



# City of Olathe

## COUNCIL AGENDA ITEM

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**MEETING DATE:** 6/16/2020

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**DEPARTMENT:** Resource Management

**STAFF CONTACT:** Dianna Wright/Emily Vincent

**SUBJECT:** Consideration of Ordinance No. 20-23 authorizing issuance of industrial revenue bonds for the KidsTLC, Inc. project.

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**ITEM DESCRIPTION:**

Consideration of Ordinance No. 20-23 authorizing issuance of industrial revenue bonds for the KidsTLC, Inc. project.

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**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 by the City 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 report on this project was on the May 5<sup>th</sup> Council Agenda.

A TEFRA (Tax Equity and Fiscal Responsibility) hearing was held on May 13<sup>th</sup>.

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**FINANCIAL IMPACT:**

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

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**ACTION NEEDED:**

Approve the ordinance.

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**ATTACHMENT(S):**

Attachment A: Application

Attachment B: Ordinance No. 20-23

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