

ORDINANCE NO. 49-884

AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT BETWEEN SPIRIT AEROSYSTEMS, INC. AND THE CITY OF WICHITA, KANSAS; APPROVING AND AUTHORIZING THE EXECUTION OF AN INDENTURE OF TRUST BETWEEN SAID CITY AND THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.; PLEDGING CERTAIN PAYMENTS UNDER SAID LEASE AGREEMENT AND MONEYS AND SECURITIES HELD BY THE TRUSTEE UNDER THE TERMS OF SAID INDENTURE OF TRUST; AUTHORIZING AND DIRECTING THE ISSUANCE OF INDUSTRIAL REVENUE BONDS SERIES VIII, 2014 (SPIRIT AEROSYSTEMS, INC. PROJECT) OF SAID CITY IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$10,000,000 FOR THE PURPOSE OF PROVIDING FUNDS FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION AND IMPROVEMENT OF CERTAIN INDUSTRIAL AND MANUFACTURING FACILITIES OF SPIRIT AEROSYSTEMS, INC., A DELAWARE CORPORATION, IN SEDGWICK COUNTY, KANSAS; DESIGNATING THE TRUSTEE AND THE PAYING AGENT FOR SAID BONDS; AUTHORIZING THE SALE OF SAID BONDS AND THE EXECUTION OF A BOND PURCHASE AGREEMENT THEREFOR; APPROVING AND AUTHORIZING THE EXECUTION OF AN ADMINISTRATIVE SERVICE FEE AGREEMENT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN RELATED INSTRUMENTS;

WHEREAS, the City of Wichita, Kansas (the "City") desires to promote and stimulate general economic welfare and prosperity and provide greater employment opportunities within the City and its environs and thereby to further promote, stimulate and develop the economic welfare and prosperity of the State of Kansas; and

WHEREAS, pursuant to the provisions of K.S.A. 12-1740 et seq., as amended, said City is authorized to issue industrial revenue bonds of said City, and it is hereby found and determined to be advisable and in the interest and for the welfare of the City and its inhabitants that industrial revenue bonds be issued for the purpose of providing funds for the acquisition, construction, reconstruction and improvement of certain industrial and manufacturing facilities of Spirit AeroSystems, Inc., a Delaware corporation (the "Company"), located within the environs of the City in Sedgwick County, Kansas, which facilities include the Project as defined in the Lease Agreement and the Indenture of Trust herein referred to approved and authorized; and

WHEREAS, the Company will acquire a leasehold interest in the Project from the City pursuant to said Lease Agreement; and

WHEREAS, by Letter of Intent dated May 17, 2005, as extended on May 4, 2010, the City has authorized the undertaking of an industrial revenue bond financing for the Project; and

WHEREAS, it is hereby found and determined that the purpose of said Letter of Intent, as so extended (the “Letter of Intent”), is to extend until May 17, 2015 the term specified in each Section 12.11(e) of those certain Lease Agreements dated as of December 1, 2005, December 1, 2006, December 1, 2008 and December 1, 2009 between the City and the Company and to be specified in those lease agreements entered into on or after May 4, 2010 by the City and the Company; and

WHEREAS, said Indenture of Trust and this Ordinance provide for the authorization and issuance of a series of such bonds;

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS:

Section 1. Enabling Declaration. The City Council, as governing body of the City of Wichita, Kansas, has determined and hereby declares that the Project, if in being, would promote the welfare of the City.

Section 2. Application of Letter of Intent Extension to Lease Agreements; Approval and Authorization of Lease Agreement. The City does hereby approve and confirm that the term of the Letter of Intent specified in each Section 12.11(e) of those certain Lease Agreements dated as of December 1, 2005, December 1, 2006, December 1, 2008 and December 1, 2009 and between the City and the Company, and specified or to be specified in those lease agreements, including the Lease Agreements dated as of December 1, 2011, December 1, 2012 and December 1, 2013 and the Lease Agreement to be dated as of December 1, 2014, between the City, as lessor, and the Company, as lessee (the “Lease”), entered into by the City and the Company on or after May 4, 2010 shall extend until May 17, 2015. The Lease be and the same is in all respects hereby approved, authorized and confirmed, and Jeff Blubaugh (or in his absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), as Vice Mayor, and the City Clerk or Deputy City Clerk be and they are hereby authorized and directed to execute, attest and deliver the Lease for and on behalf of the City.

Section 3. Approval and Authorization of Indenture of Trust, Designation of Trustee and Paying Agent. The Indenture of Trust, to be dated as of December 1, 2014 (the “Indenture”), between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), be and the same is in all respects hereby approved, authorized and confirmed, and said Trustee is hereby designated to act as such thereunder, and the Trustee is hereby designated to act as Paying Agent for the not to exceed \$10,000,000 principal amount of City of Wichita, Kansas Industrial Revenue Bonds Series VIII, 2014 (Spirit AeroSystems, Inc. Project), authorized by this Ordinance and the Indenture and Jeff Blubaugh (or in his absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), as Vice Mayor, and the City Clerk or Deputy City Clerk be and they are hereby authorized and directed to execute, attest and deliver the Indenture for and on behalf of said City. As provided in the Indenture, the City assigns and pledges to the Trustee certain payments under the Lease and moneys and securities held by the Trustee under the terms of the Indenture as security for such Bonds.

Section 4. Approval, Authorization and Issuance of Bonds. There is hereby created and established an issue of bonds of the City to be known and designated as “City of Wichita, Kansas Industrial Revenue Bonds Series VIII, 2014 (Spirit AeroSystems, Inc. Project)” (the “Bonds”), which shall consist of not to exceed \$10,000,000 principal amount of Bonds, to be dated as of their date of first authentication and delivery, to mature on January 1, 2025, to bear interest at the rate of 5.50% per annum, payable semiannually on January 1 and July 1 in each year, commencing July 1, 2015, and to be subject to redemption at the principal amount thereof plus accrued interest thereon to the redemption date as further provided in the Indenture and shall be in principal amount, form and content and include such other details as specified herein and in the Indenture. The issuance of the Bonds is in all respects hereby approved, authorized and confirmed, and Jeff Blubaugh (or in his absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), as Vice Mayor, and the City Clerk or Deputy City Clerk are authorized and directed to execute and seal the Bonds pursuant to the Indenture, and the Trustee is hereby authorized and directed to authenticate the Bonds, to deliver the same to the purchaser designated in the Bond Purchase Agreement hereinafter referred to for and on behalf of the City upon receipt of the purchase price therefor and to deposit the proceeds thereof with itself as trustee, in the manner provided for by this Ordinance and the Indenture. The Bonds, together with the interest thereon, are not general obligations of the City, but are special obligations payable (except to the extent paid out of moneys attributable to the proceeds derived from the sale of the Bonds or to the income from the temporary investment thereof) solely from the lease payments under the Lease, and the Bond Fund and other moneys held by the Trustee, as provided in the Indenture. Neither the credit nor the taxing power of the State of Kansas or of any political subdivision of such State is pledged to the payment of the principal of the Bonds and premium, if any, and interest thereon or other costs incident thereto.

Section 5. Authorization of the Sale of the Bonds. The sale of the Bonds pursuant to the terms of the Bond Purchase Agreement, at a purchase price of 100% of the principal amount thereof plus accrued interest from the date of authentication to the date of delivery of and payment for the Bonds, is hereby approved, authorized and confirmed. Jeff Blubaugh (or in his absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), as Vice Mayor, is hereby authorized and directed to execute the Bond Purchase Agreement, dated as of December 1, 2014, covering the sale of the Bonds.

Section 6. Approval and Authorization of Administrative Service Fee Agreement. The Administrative Service Fee Agreement, to be dated as of December 1, 2014, between the City and the Company, (the “Fee Agreement”), be and the same is in all respects hereby approved, authorized and confirmed, and Jeff Blubaugh (or in his absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), as Vice Mayor, and the City Clerk or Deputy City Clerk be and they are hereby authorized and directed to execute and deliver the Fee Agreement, for and on behalf of the City.

Section 7. Authority to Correct Errors, Etc. Jeff Blubaugh (or in his absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), as Vice Mayor, the City Clerk and Deputy City Clerk are hereby authorized and directed to make any alterations, changes or additions in the instruments herein approved, authorized and confirmed necessary to correct errors or omissions therein or to conform the same to the other provisions of said instruments or to the provisions of this Ordinance.

Section 8. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. It shall not be necessary for the Lease, the Indenture, the Fee Agreement or the Bond Purchase Agreement to be published in the official City paper, but all such documents shall be on file in the office of the City Clerk and shall be available for inspection by any interested party.

Section 9. Further Authority. Jeff Blubaugh (or in his absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), as Vice Mayor, the City Clerk, Deputy City Clerk, City Treasurer, Interim City Attorney and Director of Law and other City officials are hereby authorized to execute and deliver for and on behalf of the City any and all additional certificates, documents or other papers and to perform all other acts as they may deem necessary or appropriate in order to implement and carry out the matters herein authorized.

Section 10. Effective Date. This Ordinance shall take effect and be in force from and after its passage and publication in the official City paper.

PASSED by the City Council this 25th day of November, 2014.

Signed by the _____.

Jeff Blubaugh
Vice Mayor

Attest:

City Clerk

[SEAL]

Approved as to Form:

Sharon L. Dickgrafe
Interim City Attorney and Director of Law