



Jackson County Missouri

Jackson County Courthouse
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Legislation Details (With Text)

File #: 19219 **Version:** 0 **Name:** Industrial Development Authority revenue bonds YMCA

Type: Resolution **Status:** Passed

File created: 7/21/2016 **In control:** Finance and Audit Committee

On agenda: 7/25/2016 **Final action:** 8/1/2016

Title: A RESOLUTION authorizing the Chief Financial Officer to execute certain documents in connection with the Jackson County Industrial Development Authority’s Series 2002A Recreational Facilities revenue bonds to resolve certain tax matters with the U.S. Internal Revenue Service for the benefit of YMCA of Greater Kansas City.

Sponsors: Dennis Waits

Indexes: INDUSTRIAL DEVELOPMENT AUTHORITY, REVENUE BONDS, YMCA

Code sections:

Attachments: 1. 19219bu.pdf, 2. 19219adopt.pdf, 3. 19219-AGMT-YMCAGRTKC.pdf

Date	Ver.	Action By	Action	Result
8/1/2016	0	County Legislature	adopt	Pass
8/1/2016	0	Finance and Audit Committee	recommend do pass	Pass
8/1/2016	0	County Legislature	Consent Agenda	
7/26/2016	0	County Legislature	Go To 1st Meeting	Pass
7/25/2016	0	County Legislature	assign to committee	

IN THE COUNTY LEGISLATURE OF JACKSON COUNTY, MISSOURI

A RESOLUTION authorizing the Chief Financial Officer to execute certain documents in connection with the Jackson County Industrial Development Authority’s Series 2002A Recreational Facilities revenue bonds to resolve certain tax matters with the U.S. Internal Revenue Service for the benefit of YMCA of Greater Kansas City.

RESOLUTION NO. 19219, July 25, 2016

INTRODUCED BY Dennis Waits, County Legislator

WHEREAS, due to the loss of directors and failure to file required reports with the State of Missouri, the Jackson County Industrial Development Authority (the “IDA”), was administratively dissolved by the Missouri Secretary of State; and,

WHEREAS, pursuant to section 349.095 of the Revised Statutes of Missouri, as amended, following the dissolution of the IDA, Jackson County became the successor to all rights and properties of the IDA, provided that the County is not subject to any tax assessment or financial liability to any bondholder or creditor of the IDA; and,

WHEREAS, the IDA had previously issued \$13,495,000.00 of Recreational Facilities Revenue Bonds (YMCA of Greater Kansas City Project), Series 2002A (the "Bonds"), in order to provide funds to loan to the Young Men's Christian Association of Greater Kansas City (the "YMCA"); and,

WHEREAS, the YMCA sold some of the facilities financed or refinanced with the Bonds in a manner that was not in compliance with the federal tax requirements that applied to the use of Bond proceeds; and,

WHEREAS, the YMCA has requested the County's assistance in self-reporting this violation to the Internal Revenue Service ("IRS") under the IRS Voluntary Closing Agreement Program ("VCAP"); and,

WHEREAS, self-reporting this violation to the IRS will allow this matter to be settled on terms more favorable than if the issue had risen in an audit and will also permit the YMCA to refinance on a tax-exempt basis the portion of the Bonds not attributable to the facilities that were sold; and,

WHEREAS, all costs associated with the settlement with the IRS, including, but not limited to, any penalties due to the IRS and the cost to the County to retain outside counsel to assist in this matter,

are the responsibility of the YMCA; and,

WHEREAS, an authorized officer of the YMCA has executed a statement affirming its obligations to pay such costs along with other information about the YMCA included in the request to be submitted to the IRS to utilize VCAP (IRS Form 14429) (the “VCAP Request”); and,

WHEREAS, this statement includes a provision whereby the YMCA has agreed to indemnify and hold the County harmless from any loss or liability the County might incur as a result of the VCAP Request; and,

WHEREAS, the Legislature finds and determines it is desirable to assist the YMCA with the settlement and to authorize the execution on behalf of the County of (a) the attached VCAP Request, (b) the attached power of attorney (IRS Form 2848) authorizing Kutak Rock LLP, as special counsel to the County, and Gilmore & Bell PC, as bond counsel for the Bond issue, to represent the County in connection with the VCAP Request and settlement, and (c) a settlement agreement with the IRS for an amount acceptable to the YMCA; now therefore,

BE IT RESOLVED by the County Legislature of Jackson County, Missouri, that the Chief Financial Officer be and hereby is authorized to execute the documents described in this Resolution and any and all other documents necessary to give effect to the intent of this Resolution.

..Enacted and Approved

Effective Date: This Resolution shall be effective immediately upon its passage by a majority of the Legislature.

APPROVED AS TO FORM:

Chief Deputy County Counselor

County Counselor

Certificate of Passage

I hereby certify that the attached resolution, Resolution No. 19219 of July 25, 2016, was duly passed on August 1, 2016 by the Jackson County Legislature. The votes thereon were as follows:

Yeas 9

Nays 0

Abstaining 0

Absent 0

Date

Mary Jo Spino, Clerk of Legislature

This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases is subject to annual appropriation.

Date

Chief Financial Officer