Lawrence community. Please see renderings of the Project attached to this letter.

The Applicant has a strong regional reputation for excellence in senior living development and facility operation. The Applicant owns and operates numerous facilities in four Midwestern states, with a majority of those facilities, as well as its headquarters, located in Kansas. The Applicant owns and operates Pioneer Ridge Health Center, which provides skilled nursing services, and Pioneer Ridge Assisted Living, which provides assisted living housing and services, directly north of the site for the proposed Project. The Project will produce a unique synergy in the Lawrence community in combination with its sister facilities, providing several distinct and high quality senior living options to fit the needs of individual residents. In fact, it would not be uncommon for residents to move between our facilities over time given a particular resident's needs at various stages.

Pioneer Ridge Independent Living is a state-of-the-art facility designed to provide first-rate services to seniors. Our clients will be seniors who are looking for the safety, security and peace of mind that comes from living in senior apartments affiliated with an exceptional skilled nursing facility and assisted living community.

Pioneer Ridge Independent Living will provide the following services and Amenities:

- Variety of floor plan designs including one and two bedroom apartments
- Rooms featuring granite countertops, crown molding, and custom cabinetry
- Full service kitchen with multiple dining options including a pub and coffee shop
- Movie Theater
- Sundry Shop
- Onsite Banking
- Fitness Center
- Transportation
- Scheduled Activities
- Catered Living Services

Based on current market information and the requests of our current and past residents at our associated Pioneer Ridge facilities, as well as their families, this Project is much needed in our community. This need will continue to grow based on current and projected demographics in the Lawrence market. As a result, we request the issuance of Industrial Revenue Bonds for a sales tax exemption in order to facilitate construction of the Project.

Thank you for your consideration in granting Industrial Revenue Bonds for sales tax exemption in connection with this Project.

Sincerely,

A handwritten signature in cursive script that reads "Jim Klausman".

Jim Klausman,
President and CEO Midwest Health



















