

POET Biofuels Industrial Revenue Bond Request



Office of Economic
Development

June 6, 2022



POET Biofuels



- Ethanol Products, LLC d/b/a POET Biofuels founded in 1987 to provide marketing, trading, distribution, risk management and market development for renewable fuels
- Largest supplier of fuel grade ethanol in US
- Markets for 42 ethanol plants throughout the Midwest
- Located on Webb Road between 38th & 39th Street North



POET Biofuels



- Building a 39,000 square foot addition to house administrative positions, office space, meeting rooms, break rooms and collaborative space
- Requesting a Letter of Intent to issue Industrial Revenue Bonds (IRBs) in an amount not to exceed \$17,000,000
 - Real Property Improvements: \$15,000,000
 - Machinery & Equipment: \$ 2,000,000



POET Biofuels



- POET currently employs 168 employees
- Projects it will add 20 new employees over five years
- Annual wages in excess of \$70,000
- Project qualifies for 100% tax abatement - based on capital investment (60%), job creation (30%) and being in the energy sector of the Regional Growth Plan (10%) (no land abatement)



POET Biofuels



- Value of one year 100% tax abatement (\$15,000,000)

- City \$98,274 State \$ 4,500

- County \$88,110 USD 375 \$187,875

TOTAL = \$378,759



POET Biofuels



CEDBR Benefit/Cost Analysis:

	Projected
City of Wichita	1.23 to 1.00
City of Wichita – Gen Fund	1.04 to 1.00
City of Wichita – Debt Srv Fund	1.77 to 1.00
Sedgwick County	1.05 to 1.00
USD 375 (Circle)	1.38 to 1.00
State of Kansas	2.66 to 1.00



POET Biofuels



- **Recommendation:**

- It is recommended that the City Council close the public hearing, adopt the Resolution of Intent and authorize the necessary signatures.



POET Biofuels Industrial Revenue Bond Request



Office of Economic
Development

June 6, 2022

