

ORDINANCE NO. 47-996

AN ORDINANCE OF THE CITY OF WICHITA, KANSAS AUTHORIZING THE ISSUANCE OF ITS GENERAL OBLIGATION BONDS TO PAY CERTAIN COSTS INCURRED IN CONNECTION WITH CESSNA COLUMBUS PROJECT; AND AUTHORIZING, PRESCRIBING THE FORM AND AUTHORIZING THE EXECUTION OF A FORGIVABLE LOAN AGREEMENT AND PROMISSORY NOTE BY AND BETWEEN CESSNA AIRCRAFT COMPANY AND THE CITY OF WICHITA, KANSAS.

WHEREAS, Article 12, Section 5 of the Kansas Constitution empowers cities to determine their local affairs and government; and

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

WHEREAS, the Governing Body of the City has found and determined that it is necessary and desirable, and in the interest and for the general economic welfare of the City and its inhabitants, that the City provide a forgivable loan for Cessna Aircraft Company in the City of Wichita; and

WHEREAS, the Governing Body of the City hereby finds and determines that in connection with Cessna Aircraft Company it is necessary and desirable and in the interest and for the general economic welfare of the City and its inhabitants, that the City provide a forgivable loan to finance construction of improvements to the Cessna Columbus Project in the City of Wichita; and

WHEREAS, under the authority of Article 12, Section 5 of the Kansas Constitution, the Governing Body of the City hereby further finds and determines that it is necessary and desirable and in the interest and for the general economic welfare of the City and its inhabitants, that general obligation bonds of the City in an amount not to exceed \$10,000,000, exclusive of the cost of interest on borrowed money (the "Bonds") be authorized and issued for the purpose of paying the costs incurred by Cessna Aircraft Company for the purposes set forth above, said Bonds to be issued in accordance with the provisions of K.S.A. 10-101 *et seq.*, as amended and supplemented.

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

SECTION 1. The Governing Body hereby finds and determines that it is necessary and desirable to authorize the issuance of general obligation bonds under the authority of Article 12, Section 5 of the Kansas Constitution in an amount not to exceed \$10,000,000, exclusive of the costs of interest on borrowed money, for the purpose of providing a forgivable loan to construct improvements associated with the Cessna Columbus Project in the City of Wichita (collectively, the "Project"). Such Bonds shall be sold and delivered in accordance with the provisions of K.S.A. 10-101 *et seq.*, as amended and supplemented.

SECTION 2. It is hereby further authorized, ordered and directed that in order to temporarily finance the costs of the Project prior to the completion thereof and until issuance of the Bonds as hereinbefore provided, there shall be issued temporary improvement notes (the "Notes"), the aggregate amount of which shall not exceed the sum of \$10,000,000 exclusive of the costs of interest on borrowed money, such Notes to be issued from time to time upon subsequent ordinance of the City which shall provide and set forth the details of the Notes, including the fixing of the dates, terms, denominations, interest rates and maturity dates thereof. Such Notes shall be issued and provision shall be made therefore as funds are needed and required for the orderly completion of the Project. Any Notes issued under the authority of this Section shall be issued under and will contain a recital that they are issued under the authority of K.S.A. 10-123, as amended and supplemented, and Article 12, Section 5 of the Kansas Constitution, and shall contain all other usual and required recitals and covenants and be in the form required therefore by said K.S.A. 10-123, as amended and supplemented; and said Notes may be issued in combination with any other temporary notes being issued by the City as shall be determined by the Governing Body at the time of such issuance to be in the City's best interests.

SECTION 3. Authorization of the Forgivable Loan Agreement and Promissory Note. The Mayor of the City of Wichita, Kansas is hereby authorized and directed to execute and deliver the Forgivable Loan Agreement and Promissory Note presented herewith, by and between Cessna Aircraft Company as Borrower and the City of Wichita as Lender for and on behalf of and as the act and deed of the City with such minor corrections or amendments thereto as the Mayor shall approve (which approval shall be evidenced by his execution thereof) and any such other

documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Ordinance. The City Clerk and any Deputy City Clerk of the City are hereby authorized and directed to attest the execution of the Forgivable Loan Agreement and Promissory Note, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

SECTION 4. Further Authority. The City shall, and the officers, agents and employees of the City are hereby authorized and directed to, take such further action as necessary to carry out and give effect to the transactions contemplated by this Ordinance and the Forgivable Loan Agreement and Promissory Note, and such other documents as are contemplated thereby in connection with the financing, refinancing or construction of the subject improvements.

SECTION 5. This Ordinance shall take effect and be in force from and after its passage and publication one time in the official City paper.

PASSED AND APPROVED by the governing body of the City of Wichita, Kansas this 23rd day of September, 2008.

Carl Brewer, Mayor

Attest:

Karen Sublett, City Clerk
(Seal)

Approved as to Form:

Gary E. Rebenstorf, Director of Law