

RESOLUTION NO. 14-016

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF WICHITA, KANSAS TO PAY COSTS ASSOCIATED WITH THE EXPANSION OF KELLOGG AVENUE IN THE CITY.

WHEREAS, the City of Wichita, Kansas (the “City”) is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State of Kansas (the “State”); and

WHEREAS, governing body of the City (the “Governing Body”), pursuant to the Constitution and statutes of the State, has heretofore authorized the expansion of Kellogg Avenue in the City, including the acquisition of land necessary therefore, the costs of which are to be financed, in whole or in part, by the issuance of general obligation bonds of the City; and

WHEREAS, the Governing Body deems it advisable, in connection with such Kellogg Avenue project, to acquire additional land near the intersection of Kellogg Avenue and Greenwich Road (the “Property”) at an estimated acquisition cost and related expenses of not to exceed \$8,500,000; and

WHEREAS, the Governing Body is authorized, pursuant to K.S.A. 13-1024c, as amended by Charter Ordinance No. 156 of the City (the “Public Improvements Act”), to issue general obligation bonds of the City for the purpose of paying for the construction, purchase or improvement of any public improvement, including the land necessary therefore, and for the purpose of rebuilding, adding to or extending the same as the necessities of the City may require and for the purpose of paying for certain personal property therefore; and

WHEREAS, the Governing Body hereby finds and determines that it is necessary and advisable to finance the acquisition of the Property and related expenses by the issuance of general obligation bonds of the City pursuant to the Public Improvements Act; and

WHEREAS, pursuant to the authority of K.S.A. 12-187 *et seq.* (the “Sales Tax Act”), Sedgwick County, Kansas (the “County”), currently imposes a one percent (1%) Countywide retailer sales tax (the “Sales Tax”), the revenues of which are apportioned in the manner set forth in the Sales Tax Act among the County and the cities located within the County, including the City; and

WHEREAS, the City is also authorized pursuant to the Sales Tax Act, particularly K.S.A. 12-195b, to issue general obligation bonds secured by a pledge of its portion of the Sales Tax, provided certain procedural requirements contained in the Sales Tax Act are satisfied; and

WHEREAS, the Governing Body has heretofore pledged 50% of the revenues allocated to the City from the Sales Tax for the purpose of providing for payment of local road, highway, and bridge projects and the payment of indebtedness issued to pay the costs thereof; and

WHEREAS, the Governing Body hereby finds and determines it to be necessary and advisable to authorize the issuance issue general obligation sales tax bonds in order to finance the costs of the acquisition of the Property and related expenses; and

WHEREAS, the Sales Tax Act further requires that, before the Governing Body shall issue any general obligation sales tax bonds, it shall cause to be prepared a comprehensive feasibility study showing that revenues received by the City from the Sales Tax would be sufficient to retire such general obligation sales tax bonds.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:

Section 1. Project Authorization. It is hereby authorized, ordered and directed that the Property be acquired.

Section 2. Project Financing. All or a portion of the costs of the acquisition of the Project and related expenses, including interest on financing and administrative and financing costs shall be financed with the proceeds of general obligation bonds issued pursuant to the Improvements Act. All or a portion of the costs of the acquisition of the Project and related expenses, including interest on financing and administrative and financing costs are also authorized to be financed with the proceeds of general obligation sales tax bonds issued pursuant to the Sales Tax Act, subject to the procedural requirements of K.S.A. 12-195b. The authorization to acquire the Property and finance the same shall be in addition to any other financing authorizations approved by the Governing Body.

Section 3. Reimbursement. The general obligation bonds and general obligation sales tax bonds authorized herein may be issued to reimburse expenditures made on or after the date which is 60 days before the date of this Resolution, pursuant to Treasury Regulation § 1.150-2.

Section 4. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

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ADOPTED by the City Council of the City of Wichita, Kansas, on January 7, 2014.

(SEAL)

Carl Brewer, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Gary E. Rebenstorf, Director of Law

