



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 7/16/2019

DEPARTMENT: Resource Management

STAFF CONTACT: Dianna Wright/Emily Vincent

SUBJECT: Consideration of Resolution No. 19-1051 expressing the intent to issue health facility revenue bonds in the amount of \$30,000,000 on behalf of Olathe Medical Center, Inc.

ITEM DESCRIPTION:

Consideration of Resolution No. 19-1051 expressing the intent to issue health facility revenue bonds in the amount of \$30,000,000 on behalf of Olathe Medical Center, Inc.

SUMMARY:

The City has received a \$30,000,000 health facilities revenue bond application from Olathe Medical Center, Inc. (OMC) (Attachment A). The bonds will be issued to fund various projects at OMC facilities. It is intended that the interest on the bonds be exempt from federal and state income taxation.

Attached is the Resolution of Intent (Attachment B) prepared by Gilmore & Bell, P.C., the City's bond counsel expressing the intent to issue the health facility revenue bonds.

A TEFRA (Tax Equity and Fiscal Responsibility) hearing has been scheduled for July 25th. An ordinance will then be brought forward at the next city council meeting, August 6th.

FINANCIAL IMPACT:

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

ACTION NEEDED:

Approve Resolution No. 19-1051. An ordinance authorizing the issuance of the bonds will go before the City Council at its August 6th meeting.

ATTACHMENT(S):

Attachment A. Application

Attachment B: Resolution No. 19-1051