



City of Killeen

Legislation Text

File #: RS-24-113, Version: 1

Consider a memorandum/resolution approving the issuance of a tax-exempt note by the Oglesby Cultural Facilities Corporation for Heart of Texas Goodwill Industries, Inc.; and providing an effective date.

DATE: June 18, 2024

TO: Kent Cagle, City Manager

FROM: Judith Tangalin, Executive Director of Finance

SUBJECT: Approving the issuance of a tax-exempt note by the Oglesby Cultural Facilities Corporation for Heart of Texas Goodwill Industries, Inc.; and providing an effective date

BACKGROUND AND FINDINGS:

Heart of Texas Goodwill Industries, Inc. intends to finance the construction and equipping of a Goodwill store, warehouse, and community center at 4901 Stan Schlueter Loop, Killeen, Texas.

Goodwill plans to finance the project with a tax-exempt note issued by the Oglesby Cultural Facilities Corporation, with a maximum principal amount of \$7,000,000. The proceeds from this note will be loaned to Goodwill for the project.

A public hearing regarding this financing and the project was held on May 23, 2024, conducted by Andrew Clark, the designated hearing officer of the Oglesby Corporation, following the required public notice.

The City of Killeen's approval is sought to satisfy legal requirements under Section 147(f) of the Internal Revenue Code and Section 221.030(a)(1)(B) of the Texas Health and Safety Code. This approval is necessary for the tax-exempt status of the note and the exercise of the Oglesby Corporation's powers within the city.

The City Council's approval is solely for satisfying these specific legal requirements. The approval does not grant any other permits or approvals needed for the project, such as building permits or zoning approvals. The city will not be liable for the note or the project in any manner.

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

Section 147(f) of the Internal Revenue Code and Section 221.030(a)(1)(B) of the Texas Health and Safety Code.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

N/A

Is this a one-time or recurring revenue/expenditure?

N/A

Is this revenue/expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

N/A

RECOMMENDATION:

Staff recommends that the City Council approve the issuance of a tax-exempt note by the Oglesby Cultural Facilities Corporation for Heart of Texas Goodwill Industries, Inc.; with the effective date to be upon approval.

DEPARTMENTAL CLEARANCES:

Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Resolution
Public Hearing Minutes
Affidavit of Publication
Presentation