



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 4/16/2019

DEPARTMENT: Resource Management

STAFF CONTACT: Dianna Wright/Emily Vincent

SUBJECT: Consideration of Ordinance 19-14 authorizing issuance of the City's taxable Industrial Revenue bonds in an amount not to exceed \$6,500,000 to BR Capital, LLC, Series 2019, for the construction of a 37,440 sq. ft. office and shop facility. (Bedrock Concrete Phase I Project)

ITEM DESCRIPTION:

Consideration of Ordinance 19-14 authorizing issuance of the City's taxable Industrial Revenue bonds in an amount not to exceed \$6,500,000 to BR Capital, LLC, Series 2019, for the construction of a 34,440 sq. ft. office and shop facility. (Bedrock Concrete Phase I Project)

SUMMARY:

On May 15, 2018 the City Council adopted Resolution No. 18-1050 (Attachment A), expressing the intent to issue an amount not to exceed \$6,500,000 of the City's taxable industrial revenue bonds ("bonds") for the construction of an office and shop facility located at the end of 157th Street, west of 169 Highway. This is a single series of bonds to be issued to cover the land and building costs. This project is under a master resolution for Bedrock Concrete, LLC.

The Ordinance (Attachment B), prepared by the City's Bond Counsel, Gilmore & Bell, P.C., will authorize the issuance of bonds not to exceed \$6,500,000 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 BR Capital, LLC.

ACTION NEEDED:

Approve Ordinance No. 19-14 authorizing the issuance of industrial revenue bonds to BR Capital, LLC.

ATTACHMENT(S):

Attachment A: Resolution 18-1050

Attachment B: Ordinance No. 19-14