



Hunt Midwest

PRESS RELEASE

Hunt Midwest Praises Missouri Incentives Encouraging Data Center Development Data Center legislation expected to attract new businesses, create new jobs

KANSAS CITY, Mo. – April 13, 2015 – For six years, Hunt Midwest, the Missouri Chamber and the Missouri Coalition for Data Centers have worked on tax incentive legislation designed to lure coveted data center development, jobs and investment into Missouri. On April 9, the effort finally paid off when Gov. Jay Nixon signed Senate Bill 149 into law.

“We are extremely pleased that the Missouri General Assembly and Gov. Nixon have taken action on this important piece of economic development legislation,” said Ora Reynolds, president and CEO of Hunt Midwest. “Missouri no longer has to watch other states win data center projects. As we recruit these high-tech companies, Missouri will see a strong multiplier effect from jobs and investment.”

Senate Bill 149 creates a state and local sales and use tax exemption for equipment, machinery and utilities used in new or expanding data centers. Under the bill, data processing and storage centers can also claim a tax exemption from state and local sales and use taxes for purchase of tangible personal property and materials for the construction of a new or expanding data center. The bipartisan bill also includes job creation requirements, capital investment thresholds and other safeguards to ensure job and investment targets are met. To qualify for these incentives, new data centers would be required to make an investment of at least \$25 million and create a minimum of 10 jobs paying at least 150 percent of the county average wage. For expanding data centers, the bill requires an investment of at least \$5 million and the creation of at least five new jobs.

With low power costs, ample power capacity, strong fiber connectivity and a skilled workforce, Missouri is an ideal location for data storage centers. Data centers also were identified as a targeted sector for new jobs and investment by the Governor’s Strategic Initiative for Economic Growth.

Hunt Midwest strengthened the case for data center development one year ago when it opened SubTropolis Technology Center (STC), a multimillion square-foot, mission critical data center campus anchored by Des Moines-based LightEdge Solutions.

“LightEdge’s commitment to STC helped plant the seed for data center development incentives in Missouri. As LightEdge grows its footprint with more private cage, rack, cloud compute and data storage tenants, it becomes a compelling and successful case study for other data center companies,” Reynolds said.

“LightEdge and Hunt Midwest teamed up one year ago to create a premier technology offering unlike any other in the Midwest. Now, armed with Missouri’s new legislation, companies can more affordably take advantage of our highly secure and protected location while enjoying relatively low electric rates compared with the rest of the U.S.,” said Jim Masterson, CEO of LightEdge Solutions.

STC offers a highly scalable infrastructure with millions of contiguous square feet available for expansion, ample amounts of redundant, affordable power, and strong connectivity with three Tier One fiber carriers in place—all hardened and protected by a 150-foot layer of limestone.



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Local electric provider KCP&L made a substantial commitment to SubTropolis Technology Center and has been a champion of Missouri's data center legislation. "KCP&L is positioned to provide ample capacity at STC with little to no ramp up time," said Chuck Caisley, KCP&L vice president of marketing and public affairs. "We believe data center development is a win-win in Missouri."

Missouri Chamber President and CEO Daniel P. Mehan called SB 149 a game changer. "For years, Missouri has tried to land data center projects using our state's many relevant advantages—low-cost power supply, protection from natural disasters, fiber internet and talented IT workers. But the reality is, if you aren't offering an incentive package, you are largely invisible to the site selectors who guide tech investment. Now, Missouri is on the map," Mehan said.

About Hunt Midwest

[Hunt Midwest](#) is a full-service real estate development company with a focus on industrial, commercial, retail, mission critical, multifamily, senior living and residential real estate. Its portfolio is anchored by SubTropolis, the world's largest underground business complex. Hunt Midwest is a Kansas City-based, privately held company owned by the Lamar Hunt family. The Hunt family business is a diverse portfolio of entities involved in real estate, sports/media, energy/resources, private equity and investments. Marquee entities include the Kansas City Chiefs, Hunt Midwest, FC Dallas Soccer Club, Toyota Stadium, Chicago Bulls and United Center.

About SubTropolis Technology Center (STC)

[SubTropolis Technology Center](#) is a mission critical data center campus that provides a highly scalable infrastructure for millions of square feet of contiguous expansion; redundant power with low kW costs; and fiber networking to meet the ever-growing bandwidth requirements of businesses. STC is served by KCP&L, with two diverse substations and 161 kV transmission lines on the property. The eco-friendly underground STC campus is protected by a 150-foot layer of limestone, making it a Tier IV compliant structure. STC provides a Meet-Me-Room for interconnection with major carriers and service providers and a six-acre equipment yard on the exterior surface.

About SubTropolis

As the world's largest underground business complex, [SubTropolis](#) sets the standard for subsurface business developments. SubTropolis was created through the mining of a 270-million-year-old limestone deposit. In the mining process, limestone is removed by the room and pillar method, leaving 25-foot square pillars that are on 65-foot centers and 40 feet apart. SubTropolis is home to more than 50 local, regional, national and international companies that employ in excess of 1,600 people.

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