



City of Olathe

Legislation Details (With Text)

File #: G20-1622
Type: Reports **Status:** Agenda Ready
File created: 4/28/2020 **In control:** City Council
On agenda: 5/5/2020 **Final action:**
Title: Report on a request by KidsTLC, Inc. for the issuance of tax-exempt industrial revenue bonds in the amount of \$7,000,000.
Sponsors: Dianna Wright, Emily Vincent
Indexes:
Code sections:
Attachments: 1. Attachment A: Application, 2. Attachment B: Ordinance

Date	Ver.	Action By	Action	Result
5/5/2020	1	City Council		

DEPARTMENT: Resource Management

STAFF CONTACT: Dianna Wright/Emily Vincent

SUBJECT: Report on a request by KidsTLC, Inc. for the issuance of tax-exempt industrial revenue bonds in the amount of \$7,000,000.

ITEM DESCRIPTION:

Report on a request by KidsTLC, Inc. for the issuance of tax-exempt industrial revenue bonds in the amount of \$7,000,000.

SUMMARY:

KidsTLC, Inc. ("TLC") is a Kansas not-for-profit 501 (C) (3) corporation which provides an emergency shelter and related services for abused and neglected children from infancy through age 18 at its Olathe facilities along South Rogers Road

The City has received from KidsTLC, Inc., a Kansas not-for-profit corporation, a request for the issuance of industrial revenue bonds in two series in the aggregate principal amount of \$7,000,000.

The bonds will be issued to fund various projects for KidsTLC, including pending acquisition and improvement of facilities located at 480 S. Rogers Rd. and other KidsTLC facilities at 400 through 620 S. Rogers Rd., all in the City of Olathe, Kansas. An expansion project is planned on 6 acres of land adjacent to the existing campus along with an approximately 33,000 sq. ft. building.

It is intended that the interest on the bonds be exempt from federal and state income taxation.

Because TLC is a tax-exempt entity and the bonds will be used for a tax-exempt purpose, TLC is not requesting a real property tax abatement with the issuance of the bonds.

A TEFRA (Tax Equity and Fiscal Responsibility) hearing has been scheduled for May 13th.

An ordinance authorizing the issuance of the bonds is anticipated to go before the City Council at its May 19th meeting.

FINANCIAL IMPACT:

All costs related to the issuance of the bonds will be paid by KidsTLC.

ACTION NEEDED:

No action required at this time. An ordinance authorizing the issuance of the bonds is anticipated to go before the City Council at its May 19th meeting.

ATTACHMENT(S):

Attachment A: Application Attachment B: Draft Ordinance