

RESOLUTION NO. R-16-04

A RESOLUTION AUTHORIZING THE DISSOLUTION OF A LONG-TERM LEASE WITH ATKINS JOHNSON FARM LP, A MISSOURI LIMITED PARTNERSHIP, FOR THE HISTORICAL GROUNDS AND STRUCTURES OWNED BY THE CITY AND KNOWN AS THE ATKINS JOHNSON FARM.

WHEREAS, the City of Gladstone owns certain property within the City known as the Atkins Johnson Farm; and

WHEREAS, the Atkins Johnson farm has been placed on the National Register of Historic Places and is the oldest known farmstead and structure still existing within the City, and

WHEREAS, the Atkins Johnson LP is a for-profit organization that leased the Atkins Johnson Farm property and structures from the City for a period of 39 years; and

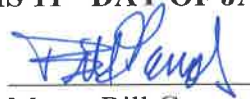
WHEREAS, the Atkins Johnson LP has dissolved and is no longer a recognized for profit entity in the state of Missouri; and

WHEREAS, the City Council has reviewed the Lease and has determined that the dissolution of the lease serve and promote the best interests of the City and its citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

THAT, the City Manager of the City of Gladstone, Missouri, is hereby authorized to terminate the lease between the City of Gladstone and the Atkins Johnson Farm LP, for the City-owned historical property known as the Atkins Johnson Farm.

INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 11th DAY OF JANUARY, 2016.



Mayor Bill Garnos

ATTEST:



Ruth E. Bocchino, City Clerk



P.O. Box 10719
GLADSTONE, MISSOURI 64188-0769

7010 North Holmes
GLADSTONE, MISSOURI 64118-2646

816-436-2200
816-436-2228 FAX

MEMORANDUM

TO: Kirk L. Davis, City Manager

FROM: Melinda Mehaffy, Economic Development Administrator

DATE: January 6, 2016

SUBJECT: Dissolution of lease with Atkins-Johnson Farm LP

The City of Gladstone entered into a lease with the Atkins-Johnson Farm Limited Partnership (LP) on March 13, 2009. The term of the lease is for thirty-nine (39) years ending on February 29, 2048. The lease was amended in March, 2011 to refine the legal description to include ingress and egress from the house and the geo-thermal system connected to the house. The lease was a 39-year lease as required by the Internal Revenue Service for entities that may sale Federal Tax Credits.

The Atkins-Johnson Farm LP *did not* sell Federal Tax Credits therefore they are not required to hold the LP open and may now dissolve the entity. Dissolving this entity will provide a cost savings to the museum of approximately \$3,000 annually in additional insurance costs and tax preparation costs.

The Atkins Johnson Corporation, the managing partner of the LP voted in November 2015 to dissolve both the Corporation and the LP. Staff has worked with Elizabeth Fast at Spencer, Fane, Britt and Browne to dissolve the Atkins Johnson Corporation and the LP in 2015.

Without a recognized entity by the State of Missouri, the lease for the farmhouse and the geo-thermal wells should be dissolved.