



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 2/20/2024

FOCUS AREA: Economy

STAFF CONTACT: Briana Burrichter / John Page

SUBJECT: Consideration of Ordinance No. 24-05 authorizing issuance of the City's taxable industrial revenue bonds in an amount not to exceed \$70,500,000 for the construction of a 90,000 square foot single-story data center on a 22.44-acre parcel southwest of the K-10 and K-7 Interchange.

TITLE:

Consideration of Ordinance No. 24-05 authorizing issuance of the City's taxable industrial revenue bonds in an amount not to exceed \$70,500,000 for the construction of a 90,000 square foot single-story data center on a 22.44-acre parcel southwest of the K-10 and K-7 Interchange.

SUMMARY:

On May 16, 2023, the City Council adopted Resolution No. 23-1032 (Attachment A) expressing the intent to issue an amount not to exceed \$70,500,000 of the City's taxable industrial revenue bonds ("bonds") for the construction of an approximately 90,000 square foot single-story data center on a 22.44-acre parcel southwest of the K-10 and K-7 Interchange.

The project will receive a 10 year, 50% tax phase-in in conjunction with the reissuance of the City's revenue bonds up to \$70,500,000.

The Ordinance (Attachment B), prepared by the City's Bond Counsel, Gilmore & Bell, P.C., will authorize the issuance of bonds not to exceed \$70,500,000 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 CLOP Olathe KS LLC.

ACTION NEEDED:

Consider approval of Ordinance No. 24-05.

ATTACHMENT(S):

A. Resolution No. 23-1032

B. Ordinance No. 24-05