

GILMORE & BELL, P.C.  
NOVEMBER 11, 2022

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**ORDINANCE NO. 51-997**

**OF THE  
CITY OF WICHITA, KANSAS**

**AUTHORIZING THE ISSUANCE OF  
\$10,000,000 TAXABLE INDUSTRIAL REVENUE BONDS  
SERIES XII, 2022  
(BUILDING 165N PROJECT)**

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(Published in *The Wichita Eagle* on December 16, 2022)

**ORDINANCE NO. 51-997**

**AN ORDINANCE AUTHORIZING THE CITY OF WICHITA, KANSAS TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS, SERIES XII, 2022 (BUILDING 165N PROJECT) FOR THE PURPOSE OF PAYING THE COSTS OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MANUFACTURING, AIRCRAFT MODIFICATION, FIT-OUT, AIRCRAFT CONVERSIONS AND REPAIR FACILITY; AND AUTHORIZING OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.**

**THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS HAS FOUND AND DETERMINED:**

A. The City of Wichita, Kansas (the "Issuer") is authorized by K.S.A. 12-1740 *et seq.*, as amended (the "Act"), to acquire, construct, improve and equip facilities (as defined in the Act) for commercial, industrial and manufacturing purposes, to enter into leases and lease-purchase agreements with any person, firm or corporation for such facilities, and to issue revenue bonds for the purpose of paying the costs of such facilities.

B. The City Council of the Issuer (the "Governing Body") has determined that it is desirable in order to promote, stimulate and develop the general economic welfare and prosperity of the Issuer and the State of Kansas that the Issuer issue its Taxable Industrial Revenue Bonds, Series XII, 2022 (Building 165N Project) in the aggregate principal amount of \$10,000,000 (the "Series XII, 2022 Bonds"), for the purpose of paying the costs of the acquisition, construction and equipping of a manufacturing, aircraft modification, fit-out, aircraft conversions and repair facility (the "Project") as more fully described in the Indenture and in the Project Lease authorized in this Ordinance, for lease to Air Capital Flight Line, LLC, a Kansas limited liability company (the "Tenant").

C. The Governing Body finds that it is necessary and desirable in connection with the issuance of the Series XII, 2022 Bonds to execute and deliver the following documents (collectively, the "Bond Documents"):

(i) a Trust Indenture dated as of December 1, 2022 (the "Indenture"), with Security Bank of Kansas City, Kansas City, Kansas, as Trustee (the "Trustee"), prescribing the terms and conditions of issuing and securing the Series XII, 2022 Bonds;

(ii) a Site Lease dated as of December 1, 2022 (the "Site Lease") with the Tenant, under which the Tenant will lease the Project to the Issuer;

(iii) a Project Lease dated as of December 1, 2022 (the "Project Lease"), with the Tenant, under which the Issuer will acquire, construct and equip the Project and lease it to the Tenant in consideration of Basic Rent and other payments;

(iv) a Bond Purchase Agreement (the "Bond Purchase Agreement") providing for the sale of the Series XII, 2022 Bonds by the Issuer to Air Capital Flight Line, LLC (the "Purchaser"); and

(v) an Agreement for Payment in Lieu of Taxes (the "PILOT") with the Tenant, under which the Tenant will make certain payments in lieu of taxes for each year after issuance of the Series XII, 2022 Bonds that the Project is exempt from ad valorem taxation.

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

Section 1. **Definition of Terms.** All terms and phrases not otherwise defined in this Ordinance will have the meanings set forth in the Indenture and the Project Lease.

Section 2. **Authority to Cause the Project to Be Purchased and Constructed.** The Issuer is authorized to cause the Project to be acquired, constructed and equipped in the manner described in the Indenture, the Site Lease and the Project Lease.

Section 3. **Authorization of and Security for the Bonds.** The Issuer is authorized and directed to issue the Series XII, 2022 Bonds, to be designated "City of Wichita Kansas Taxable Industrial Revenue Bonds, Series XII, 2022 (Building 165N Project)" in the aggregate principal amount of \$10,000,000, for the purpose of providing funds to pay the costs of the Project. The Series XII, 2022 Bonds will be dated and bear interest, will mature and be payable at such times, will be in such forms, will be subject to redemption and payment prior to maturity, and will be issued according to the provisions, covenants and agreements in the Indenture. The Series XII, 2022 Bonds will be special limited obligations of the Issuer payable solely from the Trust Estate under the Indenture, including revenues derived from the Project Lease of the Project. The Series XII, 2022 Bonds will not be general obligations of the Issuer, nor constitute a pledge of the faith and credit of the Issuer, and will not be payable in any manner by taxation.

Section 4. **Authorization of Indenture.** The Issuer is authorized to enter into the Indenture with the Trustee in the form approved in this Ordinance. The Issuer will pledge the Trust Estate described in the Indenture to the Trustee for the benefit of the owners of the Series XII, 2022 Bonds on the terms and conditions in the Indenture.

Section 5. **Lease of the Project.** The Tenant will enter into the Site Lease of the Project to the Issuer, and the Issuer will lease its interest in the Project to the Tenant pursuant to Project Lease. The form of the Site Lease and Project Lease are approved in this Ordinance.

Section 6. **Authorization of Bond Purchase Agreement.** The Issuer is authorized to sell the Series XII, 2022 Bonds to the Purchaser, according to the terms and provisions of the Bond Purchase Agreement, in the form approved in this Ordinance.

Section 7. **Authorization of Agreement for Payment in Lieu of Taxes.** The Issuer is authorized to enter into the PILOT with the Tenant. The form of the PILOT is approved in this Ordinance.

Section 8. **Execution of Bonds and Bond Documents.** The Mayor of the Issuer is authorized and directed to execute the Series XII, 2022 Bonds and deliver them to the Trustee for authentication on behalf of the Issuer in the manner provided by the Act and in the Indenture. The Mayor or member of the Issuer's governing body authorized by law to exercise the powers and duties of the Mayor in the Mayor's absence is further authorized and directed to execute and deliver the Bond Documents on behalf of the Issuer in substantially the forms presented for review prior to final passage of this Ordinance, with such corrections or amendments as the Mayor or other person lawfully acting in the absence of the Mayor may approve, which approval shall be evidenced by his or her signature. The authorized signatory may sign and deliver all other documents, certificates or instruments as may be necessary or desirable to carry out the purposes and intent of this Ordinance and the Bond Documents. The City Clerk or the Deputy City Clerk of the Issuer is hereby authorized and directed to attest the execution of the Series XII, 2022 Bonds, the Bond Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out the intent of this Ordinance under the Issuer's corporate seal.

Section 9. **Pledge of the Project and Net Lease Rentals.** The Issuer hereby pledges the Project and the net rentals generated under the Project Lease to the payment of the Series XII, 2022 Bonds in accordance with K.S.A. 12-1744. The lien created by the pledge will be discharged when all of the Series XII, 2022 Bonds are paid or deemed to have been paid under the Indenture.

Section 10. **Authority To Correct Errors, Etc.** The Mayor or member of the Issuer's governing body authorized to exercise the powers and duties of the Mayor in the Mayor's absence, the City Clerk and any Deputy City Clerk are hereby authorized and directed to make any alterations, changes or additions in the instruments herein approved, authorized and confirmed which may be necessary to correct errors or omissions therein or to conform the same to the other provisions of the instruments or to the provisions of this Ordinance.

Section 11. **Further Authority.** The officials, officers, agents and employees of the Issuer are authorized and directed to take whatever action and execute whatever other documents or certificates as may be necessary or desirable to carry out the provisions of this Ordinance and to carry out and perform the duties of the Issuer with respect to the Series XII, 2022 Bonds and the Bond Documents.

Section 12. **Effective Date.** This Ordinance shall take effect after its final passage by the governing body of the Issuer and publication once in the Issuer's official newspaper.

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**PASSED** by the governing body of the Issuer on December 13, 2022.

(SEAL)

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Brandon J. Whipple, Mayor

ATTEST:

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Jamie Buster, City Clerk

APPROVED AS TO FORM ONLY.

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Jennifer Magaña, Director of Law and  
City Attorney

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**CERTIFICATE**

I hereby certify that the attached copy is a true and correct copy of Ordinance No. 51-997 of the City of Wichita, Kansas duly passed by the Governing Body, signed by the Mayor and published in the official City newspaper on the date stated in this ordinance, and that the signed original of such Ordinance is on file in my office.

[SEAL]

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Jamie Buster, City Clerk

**EXCERPT OF MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF WICHITA, KANSAS  
HELD ON DECEMBER 6, 2022**

The governing body of the City of Wichita, Kansas met in regular session at the usual meeting place in the City, at 9:00 a.m., the following members being present and participating, to-wit:

[Mayor BRANDON WHIPPLE, Councilmembers BRANDON JOHNSON, BECKY TUTTLE, MIKE HOHEISEL, JEFF BLUBAUGH, BRYAN FRYE and MAGGIE BALLARD]

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

\* \* \* \* \*

(Other Proceedings)

Thereupon, there was presented for first reading on the governing body's consent agenda an Ordinance entitled:

**AN ORDINANCE AUTHORIZING THE CITY OF WICHITA, KANSAS TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS, SERIES XII, 2022 (BUILDING 165N PROJECT) FOR THE PURPOSE OF PAYING THE COSTS OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MANUFACTURING, AIRCRAFT MODIFICATION, FIT-OUT, AIRCRAFT CONVERSIONS AND REPAIR FACILITY; AND AUTHORIZING OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.**

Thereupon, \_\_\_\_\_ moved that the consent agenda be passed. The motion was seconded by \_\_\_\_\_. The motion that the consent agenda be passed, including approval upon first reading of the Ordinance was carried by the vote of the governing body, the vote being as follows:

Aye: [BRANDON WHIPPLE, BRANDON JOHNSON, BECKY TUTTLE, BRYAN FRYE, MIKE HOHEISEL, JEFF BLUBAUGH and MAGGIE BALLARD]

Nay: [NONE]

\* \* \* \* \*

(Other Proceedings)

\* \* \* \* \*

**CERTIFICATE**

I certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of Wichita, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

[SEAL]

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City Clerk

**EXCERPT OF MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF WICHITA, KANSAS  
HELD ON DECEMBER 13, 2022**

The governing body of the City of Wichita, Kansas met in regular session at the usual meeting place in the City, at 9:00 a.m., the following members being present and participating, to-wit:

[Mayor BRANDON WHIPPLE, Councilmembers BRANDON JOHNSON, BECKY TUTTLE, MIKE HOHEISEL, JEFF BLUBAUGH, BRYAN FRYE and MAGGIE BALLARD]

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

\* \* \* \* \*

(Other Proceedings)

Thereupon, there was presented for second reading on the governing body's consent agenda an Ordinance entitled:

**AN ORDINANCE AUTHORIZING THE CITY OF WICHITA, KANSAS TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS, SERIES XII, 2022 (BUILDING 165N PROJECT) FOR THE PURPOSE OF PAYING THE COSTS OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MANUFACTURING, AIRCRAFT MODIFICATION, FIT-OUT, AIRCRAFT CONVERSIONS AND REPAIR FACILITY; AND AUTHORIZING OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.**

Thereupon, \_\_\_\_\_ moved that the consent agenda be passed. The motion was seconded by \_\_\_\_\_. The motion that the consent agenda be passed, including final passage of the Ordinance, was carried by the vote of the governing body, the vote being as follows:

Aye: [BRANDON WHIPPLE, BRANDON JOHNSON, BECKY TUTTLE, BRYAN FRYE, MIKE HOHEISEL, JEFF BLUBAUGH and MAGGIE BALLARD]

Nay: [NONE]

Thereupon, the Ordinance was then duly numbered Ordinance No. 51-997 was signed by the Mayor and attested by the Clerk, and the Ordinance was directed to be published one time in the official newspaper of the City.

(Other Proceedings)

\* \* \* \* \*

**CERTIFICATE**

I certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of Wichita, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

[SEAL]

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Jamie Buster, City Clerk

(Published in *The Wichita Eagle* on December 16, 2022)

**SUMMARY OF ORDINANCE NO. 51-997**

On December 13, 2022, the governing body of the City of Wichita, Kansas passed an ordinance entitled:

**AN ORDINANCE AUTHORIZING THE CITY OF WICHITA, KANSAS TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS, SERIES XII, 2022 (BUILDING 165N PROJECT) FOR THE PURPOSE OF PAYING THE COSTS OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MANUFACTURING, AIRCRAFT MODIFICATION, FIT-OUT, AIRCRAFT CONVERSIONS AND REPAIR FACILITY; AND AUTHORIZING OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.**

The Ordinance authorizes the Issuer to issue its Taxable Industrial Revenue Bonds, Series XII, 2022 (Building 165N Project) in the aggregate principal amount of \$10,000,000 (the “Series XII, 2022 Bonds”), for the purpose of paying the costs of the acquisition, construction and equipping of a manufacturing, aircraft modification, fit-out, aircraft conversions and repair facility (the “Project”), as more fully described in the Indenture, the Site Lease and the Project Lease authorized by the Ordinance. The Project will be leased by the Issuer to Air Capital Flight Line, LLC, a Kansas limited liability company. In connection with the issuance of the Series XII, 2022 Bonds, the Issuer approves a partial ten-year exemption from ad valorem property taxes for the Project.

A complete text of the Ordinance may be obtained or viewed free of charge at the office of the City Clerk, 13th Floor, City Hall, 455 North Main, Wichita, Kansas 67202-1679. A reproduction of the Ordinance is available for not less than 7 days following the publication date of this Summary at <https://www.wichita.gov/CityClerk/Pages/Ordinances.aspx>.

This Summary is hereby certified to be legally accurate and sufficient pursuant to the laws of the State of Kansas.

DATED: December 13, 2022

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Jennifer Magaña, Director of Law  
and City Attorney