



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 12/3/2019

DEPARTMENT: Resource Management

STAFF CONTACT: Dianna Wright/Emily Vincent

SUBJECT: Consideration of Resolution No. 19-1073 assigning the lease agreement and related bond documents by Opus Development Company, LLC in connection with \$16,524,000 in industrial revenue bonds to STAG Industrial Holdings, LLC.

ITEM DESCRIPTION:

Consideration of Resolution No. 19-1073 assigning the lease agreement and related bond documents by Opus Development Company, LLC in connection with \$16,524,000 in industrial revenue bonds to STAG Industrial Holdings, LLC..

SUMMARY:

The City previously approved Ordinance No. 17-58 (Attachment A) authorizing the issuance of \$16,524,000 in industrial revenue bonds for the construction and equipping of a 231,000 sq. ft. distribution warehouse facility for Opus Development Company, LLC. The project was approved for a 10-year, 50% property tax phase in.

The City has received a request by Opus Development Company, LLC to assign their interest under the Lease Agreement, Performance Agreement and Bonds Documents to STAG Industrial Holdings, LLC. The action will not affect the amount of bonds financing the project or the terms of the property tax phase in for the project.

Attached is Resolution No. 19-1073 (Attachment B) prepared by the City's bond counsel, Gilmore & Bell, P.C., which authorizes the assignment of the lease agreement and bond documents.

FINANCIAL IMPACT:

Assignment of interests are common with industrial revenue bond financings and will not affect the amount of bonds financing the project or the terms of the property tax phase in on the project.

ACTION NEEDED:

Approve Resolution No. 19-1073

ATTACHMENT(S):

Attachment A. Ordinance No. 17-58

Attachment B: Resolution No. 19-1073