



City of Olathe

Legislation Details (With Text)

File #: G24-4228

Type: New Business **Status:** Passed

File created: 2/8/2024 **In control:** City Council

On agenda: 2/20/2024 **Final action:** 2/20/2024

Title: Consideration of Ordinance No. 24-06 authorizing issuance of the City's taxable industrial revenue bonds in an amount not to exceed \$6,500,000 for the construction of a commercial project near Santa Fe and K-7.

Sponsors: Briana Burrichter, John Page

Indexes:

Code sections:

Attachments: 1. A. Resolution No. 19-1041, 2. B. Resolution No. 22-1044, 3. C. Ordinance 24-06

Date	Ver.	Action By	Action	Result
2/20/2024	1	City Council	approved	Pass

FOCUS AREA: Economy

STAFF CONTACT: Briana Burrichter / John Page

SUBJECT: Consideration of Ordinance No. 24-06 authorizing issuance of the City's taxable industrial revenue bonds in an amount not to exceed \$6,500,000 for the construction of a commercial project near Santa Fe and K-7.

TITLE:

Consideration of Ordinance No. 24-06 authorizing issuance of the City's taxable industrial revenue bonds in an amount not to exceed \$6,500,000 for the construction of a commercial project near Santa Fe and K-7.

SUMMARY:

On June 4, 2019, the City Council approved Resolution No. 19-1041 (Attachment A), authorizing the issuance of industrial revenue bonds in an amount not to exceed \$15,000,000 for the benefit of Stag's Ridge, LLC to finance the costs of acquiring, constructing and equipping a commercial project near Santa Fe and K-7. The bonds were authorized to be issued to obtain a sales tax exemption on construction materials used for the project.

On June 21, 2022, the city Council Approved Resolution No. 22-1044 (Attachment B), to assign up to \$6,500,000 of Stag's Ridge LLC's interest to Olathe Stage Self Storage LLC, a Kansas limited liability company. Olathe Stag Self Storage LLC has indicated its intent to construct a self-storage facility generally located northwest of K-7 and Spruce Street.

The Ordinance (Attachment C), prepared by the City's Bond Counsel, Gilmore & Bell, P.C., will authorize the issuance of bonds not to exceed \$6,500,000 for the Project. The bonds are a special obligation of the City, paid solely by revenues generated by the Project. The Ordinance also authorizes the approval and execution of various documents required to facilitate the transaction

under Kansas law, including a bond indenture and lease agreement.

FINANCIAL IMPACT:

All costs related to the issuance of the bonds will be paid by Olathe Stag Self Storage LLC Project.

ACTION NEEDED:

Approve Ordinance No. 24-06.

ATTACHMENT(S):

- A. Resolution 19-1041
- B. Resolution 22-1044
- C. Ordinance 24-06