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FINAL
CITY COUNCIL
CITY OF WICHITA
KANSAS

City Council Meeting
09:30 a.m. November 24, 2015

First Floor Board Room
455 North Main

OPENING OF REGULAR MEETING

- Call to Order
- Approve the minutes of regular meeting on November 17, 2015

II. CONSENT AGENDA ITEMS 1 THROUGH 17

NOTICE: Items listed under the "Consent Agendas" will be enacted by one motion with no separate discussion. If discussion on an item is desired, the item will be removed from the "Consent Agendas" and considered separately

(The Council will be considering the City Council Consent Agenda as well as the Planning, Housing, and Airport Consent Agendas. Please see "ATTACHMENT 1 – CONSENT AGENDA ITEMS" for a listing of all Consent Agenda Items.)

COUNCIL AGENDA

VIII. COUNCIL MEMBER AGENDA

None

IX. COUNCIL MEMBER APPOINTMENTS AND COMMENTS

1. Board Appointments.

RECOMMENDED ACTION: Approve the appointments.

Adjournment

*****WORKSHOP TO FOLLOW*****

(ATTACHMENT 1 – CONSENT AGENDA ITEMS 1 THROUGH 17)

II. CITY COUNCIL CONSENT AGENDA ITEMS

1. Report of Board of Bids and Contracts dated November 23, 2015.

RECOMMENDED ACTION: Receive and file report; approve the contracts; and authorize the necessary signatures.

2. Applications for Licenses:

| <u>Renewal</u> | <u>2015</u> | <u>Address</u> |
|------------------|---------------|-------------------|
| Norman Massey Jr | Circle Cinema | 2570 South Seneca |

RECOMMENDED ACTION: Approve the licenses.

3. Applications for Licenses to Retail Cereal Malt Beverages:

| <u>Renew</u> | <u>2015</u> | <u>(Consumption on Premises)</u> |
|--------------|-----------------------------|----------------------------------|
| Ron Meyer | Pine Bay Golf Course Inc.** | 6615 South Grove |
| Erica Torres | El Rancho** | 2801 North Broadway |

| <u>Renew</u> | <u>2015</u> | <u>(Consumption off Premises)</u> |
|-------------------|--------------------------------|-----------------------------------|
| Julia L Jackowski | Casey's General Store #3312*** | 3540 South Meridian |
| Julia L Jackowski | Casey's General Store #2965*** | 11931 West Central |
| Brian Le | BV Gasoline, LLC*** | 4003 South Broadway |
| Rupan Kanti Dev | Food Mart*** | 1400 North Market |

**General/Restaurant (need 50% or more gross revenue from sale of food)

***Retailer (Grocery stores, convenience stores, etc.)

RECOMMENDED ACTION: Approve licenses subject to staff review and approval.

4. Consideration of Street Closures/Uses:

- a. Community Events - Fourth Annual Say Grace 5K. (District VI)
- b. Community Events - Mayor's Tree Lighting Ceremony. (Districts I, IV and V)

RECOMMENDED ACTION: Approve the request subject to; (1) Hiring off-duty certified law enforcement officers as required; (2) Obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department; and (3) Securing a Certificate of Liability Insurance on file with the Community Events Coordinator.

5. Minutes of Advisory Boards/Commissions:
Wichita Historic Preservation Board, October 12, 2015
Board of Park Commissioners, October 12, 2015
Wichita Public Library, October 20, 2015
Joint Investment Committee, October 1, 2015

RECOMMENDED ACTION: Receive and file.

6. Repair or Removal of Dangerous and Unsafe Structures: (Districts I, III, and IV)

| <u>Property Address</u> | <u>Council District</u> |
|-------------------------|-------------------------|
| a. 633 S. Green St | I |
| b. 1343 S. Water | III |
| c. 138 S. Sedgwick St | IV |

RECOMMENDED ACTION: Adopt the attached resolutions to schedule public hearings before the City Council on January 12, 2016 at 09:30 a.m. or as soon as possible thereafter, to consider condemnation of structures deemed dangerous and unsafe per Kansas State Statutes and local ordinances.

7. 2016 Fuel Fixed Forward Contract.

RECOMMENDED ACTION: Authorize the Purchasing Manager to enter into a fuel fixed forward contract for 2016.

8. Intelligent Transportation System.

RECOMMENDED ACTION: Approve the project and budget, adopt the resolution, and authorize the necessary signatures.

9. Funding for Improvements to the Pawnee Bridge at Arkansas River. (Districts III and IV)

RECOMMENDED ACTION: Approve the revised budget, adopt the amending resolution, and authorize the necessary signatures.

10. Wichita Area Metropolitan Planning Organization New Freedom Grant for Wichita Transit's Mobility Manager Contract Amendment.

RECOMMENDED ACTION: Approve the contract amendment and authorize the Mayor to execute the agreement.

11. Sale of City-owned Property at 1345 N. Fairmount. (District I)

RECOMMENDED ACTION: Approve the sale, approve the real estate agreement, and authorize any necessary signatures.

12. Pooled Funds Investment Policy.

RECOMMENDED ACTION: Approve the City of Wichita Pooled Funds Investment Policy.

13. Payment of Condemnation Award, Appraisers' Fees and Court Costs in Condemnation Matter to Acquire Property for Public Right-of-Way for the Meridian Avenue Street Improvement from McCormick Avenue to Pawnee Avenue. (District IV)

RECOMMENDED ACTION: Authorize payment to the Clerk of the District Court in the amount of \$1,490 for acquisition of property and easements condemned in the subject case, payment of the appraisers' fees and court costs.

14. Second Reading Ordinances: (First Read November 17, 2015)

RECOMMENDED ACTION: Adopt the Ordinances.

II. CONSENT PLANNING AGENDA ITEMS

NOTICE:Public hearing on planning items is conducted by the MAPC under provisions of State law. Adopted policy is that additional hearing on zoning applications will not be conducted by the City Council unless a statement alleging (1) unfair hearing before the MAPC, or (2) alleging new facts or evidence has been filed with the City Clerk by 5p.m. on the Wednesday preceding this meeting. The Council will determine from the written statement whether to return the matter to the MAPC for rehearing.

15. *DED2015-00014 Dedication of Utility Easement Located on the East Side of Oliver, South of 37th Street North. (District I)

RECOMMENDED ACTION: Accept the Dedication.

16. *SUB2015-00024 -- Plat of Steinke 2nd Addition Located on the South Side of 47th Street South, West of 151st Street West (County).

RECOMMENDED ACTION: Approve the documents and plat, and authorize the necessary signatures.

II. CONSENT HOUSING AGENDA ITEMS

NOTICE:The City Council is meeting as the governing body of the Housing Authority for consideration and action on the items on this Agenda, pursuant to State law, HUD, and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

Carole Trapp, Housing Member is also seated with the City Council.

None

II. CONSENT AIRPORT AGENDA ITEMS

NOTICE: The City Council is meeting as the governing body of the Airport Authority for consideration and action on items on this Agenda, pursuant to State law and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

17. *Ground Lease Estoppel Certificate, Assignment and Assumption Agreement, and - First Amendment to the Lease - Wichita Airport Hotel Associates, L.P. and 2015 Wichita Investment LLC - Wichita Dwight D. Eisenhower National Airport.

RECOMMENDED ACTION: Approve the Ground Lease Estoppel Certificate, the Assignment and Assumption Agreement, and the First Amendment, and authorize the necessary signatures.

Wichita, Kansas
November 23, 2015
10:00 a.m., Monday
Conference Room, 12th Floor

MINUTES - BOARD OF BIDS AND CONTRACTS*

The Board of Bids and Contracts met with Marty Strayer, Administrative Assistant, Public Works, Fanny Chan, Accountant, Finance, representing the Director of Finance, John Page, Budget Analyst, Budget Office, Clarence Rose, Senior Buyer, representing Purchasing, John Emerson, Fellow, representing the City Manager's Office and Janis Edwards, Deputy City Clerk, present.

Minutes of the regular meeting dated November 16, 2015, were read and on motion approved.

Bids were opened November 20, 2015, pursuant to advertisements published on:

Meridian Avenue between Pawnee & McCormick (Meridian, north of Pawnee) (87N-0593-01/472-85124/707060/636316/620753/211524/774085/665005) See Special Provisions. (District IV)

Kansas Paving Company- \$ 7,724,823.00

Stormwater Drain #404 to serve Cadillac Lake Addition (south of 29th Street North, east of Maize) (468-85057/751540/485431) Does not affect existing traffic. (District V)

Pearson Construction LLC - \$558,042.00

Central and Norman Intersection (east of Maize, south of Central) (472-85238/707091/211548) Traffic to be maintained during construction using flagpersons and barricades. (District V)

Danco Enterprises Inc. \$40,863.50

Purchasing Manager recommended that the contracts be awarded as outlined above, subject to check, same being the lowest and best bids within the Engineer's construction estimate.

On motion the Board recommended that the contracts be awarded as outlined above, subject to check, same being the lowest and best bids within the Engineer's construction estimate.

**PUBLIC WORKS AND UTILITIES DEPARTMENT/ENVIRONMENTAL HEALTH DIVISION:
GilMo Telemetry and Controls Upgrade.**

Shelley Electric Inc.- \$580,020.00 Base Bid
\$27,690.00 Group 2 Alternate 1
\$27,690.00 Group 2 Alternate 2
\$27,690.00 Group 2 Alternate 3
\$7,000.00 Group 2 Alternate 4
\$7,000.00 Group 2 Alternate 5
\$7,000.00 Group 2 Alternate 6

PUBLIC WORKS AND UTILITIES DEPARTMENT/FLEET AND FACILITIES DIVISION: Re-Roof City Hall Annex Area.

TR Management dba JB Turner
& Sons Roofing & Sheet Metal - \$196,200.00 Base Bid
\$15.00 Option 1 per square foot
\$4.00 Option 2 per linear foot
\$3.00 Option 3 per linear foot
\$380.00 Option 4 each

PUBLIC WORKS AND UTILITIES DEPARTMENT/FLEET AND FACILITIES DIVISION: Cab and Chassis with 2,000/1,200 gallon tank.

Rusty Eck Ford Inc. - \$104,300.00 Group 1- Base Bid
Standard Group 1- Option 1
\$1,110.00 Group 1 -Option 2
<\$2,000.00>Group 1- Option 4- Deduct
\$198,000.00 Group 2 - Base Bid
Standard Group 2 - Option 1
\$1,110.00 Group 2 - Option 2
<\$2,000.00> Group 2 -Option 4 - Deduct

PUBLIC WORKS AND UTILITIES DEPARTMENT/FLEET AND FACILITIES DIVISION: Landfill Equipment Compactor, Dozer and Loader.

Bids rejected (Group 3)

The Purchasing Division recommended that the contracts be awarded/rejected as outlined above, same being the lowest and best bid.

On motion the Board recommended that the contracts be awarded/rejected as outlined above, same being the lowest and best bid.

On motion the Board of Bids adjourned.

Marty Strayer, Administrative Assistant
Department of Public Works

Janis Edwards, CMC
Deputy City Clerk

FORMAL BID REPORT

TO: Robert Layton, City Manager
 DATE: November 23, 2015

ENGINEERING BIDS – GARY JANZEN, CITY ENGINEER
November 6, 2015

Paving – Meridian Avenue between Pawnee & McCormick (Meridian, north of Pawnee) – Public Works & Utilities Department/Engineering Division
Kansas Paving Company **\$7,724,823.00**

November 20, 2015

Stormwater Drain #404 to serve Cadillac Lake Addition – Public Works & Utilities Department/Engineering Div.
Pearson Construction, LLC **\$558,042.00**

Paving – Central and Norman Intersection (east of Maize, south of Central) – Public Works & Utilities Department/Engineering Division
Danco Enterprises, Inc. **\$40,863.50**

PURCHASING BIDS – MELINDA A. WALKER, PURCHASING MANAGER
November 20, 2015

Gilbert & Mosley Site Telemetry and Controls Upgrade – Public Works & Utilities Department/Environmental Health Services Division
Shelley Electric, Inc.

| | |
|-----------------------------|--------------|
| Group 1 – Base Bid | \$580,020.00 |
| Group 2 – Alternate 1 (Add) | \$27,690.00 |
| Group 2 – Alternate 2 (Add) | \$27,690.00 |
| Group 2 – Alternate 3 (Add) | \$27,690.00 |
| Group 2 – Alternate 4 (Add) | \$7,000.00 |
| Group 2 – Alternate 5 (Add) | \$7,000.00 |
| Group 2 – Alternate 6 (Add) | \$7,000.00 |

Re-Roof City Hall Annex Area – Public Works & Utilities Department/Fleet & Facilities Division
TR Management dba JB Turner & Sons
Roofing & Sheet Metal

| | |
|----------------------------------|--------------|
| Base Bid | \$196,200.00 |
| Option 1 (Add) (Per Square Foot) | \$15.00 |
| Option 2 (Add) (Per Linear Foot) | \$4.00 |
| Option 3 (Add) (Per Linear Foot) | \$3.00 |
| Option 4 (Add) (Per Each) | \$380.00 |

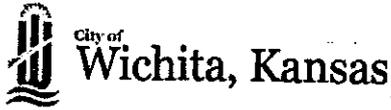
25,500 GVWR Cab & Chassis with 2,000 Gallon Elliptical Tank and 25,500 GVWR Cab & Chassis with 1,200 Gallon Elliptical Tank – Public Works & Utilities Department/Fleet & Facilities Division
Rusty Eck Ford, Inc.

| | |
|--|--------------|
| Group 1 – Base Bid | \$104,300.00 |
| Group 1 – Option 1 | Standard |
| Group 1 – Option 2 (Add) (Per Each) | \$1,110.00 |
| Group 1 – Option 4 (Deduct) (Per Each) | <\$2,000.00> |
| Group 2 – Base Bid | \$198,000.00 |
| Group 2 – Option 1 | Standard |
| Group 2 – Option 2 (Per Each) | \$1,110.00 |
| Group 2 – Option 4 (Deduct) (Per Each) | <\$2,000.00> |

Landfill Equipment - Compactor, Dozer & Wheel Loader – Public Works & Utilities Department/Fleet & Facilities Division
 (Deferred from November 14, 2015) Group 3 (All Bids Rejected)

ITEMS TO BE PURCHASED AS ADVERTISED IN THE OFFICIAL CITY NEWSPAPER.


 10 Melinda A. Walker
 Purchasing Manager



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This page summarizes vendor responses by the bid total. Awarded vendors will be notified of their respective purchase orders/contracts.

Vendor Group Line

Solicitation: FB540211 **GilMo Telemetry & Controls Upgrade** **Close Date/Time:** 11/20/2015 10:00 AM CST

Solicitation Type: Formal Bid

[Return to the Bid List](#)

Award Method: Aggregate Cost

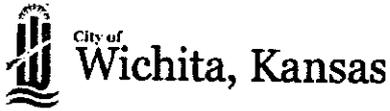
Department: Environmental Health

Responses: 5

| Vendors | Complete | Bid Total | City Comments |
|--------------------------------|----------|--------------|--|
| SHELLEY ELECTRIC INC | Complete | \$684,090.00 | Award 11/24/2015 Base Bid w/Add Alt 1-6 Public Works & Utilities Dept/Environmental Health Div |
| ATLAS ELECTRIC LLC | Complete | \$712,690.00 | |
| SOUTHWESTERN ELECTRICAL CO INC | Complete | \$730,008.00 | |
| KANSAS ELECTRIC INC | Complete | \$736,600.00 | |
| UTILITY HELPNET, INC. | Complete | \$825,790.00 | |

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This page summarizes bids by the totals for each group listed on the solicitation.

Vendor Group Line
Solicitation: FB540211 **GilMo Telemetry & Controls Upgrade** **Close Date/Time:** 11/20/2015 10:00 AM CST
Solicitation Type: Formal Bid **Return to the Bid List**
Award Method: Aggregate Cost
Department: Environmental Health **Responses:** 5
Go to:

Group 1

| Vendors | Complete | Group Total Net Bid |
|--------------------------------|----------|---------------------|
| SHELLEY ELECTRIC INC | Complete | \$580,020.00 |
| ATLAS ELECTRIC LLC | Complete | \$608,920.00 |
| SOUTHWESTERN ELECTRICAL CO INC | Complete | \$618,135.00 |
| KANSAS ELECTRIC INC | Complete | \$625,720.00 |
| UTILITY HELPNET, INC. | Complete | \$707,620.00 |

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Group 2

| Vendors | Complete | Group Total Net Bid |
|--------------------------------|----------|---------------------|
| Group 2: Alternate 1 | | |
| SHELLEY ELECTRIC INC | Complete | \$27,690.00 |
| SOUTHWESTERN ELECTRICAL CO INC | Complete | \$27,690.00 |
| KANSAS ELECTRIC INC | Complete | \$27,690.00 |
| ATLAS ELECTRIC LLC | Complete | \$27,690.00 |
| UTILITY HELPNET, INC. | Complete | \$27,690.00 |
| Group 2: Alternate 2 | | |
| SHELLEY ELECTRIC INC | Complete | \$27,690.00 |
| SOUTHWESTERN ELECTRICAL CO INC | Complete | \$27,690.00 |
| KANSAS ELECTRIC INC | Complete | \$27,690.00 |
| ATLAS ELECTRIC LLC | Complete | \$27,690.00 |
| UTILITY HELPNET, INC. | Complete | \$27,690.00 |

| Group 2: Alternate 3 | | |
|--------------------------------|----------|--------------------|
| <u>SHELLEY ELECTRIC INC</u> | Complete | <u>\$27,690.00</u> |
| SOUTHWESTERN ELECTRICAL CO INC | Complete | \$27,690.00 |
| KANSAS ELECTRIC INC | Complete | \$27,690.00 |
| ATLAS ELECTRIC LLC | Complete | \$27,690.00 |
| UTILITY HELPNET, INC. | Complete | \$27,690.00 |
| Group 2: Alternate 4 | | |
| ATLAS ELECTRIC LLC | Complete | \$6,900.00 |
| <u>SHELLEY ELECTRIC INC</u> | Complete | <u>\$7,000.00</u> |
| KANSAS ELECTRIC INC | Complete | \$9,270.00 |
| SOUTHWESTERN ELECTRICAL CO INC | Complete | \$9,601.00 |
| UTILITY HELPNET, INC. | Complete | \$11,700.00 |
| Group 2: Alternate 5 | | |
| ATLAS ELECTRIC LLC | Complete | \$6,900.00 |
| <u>SHELLEY ELECTRIC INC</u> | Complete | <u>\$7,000.00</u> |
| KANSAS ELECTRIC INC | Complete | \$9,270.00 |
| SOUTHWESTERN ELECTRICAL CO INC | Complete | \$9,601.00 |
| UTILITY HELPNET, INC. | Complete | \$11,700.00 |
| Group 2: Alternate 6 | | |
| ATLAS ELECTRIC LLC | Complete | \$6,900.00 |
| <u>SHELLEY ELECTRIC INC</u> | Complete | <u>\$7,000.00</u> |
| KANSAS ELECTRIC INC | Complete | \$9,270.00 |
| SOUTHWESTERN ELECTRICAL CO INC | Complete | \$9,601.00 |
| UTILITY HELPNET, INC. | Complete | \$11,700.00 |

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| | | | | | |
|-----------------------|---|----------|---------------|-------------|----------|
| KANSAS ELECTRIC INC | 1 | Lump Sum | \$17,500.0000 | \$17,500.00 | Complete |
| ATLAS ELECTRIC LLC | 1 | Lump Sum | \$17,500.0000 | \$17,500.00 | Complete |
| UTILITY HELPNET, INC. | 1 | Lump Sum | \$17,500.0000 | \$17,500.00 | Complete |

Line 004 | ADD ALTERNATE # 1: R.E. Pedrotti Co, Inc. Proposal Allowance Well A-1 Insert \$27,690.00

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------------------|-----|----------|---------------|---------------|----------|----------|
| UTILITY HELPNET, INC. | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |
| ATLAS ELECTRIC LLC | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |
| KANSAS ELECTRIC INC | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |
| SOUTHWESTERN ELECTRICAL CO INC | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |
| SHELLEY ELECTRIC INC | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |

Line 005 | ADD ALTERNATE # 2: R.E. Pedrotti Co, Inc. Proposal Allowance Well A-2 Insert \$27,690.00

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------------------|-----|----------|---------------|---------------|----------|----------|
| SHELLEY ELECTRIC INC | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |
| SOUTHWESTERN ELECTRICAL CO INC | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |
| KANSAS ELECTRIC INC | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |
| ATLAS ELECTRIC LLC | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |
| UTILITY HELPNET, INC. | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |

Line 006 | ADD ALTERNATE # 3: R.E. Pedrotti Co, Inc. Proposal Allowance Well A-3 Insert \$27,690.00

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------------------|-----|----------|---------------|---------------|----------|----------|
| UTILITY HELPNET, INC. | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |
| ATLAS ELECTRIC LLC | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |
| KANSAS ELECTRIC INC | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |
| SOUTHWESTERN ELECTRICAL CO INC | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |
| SHELLEY ELECTRIC INC | 1 | Lump Sum | \$27,690.0000 | \$27,690.00 | Complete | |

Line 007 | ADD ALTERNATE # 4: Furnish All Materials, Equipment, Labor, and Services for Installation for Well A-1 Upgrade

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------------------|-----|----------|---------------|---------------|----------|----------|
| ATLAS ELECTRIC LLC | 1 | Lump Sum | \$6,900.0000 | \$6,900.00 | Complete | |
| SHELLEY ELECTRIC INC | 1 | Lump Sum | \$7,000.0000 | \$7,000.00 | Complete | |
| KANSAS ELECTRIC INC | 1 | Lump Sum | \$9,270.0000 | \$9,270.00 | Complete | |
| SOUTHWESTERN ELECTRICAL CO INC | 1 | Lump Sum | \$9,601.0000 | \$9,601.00 | Complete | |
| UTILITY HELPNET, INC. | 1 | Lump Sum | \$11,700.0000 | \$11,700.00 | Complete | |

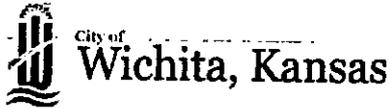
Line 008 | ADD ALTERNATE # 5: Furnish All Materials, Equipment, Labor, and Services for Installation for Well A-2 Upgrade

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------------------|-----|----------|---------------|---------------|----------|----------|
| ATLAS ELECTRIC LLC | 1 | Lump Sum | \$6,900.0000 | \$6,900.00 | Complete | |
| SHELLEY ELECTRIC INC | 1 | Lump Sum | \$7,000.0000 | \$7,000.00 | Complete | |
| KANSAS ELECTRIC INC | 1 | Lump Sum | \$9,270.0000 | \$9,270.00 | Complete | |
| SOUTHWESTERN ELECTRICAL CO INC | 1 | Lump Sum | \$9,601.0000 | \$9,601.00 | Complete | |
| UTILITY HELPNET, INC. | 1 | Lump Sum | \$11,700.0000 | \$11,700.00 | Complete | |

Line 009 | ADD ALTERNATE # 6: Furnish All Materials, Equipment, Labor, and Services for Installation for Well A-3 Upgrade

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------------------|-----|----------|---------------|---------------|----------|----------|
| ATLAS ELECTRIC LLC | 1 | Lump Sum | \$6,900.0000 | \$6,900.00 | Complete | |
| SHELLEY ELECTRIC INC | 1 | Lump Sum | \$7,000.0000 | \$7,000.00 | Complete | |
| KANSAS ELECTRIC INC | 1 | Lump Sum | \$9,270.0000 | \$9,270.00 | Complete | |
| SOUTHWESTERN ELECTRICAL CO INC | 1 | Lump Sum | \$9,601.0000 | \$9,601.00 | Complete | |
| UTILITY HELPNET, INC. | 1 | Lump Sum | \$11,700.0000 | \$11,700.00 | Complete | |

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BID RESULTS

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This page summarizes vendor responses by the bid total. Awarded vendors will be notified of their respective purchase orders/contracts.

Vendor Group Line
Solicitation: FB540214 **Re-Roof City Hall Annex Area** **Close Date/Time:** 11/20/2015 10:00 AM CST

Solicitation Type: Formal Bid

[Return to the Bid List](#)

Award Method: Aggregate Cost

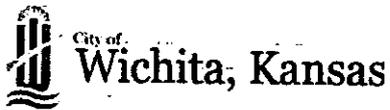
Department: Public Works Fleet & Facilities

Responses: 3

| Vendors | Complete | Bid Total | City Comments |
|--------------------------------|----------|--------------|---|
| TR MANAGEMENT INC dba | Complete | \$196,603.00 | Award 11-24-15 Base Bid with Options 1-4 Public Works & Utilities Dept./Fleet & Facilities Division |
| BUCKLEY ROOFING CO INC | Complete | \$272,676.00 | |
| MIDWEST ROOFING SERVICES, INC. | Complete | \$287,348.00 | |

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This page summarizes vendor bids by the extended cost for each commodity line on the solicitation.

Vendor Group Line
 Solicitation: FB540214 **Re-Roof City Hall Annex Area** **Close Date/Time:** 11/20/2015 10:00 AM CST
Solicitation Type: Formal Bid **Return to the Bid List**
Award Method: Aggregate Cost
Department: Public Works Fleet & Facilities **Responses:** 3
Go to:

Line 001 | Base Bid: Labor, Material, and Equipment to Re-Roof City Hall Annex Area, 455 N. Main, as per Drawings and Specifications.

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------------------|-----|----------|----------------|---------------|----------|----------|
| TR MANAGEMENT INC dba | 1 | Lump Sum | \$196,200.0000 | \$196,200.00 | Complete | |
| BUCKLEY ROOFING CO INC | 1 | Lump Sum | \$270,123.0000 | \$270,123.00 | Complete | |
| MIDWEST ROOFING SERVICES, INC. | 1 | Lump Sum | \$286,500.0000 | \$286,500.00 | Complete | |

Line 002 | Option 1- Unit Price No. 1: Deck Replacement. Cost per Square Foot.

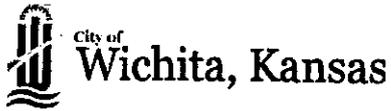
| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------------------|-----|-------------|-----------|---------------|----------|----------|
| TR MANAGEMENT INC dba | 1 | Square Feet | \$15.0000 | \$15.00 | Complete | |
| BUCKLEY ROOFING CO INC | 1 | Square Feet | \$35.0000 | \$35.00 | Complete | |
| MIDWEST ROOFING SERVICES, INC. | 1 | Square Feet | \$40.0000 | \$40.00 | Complete | |

Line 003 | Option 2- Unit Price No. 2: Top Plate. Cost per Lineal Foot.

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------------------|-----|-------------|----------|---------------|----------|----------|
| TR MANAGEMENT INC dba | 1 | Linear Foot | \$4.0000 | \$4.00 | Complete | |
| MIDWEST ROOFING SERVICES, INC. | 1 | Linear Foot | \$5.0000 | \$5.00 | Complete | |
| BUCKLEY ROOFING CO INC | 1 | Linear Foot | \$9.0000 | \$9.00 | Complete | |

Line 004 | Option 3- Unit Price No. 3: Cant Strip/Blocking. Cost per Lineal Foot.

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------------------|-----|-------------|----------|---------------|----------|----------|
| MIDWEST ROOFING SERVICES, INC. | 1 | Linear Foot | \$3.0000 | \$3.00 | Complete | |
| TR MANAGEMENT INC dba | 1 | Linear Foot | \$4.0000 | \$4.00 | Complete | |



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This page summarizes vendor responses by the bid total. Awarded vendors will be notified of their respective purchase orders/contracts.

Vendor Group Line

Solicitation: Cab & Chassis with 2,000/1,200 Gal. Tank
 FB540216

Close Date/Time: 11/20/2015 10:00 AM CST

Solicitation Type: Formal Bid

[Return to the Bid List](#)

Award Method: Group

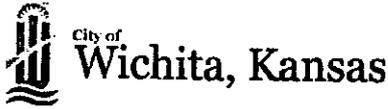
Department: Public Works Fleet & Facilities

Responses: 1

| Vendors | Complete | Bid Total | City Comments |
|--------------------|----------|--------------|---|
| RUSTY ECK FORD INC | Complete | \$300,520.00 | Award 11/24/2015 Grps 1 & 2 Base Bid w/opt's 1, 2, & 4 PW&U Depart/Fleet & Facilities Div |

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This page summarizes bids by the totals for each group listed on the solicitation.

Vendor Group Line

Solicitation: FB540216 **Cab & Chassis with 2,000/1,200 Gal. Tank** **Close Date/Time:** 11/20/2015 10:00 AM CST

Solicitation Type: Formal Bid

[Return to the Bid List](#)

Award Method: Group

Department: Public Works Fleet & Facilities

Responses: 1

Go to:

Group 1

| Vendors | Complete | Group Total Net Bid |
|--------------------------|----------|---------------------|
| RUSTY ECK FORD INC | Complete | \$104,300.00 |
| Group 1: Option 1 | | |
| RUSTY ECK FORD INC | Complete | \$0.00 |
| Group 1: Option 2 | | |
| RUSTY ECK FORD INC | Complete | \$1,110.00 |
| Group 1: Option 3 | | |
| RUSTY ECK FORD INC | Complete | \$0.00 |
| Group 1: Option 4 | | |
| RUSTY ECK FORD INC | Complete | (\$2,000.00) |

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Group 2

| Vendors | Complete | Group Total Net Bid |
|--------------------------|----------|---------------------|
| RUSTY ECK FORD INC | Complete | \$198,000.00 |
| Group 2: Option 1 | | |
| RUSTY ECK FORD INC | Complete | \$0.00 |
| Group 2: Option 2 | | |
| RUSTY ECK FORD INC | Complete | \$1,110.00 |
| Group 2: Option 3 | | |
| RUSTY ECK FORD INC | Complete | \$0.00 |
| Group 2: Option 4 | | |
| RUSTY ECK FORD INC | Complete | (\$2,000.00) |

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This page summarizes vendor bids by the extended cost for each commodity line on the solicitation.

Vendor Group Line

Solicitation: FB540216 Cab & Chassis with 2,000/1,200 Gal. Tank Close Date/Time: 11/20/2015 10:00 AM CST

Solicitation Type: Formal Bid Return to the Bid List

Award Method: Group

Department: Public Works Fleet & Facilities Responses: 1

Go to:

Line 001 | GROUP 1 - BASE BID: New Unused Current Model 33,00 GVWR Cab & Chassis with New Current Model 2,000 Gallon Elliptical Tank Furnished and Installed Complete (Supplement A). Cab & Chassis
 Manufacturer: _____ Model: _____ Year: _____

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------|-----|------|----------------|---------------|----------|----------------|
| RUSTY ECK FORD INC | 1 | Each | \$104,300.0000 | \$104,300.00 | Complete | Ford F750 2016 |

Line 002 | OPTION 1: Transmission shall be the torqueshift HD 6-speed automatic with double overdrive. Transmission shall be supplied with the 900 RPM lockin torque converter.

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------|-----|------|----------|---------------|----------|----------|
| RUSTY ECK FORD INC | 1 | Each | \$0.0000 | \$0.00 | Complete | Standard |

Line 003 | OPTION 2: Whelen TACF-85 arrow stick with cab mounted control shall be mounted to rear of the unit with spacer blocks.

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------|-----|------|--------------|---------------|----------|----------|
| RUSTY ECK FORD INC | 1 | Each | \$1,110.0000 | \$1,110.00 | Complete | |

Line 004 | OPTION 3: Circuit breakers in lieu of fuses on electrical system.

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------|-----|------|----------|---------------|----------|----------------|
| RUSTY ECK FORD INC | 1 | Each | \$0.0000 | \$0.00 | Complete | Not Applicable |

Line 005 | OPTION 4: Trade-in Allowance Deduct from Total Amount. 2003 International Model 4700, GVWR 25,500, with 2,000 gallon tank. City Equipment Number 000827.

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------|-----|------|----------------|---------------|----------|----------|
| RUSTY ECK FORD INC | 1 | Each | (\$2,000.0000) | (\$2,000.00) | Complete | |

Line 006 | GROUP 2 - BASE BID: New Unused Current Model 25,500 GVWR Cab & Chassis with New Current Model 1,200 Gallon Elliptical Tank Furnished and Installed Complete (Supplement A). Cab & Chassis
 Manufacturer: _____ Model: _____ Year: _____

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------|-----|------|---------------|---------------|----------|----------------|
| RUSTY ECK FORD INC | 2 | Each | \$99,000.0000 | \$198,000.00 | Complete | Ford F750 2016 |

Line 007 | OPTION 1: Transmission shall be the torqueshift HD 6-speed automatic with double overdrive. Transmission shall be supplied with the 900 RPM lockin torque converter.

| Vendors | QTY | UOM | Price | Complete | Comments |
|---------|-----|-----|-------|----------|----------|
|---------|-----|-----|-------|----------|----------|

| | | | | Extended Cost | | |
|--------------------|---|------|----------|---------------|----------|----------|
| RUSTY ECK FORD INC | 1 | Each | \$0.0000 | \$0.00 | Complete | Standard |

Line 008 | OPTION 2: Whelen TACF-85 arrow stick with cab mounted control shall be mounted to rear of the unit with spacer blocks.

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------|-----|------|--------------|---------------|----------|----------|
| RUSTY ECK FORD INC | 1 | Each | \$1,110.0000 | \$1,110.00 | Complete | |

Line 009 | OPTION 3: Circuit breakers in lieu of fuses on electrical system.

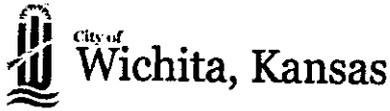
| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------|-----|------|----------|---------------|----------|----------------|
| RUSTY ECK FORD INC | 1 | Each | \$0.0000 | \$0.00 | Complete | Not Applicable |

Line 010 | OPTION 4: Trade-in Allowance Deduct from Total Amount. 2003 International Model 4700, GVWR 25,500, with 1,200 gallon tank. City Equipment Number 10-0512.

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|--------------------|-----|------|----------------|---------------|----------|----------|
| RUSTY ECK FORD INC | 1 | Each | (\$2,000.0000) | (\$2,000.00) | Complete | |

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This page summarizes vendor responses by the bid total. Awarded vendors will be notified of their respective purchase orders/contracts.

Vendor Group Line

Solicitation: Landfill Equip Compactor, Dozer, & Loader
FB540193

Close Date/Time: 10/9/2015 10:00 AM CST

Solicitation Type: Formal Bid

[Return to the Bid List](#)

Award Method: Group

Department: Public Works Fleet & Facilities

Responses: 7

| Vendors | Complete | Bid Total | City Comments |
|------------------------------|-------------|----------------|---|
| FOLEY EQUIPMENT CO INC | Complete | \$1,818,552.10 | Award 11/17/2015 Group 2 Base Bid Public Works & Utilities Department/Fleet & Facilities Division |
| D & D EQUIPMENT & SALES INC | In-Complete | \$0.00 | <u>Reject 11/24/2015 All Bids Group 3 Public Works & Utilities Department/Fleet & Facilities Division</u> |
| BERRY TRACTOR & EQUIPMENT CO | In-Complete | \$0.00 | |
| VICTOR L PHILLIPS COMPANY | In-Complete | \$0.00 | |
| SELLERS EQUIPMENT INC | Partial | \$288,362.00 | |
| C & K EQUIPMENT COMPANY INC | Partial | \$377,500.00 | Award 11/17/2015 Group 1 Base Bid Public Works & Utilities Department/Fleet & Facilities Division |
| BEST EQUIPMENT | Partial | \$379,700.00 | Does not meet specifications Group 1 |

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rear box and striker bars. Winch is not available with this package and could not be added in time to meet the delivery date.

| | |
|------------------------------|---------|
| SELLERS EQUIPMENT INC | No Bid. |
| VICTOR L PHILLIPS COMPANY | No Bid. |
| BERRY TRACTOR & EQUIPMENT CO | No Bid. |
| D & D EQUIPMENT & SALES INC | No Bid. |
| C & K EQUIPMENT COMPANY INC | No Bid. |
| BEST EQUIPMENT | No Bid. |

Line 006 | GROUP 3: New Unused Current Model or Factory Certified Power Train Rebuild (not utilized since the rebuild) Four Wheel Articulated Wheel Loader with General Purpose Bucket
 Manufacturer: _____ Model: _____ Year: _____

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|------------------------------|-----|------|----------------|---------------|----------|--------------------------------|
| SELLERS EQUIPMENT INC | 1 | Each | \$273,247.0000 | \$273,247.00 | Complete | Doosan Model DL450-5 Year 2015 |
| FOLEY EQUIPMENT CO INC | 1 | Each | \$354,352.4900 | \$354,352.49 | Complete | 2015 Caterpillar 972M. |
| BEST EQUIPMENT | | | | | No Bid. | |
| C & K EQUIPMENT COMPANY INC | | | | | No Bid. | |
| D & D EQUIPMENT & SALES INC | | | | | No Bid. | |
| BERRY TRACTOR & EQUIPMENT CO | | | | | No Bid. | |
| VICTOR L PHILLIPS COMPANY | | | | | No Bid. | |

Line 007 | GROUP 3 - OPTION # 1: Factory Standard Automatic Lubrication System, per specifications

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|---------------------------|-----|------|--------------|---------------|----------|---|
| FOLEY EQUIPMENT CO INC | 1 | Each | \$7,789.4700 | \$7,789.47 | Complete | This is a Lincoln Auto-Lube system. There is not enough time to order a machine from the factory with an auto-lube system and meet the delivery deadline. |
| SELLERS EQUIPMENT INC | 1 | Each | \$8,222.0000 | \$8,222.00 | Complete | |
| VICTOR L PHILLIPS COMPANY | | | | | No Bid. | |

No Bid.

BERRY TRACTOR &
EQUIPMENT CO

D & D EQUIPMENT &
SALES INC

No Bid.

C & K EQUIPMENT
COMPANY INC

No Bid.

BEST EQUIPMENT

No Bid.

Line 008 | GROUP 3 - OPTION # 2: Payload Control System AWARD OF BID WILL BE PER GROUP WITH OPTIONS AS SELECTED. VENDORS CAN BID ON ALL GROUPS or GROUP(S) SPECIFIC.

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|---------------------------------|-----|------|--------------|---------------|----------|---|
| FOLEY EQUIPMENT CO INC | 1 | Each | \$4,272.0000 | \$4,272.00 | Complete | This is a CATERPILLAR scale system. |
| SELLERS EQUIPMENT INC | 1 | Each | \$6,893.0000 | \$6,893.00 | Complete | Price is with printer. Price without printer deduct 822.00 dollars |
| BEST EQUIPMENT | | | | | No Bid. | |
| C & K EQUIPMENT COMPANY INC | | | | | No Bid. | |
| D & D EQUIPMENT & SALES INC | | | | | No Bid. | |
| BERRY TRACTOR & EQUIPMENT CO | | | | | No Bid. | |
| VICTOR L PHILLIPS COMPANY | | | | | No Bid. | |

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City of Wichita
City Council Meeting
November 24, 2015

TO: Mayor and City Council
SUBJECT: Community Events – Fourth Annual Say Grace 5K (District VI)
INITIATED BY: Division of Arts & Cultural Services
AGENDA: Consent

Recommendation: Approve the request for temporary street closures.

Background: In accordance with the Community Events procedure the event promoter, Trevor Darmstetter, goracetiming.com, is coordinating the Annual Say Grace 5K event with City of Wichita staff, subject to final approval by the City Council.

Analysis: The following street closure request has been submitted:

Annual Say Grace 5K November 26, 2015 8:00 am – 12:00 pm

- North Topeka Avenue, East Elm Street to East 13th Street North
- East 13th Street North, North Topeka Avenue to Saint Francis North
- Saint Francis North, East 13th Street North to East 9th Street North
- East 9th Street North, North Topeka Avenue to North Santa Fe Avenue
- North Santa Fe Avenue, East 10th Street North to East 9th Street North
- Saint Francis North, East Pine Street to East Elm Street
- East Elm Street, North Topeka Avenue to St Francis North
- East Pine Street, North Topeka Avenue to St Francis North

The event promoter will arrange to remove the barricades as necessary to allow emergency vehicle access during the entire designated time period. The barricades will be removed immediately upon completion of the event.

Financial Consideration: The event promoter is responsible for all costs associated with the special event.

Legal Consideration: This action complies with the ordinance on street closures for community events.

Recommendation/Actions: It is recommended that the City Council approve the request subject to: 1) Hiring off-duty certified law enforcement officers as required; 2) Obtaining barricades to close the streets in accordance with requirements of the Police, Fire and Public Works and Utilities Departments; and 3) Securing a Certificate of Liability Insurance on file with the Community Events Coordinator.

City of Wichita
City Council Meeting
November 24, 2015

TO: Mayor and City Council

SUBJECT: Community Events – Mayor’s Tree Lighting Ceremony (Districts I, IV and VI)

INITIATED BY: Division of Arts & Cultural Services

AGENDA: Consent

Recommendation: Approve the request for temporary street closures.

Background: In accordance with the Community Events procedure the event promoter, Laura Rainwater, Office of Community Engagement, is coordinating the Mayor’s Tree Lighting Ceremony with City of Wichita staff, subject to final approval by the City Council.

Analysis: The following street closure request has been submitted:

Mayor’s Tree Lighting Ceremony December 3, 2015 5:15 pm – 7:00 pm

- Douglas Avenue, Main Street to McLean Boulevard
- Waco Street, Douglas Avenue to First Street
- First Street, Waco Street to McLean Boulevard
- Sycamore Street, Douglas Avenue to McLean Boulevard
- Century II Drive, Main Street to Douglas Avenue
- South Cancun Street, Century II Drive to West Tlalnepantla Drive
- North Civic Center Place, Main Street to Douglas Avenue
- Wichita Street, Douglas Avenue to First Street
- Water Street, Douglas Avenue to First Street

The event promoter will arrange to remove the barricades as necessary to allow emergency vehicle access during the entire designated time period. The barricades will be removed immediately upon completion of the event.

Financial Consideration: The event promoter is responsible for all costs associated with the special event.

Legal Consideration: This action complies with the ordinance on street closures for community events.

Recommendation/Actions: It is recommended that the City Council approve the request subject to: 1) hiring off-duty certified law enforcement officers as required; and 2) Obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department.

City of Wichita
City Council Meeting
November 24, 2015

TO: Mayor and City Council Members
SUBJECT: Repair or Removal of Dangerous and Unsafe Structures
(Districts I, III and IV)
INITIATED BY: Metropolitan Area Building and Construction Department
AGENDA: Consent

Recommendations: Adopt resolution scheduling a public hearing to consider condemnation of structures deemed dangerous and unsafe per Kansas State Statutes.

Background: On November 2, 2015, the Board of Building Code Standards and Appeals (BBCSA) conducted hearings on the properties listed below. The buildings on these properties are considered dangerous and unsafe structures per State Statutes and local ordinances, and are being presented in order to schedule condemnation hearings before the City Council. The BBCSA has recommended that the City Council proceed with condemnation, demolition and removal of the dangerous buildings on these properties.

Analysis: Minimum Housing Code violation notices have been issued on the structure; however, compliance has not been achieved. Pre-condemnation and formal condemnation letters have also been issued, and the time granted for repair or removal has expired. No actions have been taken by the property owners and/or other interested parties to complete required building repairs or to remove the dangerous building.

| <u>Property Address</u> | <u>Council District</u> |
|---------------------------|-------------------------|
| a. 633 S. Green Street | I |
| b. 1343 S. Water | III |
| c. 138 S. Sedgwick Street | IV |

Financial Considerations: Structures condemned as dangerous buildings are demolished with funds from the Metropolitan Area Building and Construction Department (MABCD) Special Revenue Fund contractual services budget, as approved annually by the City Council. This budget is supplemented by an annual allocation of Federal Community Development Block Grant funds for demolition of structures located within the designated Neighborhood Reinvestment Area. Expenditures for dangerous building condemnation and demolition activities are tracked to ensure that City Council Resolution No. R-95-560, which limits MABCD expenditures for non-revenue producing condemnation and housing code enforcement activities to twenty percent (20%) of MABCD's total annual budgeted Special Revenue Fund expenditures, is followed. Owners of condemned structures demolished by the City are billed for the contractual costs of demolition, plus an additional five hundred dollar (\$500) administrative fee. If the property owner fails to pay, these charges are recorded as a special property tax assessment against the property.

Legal Considerations: The Law Department has reviewed and approved the resolutions as to form.

Recommendations/Actions: It is recommended that the City Council adopt the attached resolutions to schedule a public hearing before the City Council on January 12, 2016 at 9:30 a.m. or soon thereafter, to consider condemnation of structures deemed dangerous and unsafe per Kansas State Statutes and local ordinances.

Attachments: Letter to Council, summary, and resolution.

GROUP # 3

NOTICE OF DEMOLITION ACTION

This is to certify that the property located at **633 S GREEN ST** and legally described as: **LOTS 51 AND 53, ON GREEN STREET, DIXON'S ADDITION TO WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS**, is the subject of a demolition action by the City of Wichita, Kansas, under the provisions of Section 18.16 of the Code of the City of Wichita. Unless certain improvements to the structure(s) located thereon are commenced and completed by **January 12, 2016** such structures are subject to being demolished and the costs associated therewith charged, as a lien, against the above-described real property.

Thomas Stolz, Director, Metropolitan Area Building and Construction Department
City of Wichita

STATE OF KANSAS)
) ss:
SEDGWICK COUNTY)

BE IT REMEMBERED, That on this _____ day of _____, 2015, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Thomas Stolz, Director of Metropolitan Area Building and Construction Department, City of Wichita, personally known to me to be the same person who executed the within instrument of writing and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal; the day and year last above written.

Notary Public

My Appointment Expires:



TO: The Mayor and City Council
Wichita, Kansas

RE: Statement of Dangerous or Unsafe Structure

The following described structure is in a dangerous or unsafe condition:

(a) Description of Structure: A one-story frame dwelling about 17 x 30 feet in size. Vacant for at least two years, this structure has a shifting concreted block foundation; broken and missing transite siding; dilapidated front porch; rotted soffit, fascia and wood trim; and the 8 x 8 foot wood and 8 x 8 foot metal sheds are deteriorated.

(b) Street Address: 633 S GREEN ST

(c) Owners:
Lawrence T. Myers
739 S. Green
Wichita, KS 67211

(d) Resident Agent: None

(e) Occupant: None

(f) Lienholders of Record:
Kelly Arnold, County Clerk
525 N. Main
Wichita, KS 67203

(g) Mortgage Holder(s): None

(h) Interested Parties: None

DATE: November 4, 2015

CDM SUMMARY

COUNCIL DISTRICT # I

ADDRESS: 633 S GREEN ST

LEGAL DESCRIPTION: LOTS 51 AND 53, ON GREEN STREET, DIXON'S ADDITION TO WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS

DESCRIPTION OF STRUCTURE: A one-story frame dwelling about 17 x 30 feet in size. Vacant for at least two years, this structure has a shifting concreted block foundation; broken and missing transite siding; dilapidated front porch; rotted soffit, fascia and wood trim; and the 8 x 8 foot wood and 8 x 8 foot metal sheds are deteriorated.

Description of dangerous or unsafe condition(s): The property is found to be dangerous and unsafe because of the following conditions:

- A. Those, which have been damaged by fire, wind, want of repair, or other causes so as to have become dangerous to life, safety, morals or the general health and welfare of the occupants or the people of the city.
- B. The structure fails to provide the necessities to decent living, which makes it, unfit for human habitation.
- C. Those whose use, equipment or want of good housekeeping constitutes a decided fire or safety hazard to the property itself or its occupants or which presents a decided fire or safety hazards to surrounding property or a menace to the public safety and general welfare.

City Ordinance states that any one of the above categories is just cause to declare the building a public nuisance and shall be repaired or demolished.

Director of Metropolitan Area Building and Construction Department
Enforcing Officer

Date

OCA: 230200

_____ PUBLISHED IN THE WICHITA EAGLE ON _____
RESOLUTION NO. _____

A RESOLUTION FIXING A TIME AND PLACE AND PROVIDING FOR NOTICE OF A HEARING BEFORE THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AT WHICH THE OWNER, HIS AGENT, LIENHOLDERS OF RECORD AND OCCUPANTS OF PROPERTY LEGALLY DESCRIBED AS: **LOTS 51 AND 53, ON GREEN STREET, DIXON'S ADDITION TO WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS** COMMONLY KNOWN AS **633 S GREEN ST** MAY APPEAR AND SHOW CAUSE WHY SUCH STRUCTURE SHOULD NOT BE CONDEMNED AND ORDERED REPAIRED OR DEMOLISHED AS A DANGEROUS STRUCTURE.

WHEREAS, the enforcing officer of the City of Wichita, Kansas, did on the **24th day of November 2015**, file with the governing body of said city, a statement in writing that certain structure(s), hereinafter described, is unsafe or dangerous.

NOW THEREFORE, be it Resolved by the Governing Body of the City of Wichita.

That a hearing will be held on the **12th day of January 2016**, before the governing body of the city at **9:30 A.M.**, or thereafter in the council chambers, City Hall at which time the owner, his agent, any lienholders of record or any occupant of property, legally described at **LOTS 51 AND 53, ON GREEN STREET, DIXON'S ADDITION TO WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS**, commonly known as: **633 S GREEN ST**, may appear and show cause why such structure should not be condemned as an unsafe or dangerous structure ordered repaired or demolished. The structure is A one-story frame dwelling about 17 x 30 feet in size. Vacant for at least two years, this structure has a shifting concreted block foundation; broken and missing transite siding; dilapidated front porch; rotted soffit, fascia and wood trim; and the 8 x 8 foot wood and 8 x 8 foot metal sheds are deteriorated.

Be it further resolved that the City Clerk shall cause this Resolution to be published and shall give notice of the aforesaid hearing in the manner provided by K.S.A. 12-1752.

Adopted this **24th day of November 2015**.

Jeff Longwell, Mayor

(SEAL)

ATTEST: _____
Karen Sublett, City Clerk

Approved as to form:

Jennifer L. Magana, City Attorney and Director of Law

GROUP # 1

NOTICE OF DEMOLITION ACTION

This is to certify that the property located at **1343 S. WATER** and legally described as: **LOTS 81 AND 83, AND THE NORTH 19 FEET OF LOT 85, ON WATER STREET, FEGTLY'S ADDITION TO WICHITA, SEDGWICK COUNTY, KANSAS**, is the subject of a demolition action by the City of Wichita, Kansas, under the provisions of Section 18.16 of the Code of the City of Wichita. Unless certain improvements to the structure(s) located thereon are commenced and completed by **January 12, 2016** such structures are subject to being demolished and the costs associated therewith charged, as a lien, against the above-described real property.

Thomas Stolz, Director, Metropolitan Area Building and Construction Department
City of Wichita

STATE OF KANSAS)
) ss:
SEDGWICK COUNTY)

BE IT REMEMBERED, That on this _____ day of _____, 2015, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Thomas Stolz, Director of Metropolitan Area Building and Construction Department, City of Wichita, personally known to me to be the same person who executed the within instrument of writing and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal; the day and year last above written.

Notary Public

My Appointment Expires:



TO: The Mayor and City Council
Wichita, Kansas

RE: Statement of Dangerous or Unsafe Structure

The following described structure is in a dangerous or unsafe condition:

(a) Description of Structure: A two-story, frame dwelling about 32 x 40 feet in size. Vacant, this structure has been damaged by fire. It has a cracking block foundation; rotted, missing and fire damaged wood siding; fire damaged roof; deteriorated rear porch; and fire damaged soffit, fascia, wood trim and framing members.

(b) Street Address: 1343 S. WATER

**(c) Owners:
Robert W. Carstedt
733 S. Ida
Wichita, KS 67211**

**Ronald Pace
POST ON PROPERTY**

(d) Resident Agent: None

(e) Occupant: None

**(f) Lienholders of Record:
Kelly Arnold, County Clerk
525 N. Main
Wichita, KS 67203**

(g) Mortgage Holder(s): None

(h) Interested Parties: None

DATE: November 4, 2015

CDM SUMMARY

COUNCIL DISTRICT # III

ADDRESS: 1343 S. WATER

LEGAL DESCRIPTION: LOTS 81 AND 83, AND THE NORTH 19 FEET OF LOT 85, ON WATER STREET, FEGTLY'S ADDITION TO WICHITA, SEDGWICK COUNTY, KANSAS

DESCRIPTION OF STRUCTURE: A two-story frame dwelling about 32 x 40 feet in size. Vacant for an unknown amount of time, this structure has been damaged by fire. It has a cracking block foundation; rotted, missing and fire damaged wood siding; fire damaged roof; deteriorated rear porch; and fire damaged soffit, fascia, wood trim and framing members.

Description of dangerous or unsafe condition(s): The property is found to be dangerous and unsafe because of the following conditions:

- A. Those, which have been damaged by fire, wind, want of repair, or other causes so as to have become dangerous to life, safety, morals or the general health and welfare of the occupants or the people of the city.**
- B. The structure fails to provide the necessities to decent living, which makes it, unfit for human habitation.**
- C. Those whose use, equipment or want of good housekeeping constitutes a decided fire or safety hazard to the property itself or its occupants or which presents a decided fire or safety hazards to surrounding property or a menace to the public safety and general welfare.**

City Ordinance states that any one of the above categories is just cause to declare the building a public nuisance and shall be repaired or demolished.

Director of Metropolitan Area Building and Construction Department
Enforcing Officer

Date

OCA: 230200

_____ PUBLISHED IN THE WICHITA EAGLE ON _____
RESOLUTION NO. _____

A RESOLUTION FIXING A TIME AND PLACE AND PROVIDING FOR NOTICE OF A HEARING BEFORE THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AT WHICH THE OWNER, HIS AGENT, LIENHOLDERS OF RECORD AND OCCUPANTS OF PROPERTY LEGALLY DESCRIBED AS: **LOTS 81 AND 83, AND THE NORTH 19 FEET OF LOT 85, ON WATER STREET, FEGTLY'S ADDITION TO WICHITA, SEDGWICK COUNTY, KANSAS** COMMONLY KNOWN AS **1343 S. WATER** MAY APPEAR AND SHOW CAUSE WHY SUCH STRUCTURE SHOULD NOT BE CONDEMNED AND ORDERED REPAIRED OR DEMOLISHED AS A DANGEROUS STRUCTURE.

WHEREAS, the enforcing officer of the City of Wichita, Kansas, did on the **24th day of November 2015**, file with the governing body of said city, a statement in writing that certain structure(s), hereinafter described, is unsafe or dangerous.

NOW THEREFORE, be it Resolved by the Governing Body of the City of Wichita.

That a hearing will be held on the **12th day of January 2016**, before the governing body of the city at **9:30 A.M.**, or thereafter in the council chambers, City Hall at which time the owner, his agent, any lienholders of record or any occupant of property, legally described at **LOTS 81 AND 83, AND THE NORTH 19 FEET OF LOT 85, ON WATER STREET, FEGTLY'S ADDITION TO WICHITA, SEDGWICK COUNTY, KANSAS**, commonly known as: **1343 S. WATER**, may appear and show cause why such structure should not be condemned as an unsafe or dangerous structure ordered repaired or demolished. The structure is A two-story, frame dwelling about 32 x 40 feet in size. Vacant, this structure has been damaged by fire. It has a cracking block foundation; rotted, missing and fire damaged wood siding; fire damaged roof; deteriorated rear porch; and fire damaged soffit, fascia, wood trim and framing members.

Be it further resolved that the City Clerk shall cause this Resolution to be published and shall give notice of the aforesaid hearing in the manner provided by K.S.A. 12-1752.

Adopted this **24th day of November 2015**.

Jeff Longwell, Mayor

(SEAL)

ATTEST: _____
Karen Sublett, City Clerk

Approved as to form:

Jennifer L. Magana, City Attorney and Director of Law

GROUP # 3

NOTICE OF DEMOLITION ACTION

This is to certify that the property located at **138 S SEDGWICK ST** and legally described as: **LOTS 22 AND 23, BLOCK 2, MARTINSON'S 9TH ADDITION TO WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS**, is the subject of a demolition action by the City of Wichita, Kansas, under the provisions of Section 18.16 of the Code of the City of Wichita. Unless certain improvements to the structure(s) located thereon are commenced and completed by **January 12, 2016** such structures are subject to being demolished and the costs associated therewith charged, as a lien, against the above-described real property.

Thomas Stolz, Director, Metropolitan Area Building and Construction Department
City of Wichita

STATE OF KANSAS)
) ss:
SEDGWICK COUNTY)

BE IT REMEMBERED, That on this _____ day of _____, 2015, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Thomas Stolz, Director of Metropolitan Area Building and Construction Department, City of Wichita, personally known to me to be the same person who executed the within instrument of writing and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal; the day and year last above written.

Notary Public

My Appointment Expires:



TO: The Mayor and City Council
Wichita, Kansas

RE: Statement of Dangerous or Unsafe Structure

The following described structure is in a dangerous or unsafe condition:

(a) Description of Structure: A one-story frame dwelling about 24 x 40 feet in size. Vacant for at least 5 years, this structure has a cracking and shifting concrete block foundation; badly worn composition roof; rotted rafter tails and roof overhang; dilapidated front porch; rotted wood trim; and the 18 x 20 accessory garage and 12 x 15 foot accessory shed are deteriorated .

(b) Street Address: 138 S SEDGWICK ST

(c) Owners:
Crawford K. Douglas
2215 W. 14th N.
Wichita, KS 67203

(d) Resident Agent: None

(e) Occupant: None

(f) Lienholders of Record: None

(g) Mortgage Holder(s): None

(h) Interested Parties: None

DATE: November 4, 2015

CDM SUMMARY

COUNCIL DISTRICT # IV

ADDRESS: 138 S SEDGWICK ST

LEGAL DESCRIPTION: LOTS 22 AND 23, BLOCK 2, MARTINSON'S 9TH ADDITION TO WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS

DESCRIPTION OF STRUCTURE: A one-story frame dwelling about 24 x 40 feet in size. Vacant for at least 5 years, this structure has a cracking and shifting concrete block foundation; badly worn composition roof; rotted rafter tails and roof overhang; dilapidated front porch; rotted wood trim; and the 18 x 20 accessory garage and 12 x 15 foot accessory shed are deteriorated .

Description of dangerous or unsafe condition(s): The property is found to be dangerous and unsafe because of the following conditions:

- A. Those, which have been damaged by fire, wind, want of repair, or other causes so as to have become dangerous to life, safety, morals or the general health and welfare of the occupants or the people of the city.**
- B. The structure fails to provide the necessities to decent living, which makes it, unfit for human habitation.**
- C. Those whose use, equipment or want of good housekeeping constitutes a decided fire or safety hazard to the property itself or its occupants or which presents a decided fire or safety hazards to surrounding property or a menace to the public safety and general welfare.**

City Ordinance states that any one of the above categories is just cause to declare the building a public nuisance and shall be repaired or demolished.

Director of Metropolitan Area Building and Construction Department
Enforcing Officer

Date

OCA: 230200

_____ PUBLISHED IN THE WICHITA EAGLE ON _____
RESOLUTION NO. _____

A RESOLUTION FIXING A TIME AND PLACE AND PROVIDING FOR NOTICE OF A HEARING BEFORE THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AT WHICH THE OWNER, HIS AGENT, LIENHOLDERS OF RECORD AND OCCUPANTS OF PROPERTY LEGALLY DESCRIBED AS: **LOTS 22 AND 23, BLOCK 2, MARTINSON'S 9TH ADDITION TO WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS** COMMONLY KNOWN AS **138 S SEDGWICK ST** MAY APPEAR AND SHOW CAUSE WHY SUCH STRUCTURE SHOULD NOT BE CONDEMNED AND ORDERED REPAIRED OR DEMOLISHED AS A DANGEROUS STRUCTURE.

WHEREAS, the enforcing officer of the City of Wichita, Kansas, did on the **24th day of November 2015**, file with the governing body of said city, a statement in writing that certain structure(s), hereinafter described, is unsafe or dangerous.

NOW THEREFORE, be it Resolved by the Governing Body of the City of Wichita.

That a hearing will be held on the **12th day of January 2016**, before the governing body of the city at **9:30 A.M.**, or thereafter in the council chambers, City Hall at which time the owner, his agent, any lienholders of record or any occupant of property, legally described at **LOTS 22 AND 23, BLOCK 2, MARTINSON'S 9TH ADDITION TO WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS**, commonly known as: **138 S SEDGWICK ST**, may appear and show cause why such structure should not be condemned as an unsafe or dangerous structure ordered repaired or demolished. The structure is A one-story frame dwelling about 24 x 40 feet in size. Vacant for at least 5 years, this structure has a cracking and shifting concrete block foundation; badly worn composition roof; rotted rafter tails and roof overhang; dilapidated front porch; rotted wood trim; and the 18 x 20 accessory garage and 12 x 15 foot accessory shed are deteriorated .

Be it further resolved that the City Clerk shall cause this Resolution to be published and shall give notice of the aforesaid hearing in the manner provided by K.S.A. 12-1752.

Adopted this **24th day of November 2015**.

Jeff Longwell, Mayor

(SEAL)

ATTEST: _____
Karen Sublett, City Clerk

Approved as to form:

Jennifer L. Magana, City Attorney and Director of Law

OCA: 230200

**PUBLISHED IN THE WICHITA EAGLE ON NOVEMBER 27 AND DECEMBER 4, 2015
RESOLUTION NO. 15-369**

A RESOLUTION FIXING A TIME AND PLACE AND PROVIDING FOR NOTICE OF A HEARING BEFORE THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AT WHICH THE OWNER, HIS AGENT, LIENHOLDERS OF RECORD AND OCCUPANTS OF PROPERTY LEGALLY DESCRIBED AS: **LOTS 51 AND 53, ON GREEN STREET, DIXON'S ADDITION TO WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS** COMMONLY KNOWN AS **633 S GREEN ST** MAY APPEAR AND SHOW CAUSE WHY SUCH STRUCTURE SHOULD NOT BE CONDEMNED AND ORDERED REPAIRED OR DEMOLISHED AS A DANGEROUS STRUCTURE.

WHEREAS, the enforcing officer of the City of Wichita, Kansas, did on the **24th day of November 2015**, file with the governing body of said city, a statement in writing that certain structure(s), hereinafter described, is unsafe or dangerous.

NOW THEREFORE, be it resolved by the Governing Body of the City of Wichita.

That a hearing will be held on the **12th day of January 2016**, before the governing body of the city at **9:30 A.M.**, or thereafter in the council chambers, City Hall at which time the owner, his agent, any lienholders of record or any occupant of property, legally described at **LOTS 51 AND 53, ON GREEN STREET, DIXON'S ADDITION TO WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS**, commonly known as: **633 S GREEN ST**, may appear and show cause why such structure should not be condemned as an unsafe or dangerous structure ordered repaired or demolished. The structure is A one-story frame dwelling about 17 x 30 feet in size. Vacant for at least two years, this structure has a shifting concreted block foundation; broken and missing transite siding; dilapidated front porch; rotted soffit, fascia and wood trim; and the 8 x 8 foot wood and 8 x 8 foot metal sheds are deteriorated.

Be it further resolved that the City Clerk shall cause this Resolution to be published and shall give notice of the aforesaid hearing in the manner provided by K.S.A. 12-1752.

Adopted this **24th day of November 2015**.

Jeff Longwell, Mayor

(SEAL)

ATTEST: _____
Karen Sublett, City Clerk

Approved as to form:

Jennifer L. Magana, City Attorney and Director of Law

OCA: 230200

**PUBLISHED IN THE WICHITA EAGLE ON NOVEMBER 27 AND DECEMBER 4, 2015
RESOLUTION NO. 15-370**

A RESOLUTION FIXING A TIME AND PLACE AND PROVIDING FOR NOTICE OF A HEARING BEFORE THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AT WHICH THE OWNER, HIS AGENT, LIENHOLDERS OF RECORD AND OCCUPANTS OF PROPERTY LEGALLY DESCRIBED AS: **LOTS 81 AND 83, AND THE NORTH 19 FEET OF LOT 85, ON WATER STREET, FEGTLY'S ADDITION TO WICHITA, SEDGWICK COUNTY, KANSAS** COMMONLY KNOWN AS **1343 S. WATER** MAY APPEAR AND SHOW CAUSE WHY SUCH STRUCTURE SHOULD NOT BE CONDEMNED AND ORDERED REPAIRED OR DEMOLISHED AS A DANGEROUS STRUCTURE.

WHEREAS, the enforcing officer of the City of Wichita, Kansas, did on the **24th day of November 2015**, file with the governing body of said city, a statement in writing that certain structure(s), hereinafter described, is unsafe or dangerous.

NOW THEREFORE, be it resolved by the Governing Body of the City of Wichita.

That a hearing will be held on the **12th day of January 2016**, before the governing body of the city at **9:30 A.M.**, or thereafter in the council chambers, City Hall at which time the owner, his agent, any lienholders of record or any occupant of property, legally described at **LOTS 81 AND 83, AND THE NORTH 19 FEET OF LOT 85, ON WATER STREET, FEGTLY'S ADDITION TO WICHITA, SEDGWICK COUNTY, KANSAS**, commonly known as: **1343 S. WATER**, may appear and show cause why such structure should not be condemned as an unsafe or dangerous structure ordered repaired or demolished. The structure is A two-story, frame dwelling about 32 x 40 feet in size. Vacant, this structure has been damaged by fire. It has a cracking block foundation; rotted, missing and fire damaged wood siding; fire damaged roof; deteriorated rear porch; and fire damaged soffit, fascia, wood trim and framing members.

Be it further resolved that the City Clerk shall cause this Resolution to be published and shall give notice of the aforesaid hearing in the manner provided by K.S.A. 12-1752.

Adopted this **24th day of November 2015**.

Jeff Longwell, Mayor

(SEAL)

ATTEST: _____
Karen Sublett, City Clerk

Approved as to form:

Jennifer L. Magana, City Attorney and Director of Law

OCA: 230200

**PUBLISHED IN THE WICHITA EAGLE ON NOVEMBER 27 AND DECEMBER 4, 2015
RESOLUTION NO. 15-371**

A RESOLUTION FIXING A TIME AND PLACE AND PROVIDING FOR NOTICE OF A HEARING BEFORE THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AT WHICH THE OWNER, HIS AGENT, LIENHOLDERS OF RECORD AND OCCUPANTS OF PROPERTY LEGALLY DESCRIBED AS: **LOTS 22 AND 23, BLOCK 2, MARTINSON'S 9TH ADDITION TO WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS** COMMONLY KNOWN AS **138 S SEDGWICK ST** MAY APPEAR AND SHOW CAUSE WHY SUCH STRUCTURE SHOULD NOT BE CONDEMNED AND ORDERED REPAIRED OR DEMOLISHED AS A DANGEROUS STRUCTURE.

WHEREAS, the enforcing officer of the City of Wichita, Kansas, did on the **24th day of November 2015**, file with the governing body of said city, a statement in writing that certain structure(s), hereinafter described, is unsafe or dangerous.

NOW THEREFORE, be it resolved by the Governing Body of the City of Wichita.

That a hearing will be held on the **12th day of January 2016**, before the governing body of the city at **9:30 A.M.**, or thereafter in the council chambers, City Hall at which time the owner, his agent, any lienholders of record or any occupant of property, legally described at **LOTS 22 AND 23, BLOCK 2, MARTINSON'S 9TH ADDITION TO WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS**, commonly known as: **138 S SEDGWICK ST**, may appear and show cause why such structure should not be condemned as an unsafe or dangerous structure ordered repaired or demolished. The structure is A one-story frame dwelling about 24 x 40 feet in size. Vacant for at least 5 years, this structure has a cracking and shifting concrete block foundation; badly worn composition roof; rotted rafter tails and roof overhang; dilapidated front porch; rotted wood trim; and the 18 x 20 accessory garage and 12 x 15 foot accessory shed are deteriorated .

Be it further resolved that the City Clerk shall cause this Resolution to be published and shall give notice of the aforesaid hearing in the manner provided by K.S.A. 12-1752.

Adopted this **24th day of November 2015**.

Jeff Longwell, Mayor

(SEAL)

ATTEST: _____
Karen Sublett, City Clerk

Approved as to form:

Jennifer L. Magana, City Attorney and Director of Law

City of Wichita
City Council Meeting
November 24, 2015

TO: Mayor and City Council
SUBJECT: 2016 Fuel Fixed Forward Contract
INITIATED BY: Department of Finance
AGENDA: Consent Agenda

Recommendation: Authorize the Purchasing Manager to enter into a fuel fixed forward contract for 2016.

Background: During the 2016-2017 budget process, the potential to lock in diesel prices for Wichita Transit was presented to the City Council. On July 14, 2015, the City Council provided staff direction to move forward with locking in fuel prices through a fixed forward contract in order to provide protection from future diesel fuel price volatility in 2016. In 2016, Wichita Transit is estimated to consume 390,000 gallons of diesel, which is 32,500 gallons per month.

Based on historical information, the time period with the most favorable pricing for fixed forward contracts is often near the end of the calendar year. In analyzing blocks of fuel to be purchased, contracting for 42,000 gallons per month provides the best value based on the City's needs. Wichita Transit will consume 21,000 gallons of diesel per month at the fixed price, and Public Works & Utilities (PW&U) will consume the other 21,000 gallons of diesel per month at the fixed price.

Analysis: There are several current City fuel vendors that offer fixed forward contracts. The pricing on these types of contracts changes on a daily basis. Staff will monitor fuel markets and select a day in November or December to solicit and enter into a fuel fixed forward contract for 2016. Customarily, decisions on contracting for fuel fixed forward contracts must be signed within an hour of price solicitations.

Financial Considerations: The 2016 Adopted Budget for Wichita Transit diesel fuel is based on an estimate of \$2.93 per gallon, though actual costs are currently lower. Comparing the spot price to the fixed price will result in the actual savings calculation. For example, savings of \$0.10 per gallon is estimated to result in annual savings of \$25,200 each for Wichita Transit and PW&U.

Legal Considerations: The Purchasing Ordinance states the Purchasing Manager shall have the authority to enter into contract and agreements for supplies, services, materials and equipment where the contract sum does not exceed \$50,000. The Purchasing Manager shall have the additional authority to enter into contract and agreements as shall be specifically granted by the governing body. The contract will be reviewed and approved by the Law Department.

Recommendation/Action: It is recommended that the City Council authorize the Purchasing Manager to enter into a fuel fixed forward contract for 2016.

City of Wichita
City Council Meeting
November 24, 2015

TO: Mayor and City Council
SUBJECT: Intelligent Transportation System (All Districts)
INITIATED BY: Department of Public Works & Utilities
AGENDA: Consent

Recommendation: Approve the project and budget, and adopt the resolution.

Background: The 2015-2024 Adopted Capital Improvement Program (CIP) includes annual funding for the Intelligent Transportation System project.

Analysis: In recent years, aging traffic signal controllers have been replaced throughout the city, along with installation of a wireless communication network for the traffic signal system. As the controllers have been replaced, signal timings were updated accordingly. However, most are running independently of each other. Some of the closely spaced traffic signals need to be coordinated to improve progression on arterial streets. A consultant will be hired to assist staff in developing timing plans on selected corridors.

Proposed selected corridors for the project include:

- Central, Hillside to 127th Street East
- Rock Road, Kellogg to 37th Street East

Staff will also evaluate other signalized intersections and install detection for vehicles and pedestrians to improve efficiency. Funding will allow for payment of consultant fees and purchase and installation of necessary signal equipment to improve the traffic signal network.

Financial Considerations: The Adopted 2015-2024 Capital Improvement Program (CIP) includes \$500,000 in 2015 for the Intelligent Transportation System project and is funded by general obligation at-large bonds.

Legal Considerations: The resolution has been reviewed and approved as to form by the Law Department.

Recommendations/Actions: It is recommended that the City Council approve the project and budget, adopt the resolution, and authorize the necessary signatures.

Attachments: Resolution and budget sheet.

RESOLUTION NO. 15-367

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF WICHITA, KANSAS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS 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; 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 “Act”) to issue general obligation bonds of the City without an election 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 make certain public improvements described as follows:

Intelligent Transportation System (472-85249)

(the “Project”) and to provide for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act.

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 Project be acquired and/or constructed at an estimated cost of **\$500,000** in accordance with plans and specifications therefor prepared under the direction of the City Engineer and approved by the Governing Body; said plans and specifications to be placed on file in the office of the City Engineer.

Section 2. Project Financing. All or a portion of the costs of the Project, interest on financing and administrative and financing costs shall be financed with the proceeds of general obligation bonds of the City (the “Bonds”). The Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of adoption of this Resolution, all pursuant to Treasury Regulation §1.150-2.

Section 3. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

ADOPTED by the City Council of the City of Wichita, Kansas, on November 24, 2015.

(SEAL)

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Jennifer Magaña, City Attorney and Director of Law

Project Request

CIP Non-CIP CIP YEAR: 2015 CIP #: _____

NEIGHBORHOOD IMPROVEMENT

DEPARTMENT: 13 Public Works & Utilities DIVISION: Engineering RESOLUTION/ORDINANCE #: _____

FUND: 400 Street Improvements SUBFUND: 410 Traffic Engineering ENGINEERING REFERENCE #: 472-85249

COUNCIL DISTRICT: 07 All Districts DATE COUNCIL APPROVED: Nov 24, 2015 REQUEST DATE: _____

PROJECT #: 211550 PROJECT TITLE: Intelligent Transportation System

PROJECT DETAIL #: 01 PROJECT DETAIL DESCRIPTION: Intelligent Transportation System

OCA #: 707093 OCA TITLE: Intelligent Transportation System

PERSON COMPLETING FORM: Jennifer Peterson PHONE #: 268-4548

PROJECT MANAGER: Paul Gunzelman PHONE #: 268-4393

NEW BUDGET REVISED BUDGET

REVENUE

EXPENSE

| <u>Object Level 3</u> | <u>Budget</u> | <u>Object Level 3</u> | <u>Budget</u> |
|-----------------------|---------------|-----------------------|---------------|
| 9720 G.O. Bonds | \$500,000.00 | 2999 Contractuals | \$500,000.00 |
| _____ | \$0.00 | _____ | \$0.00 |
| _____ | \$0.00 | _____ | \$0.00 |
| _____ | \$0.00 | _____ | \$0.00 |
| _____ | \$0.00 | _____ | \$0.00 |
| _____ | \$0.00 | _____ | \$0.00 |
| _____ | \$0.00 | _____ | \$0.00 |

REVENUE TOTAL: \$500,000.00

EXPENSE TOTAL: \$500,000.00

NOTES:

SIGNATURES REQUIRED

Print Form

DIVISION HEAD: 

DEPARTMENT HEAD: 

BUDGET OFFICER: 

CITY MANAGER: _____

DATE: 11/06/15

DATE: 11/10/15

DATE: 10/29/15

DATE: _____

RESOLUTION NO. ____ - _____

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF WICHITA, KANSAS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS 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; 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 "Act") to issue general obligation bonds of the City without an election 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 make certain public improvements described as follows:

Intelligent Transportation System (472-85249)

(the "Project") and to provide for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act.

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 Project be acquired and/or constructed at an estimated cost of **\$500,000** in accordance with plans and specifications therefor prepared under the direction of the City Engineer and approved by the Governing Body; said plans and specifications to be placed on file in the office of the City Engineer.

Section 2. Project Financing. All or a portion of the costs of the Project, interest on financing and administrative and financing costs shall be financed with the proceeds of general obligation bonds of the City (the "Bonds"). The Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of adoption of this Resolution, all pursuant to Treasury Regulation §1.150-2.

Section 3. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

ADOPTED by the City Council of the City of Wichita, Kansas, on _____.

(SEAL)

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Jennifer Magaña

for Jennifer Magaña, City Attorney and Director of Law

City of Wichita
City Council Meeting
November 24, 2015

TO: Mayor and City Council

SUBJECT: Funding for Improvements to the Pawnee Bridge at Arkansas River (Districts III and IV)

INITIATED BY: Department of Public Works & Utilities

AGENDA: Consent

Recommendations: Approve the revised budget and adopt the amending resolution.

Background: On March 4, 2014, the City Council approved a design concept for improvements to the Pawnee Bridge at the Arkansas River. On April 4, 2014, the project was bid for construction, with all bids exceeding the Engineer's Estimate. The project was placed on hold due to lack of funding and was pending reprogramming in the 2015-2024 Capital Improvement Program (CIP).

Analysis: The existing bridge was built in 1961 and last rehabilitated in 1992. Improvements needed are based on current inspection and include rehabilitation of abutments, repair and reseal of the deck and driving surface, and restoration of the pedestrian handrails and structural supports. Due to the extent of work needed and to protect the safety of the traveling public, the bridge will be closed to through traffic for the duration of the project. Through traffic on Pawnee will be detoured to McLean, 31st Street South and Broadway. Construction is slated to begin in spring of 2016 and be completed within approximately six months.

Financial Considerations: Since the project was placed on hold, originally approved funding has been distributed to other projects that were in need. The remaining budget of \$308,000 was approved by the City Council on March 17, 2015. The 2015-2024 Adopted CIP, includes an additional \$2,050,000 in general obligation funding in 2016. This brings the total revised budget to \$2,358,000 and will allow for payment of construction and City administration and oversight costs.

Legal Considerations: The amending resolution has been reviewed and approved as to form by the Law Department.

Recommendation/Actions: It is recommended that the City Council approve the revised budget, adopt the amending resolution, and authorize the necessary signatures.

Attachments: Amending resolution and budget sheet.

RESOLUTION NO. 15-368

A RESOLUTION SUPPLEMENTING THE PROJECT AUTHORIZED BY ORDINANCE NO. 48-816, ORDINANCE NO. 49-672, AND ORDINANCE NO. 49-959 OF THE CITY OF WICHITA, KANSAS, AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF WICHITA, KANSAS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS 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; 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 “Act”) to issue general obligation bonds of the City without an election 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 make certain public improvements described as follows:

Design, acquisition of right-of-way, utility relocation and construction of improvements to Pawnee Bridge at Arkansas River (472-84922)

(the “Project”) and to provide for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act; and

WHEREAS, certain design and right of way acquisition costs of the Project have been previously authorized pursuant to **Ordinance No. 48-816, Ordinance No. 49-672, and Ordinance No. 49-959**, and this Resolution is intended to supplement those Ordinances and to authorize additional improvements and expenditures as a part of the Project pursuant to the Act.

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 Project be acquired and/or constructed at an estimated cost of **\$2,358,000, inclusive of the amounts previously authorized by Ordinance No. 49-959**, in accordance with the plans and specifications therefor prepared under the direction of the City Engineer and approved by the Governing Body; said plans and specifications to be placed on file in the office of the City Engineer.

Section 2. Project Financing. All or portion of the costs of the Project, interest on financing and administrative and financing costs shall be financed with the proceeds of general obligation bonds of the City (the “Bonds”). The Bonds may be issued to reimburse expenditures made on or after the date which was 60 days before the date of adoption of **Ordinance No. 48-816** to the extent of Bonds authorized thereunder, and on or after the date 60 days before the date of adoption of **Ordinance No. 49-672** to the extent of increased authorization contained therein, and 60 days before the date of this Resolution, to the extent of the increased authorization contained herein, all pursuant to Treasury Regulation §1.150-2.

Section 3. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing body.

ADOPTED by the City Council of the City of Wichita, Kansas, on November 24, 2015.

JEFF LONGWELL, MAYOR

ATTEST:

KAREN SUBLETT, CITY CLERK

(SEAL)

APPROVED AS TO FORM:

JENNIFER MAGANA, CITY ATTORNEY
AND DIRECTOR OF LAW

Project Request

CIP Non-CIP CIP YEAR: 2015 CIP #: _____

NEIGHBORHOOD IMPROVEMENT

DEPARTMENT: 13 Public Works & Utilities DIVISION: Engineering RESOLUTION/ORDINANCE #: _____

ENGINEERING REFERENCE #: 472-84922

FUND: 400 Street Improvements SUBFUND: 415 Bridges

COUNCIL DISTRICT: 18 Council Districts 3, 4 DATE COUNCIL APPROVED: Nov 24, 2015 REQUEST DATE: _____

PROJECT #: 249142 PROJECT TITLE: Pawnee Bridge at Arkansas River

PROJECT DETAIL #: 01 PROJECT DETAIL DESCRIPTION: Pawnee Bridge at Arkansas River

OCA #: 715726 OCA TITLE: Pawnee Bridge at Arkansas River

PERSON COMPLETING FORM: Jennifer Peterson PHONE #: 268-4548

PROJECT MANAGER: Tim Davidson PHONE #: 268-4455

NEW BUDGET REVISED BUDGET

| Revenue Object Level 3 | Original Budget | Adjustment | New Budget |
|------------------------|-----------------|----------------|----------------|
| 9720 G.O. Bonds | \$308,000.00 | \$2,050,000.00 | \$2,358,000.00 |
| _____ | \$0.00 | \$0.00 | \$0.00 |
| _____ | \$0.00 | \$0.00 | \$0.00 |
| _____ | \$0.00 | \$0.00 | \$0.00 |
| | \$308,000.00 | \$2,050,000.00 | \$2,358,000.00 |

| Expense Object Level 3 | Original Budget | Adjustment | New Budget |
|------------------------|-----------------|----------------|----------------|
| 2999 Contractuals | \$308,000.00 | \$2,050,000.00 | \$2,358,000.00 |
| _____ | \$0.00 | \$0.00 | \$0.00 |
| _____ | \$0.00 | \$0.00 | \$0.00 |
| _____ | \$0.00 | \$0.00 | \$0.00 |
| Total Expense: | \$308,000.00 | \$2,050,000.00 | \$2,358,000.00 |

NOTES:

SIGNATURES REQUIRED

DIVISION HEAD: _____
DEPARTMENT HEAD: _____
BUDGET OFFICER: _____
CITY MANAGER: _____

Print Form

DATE: 11/06/15
DATE: 11/16/15
DATE: 10/29/15
DATE: _____

RESOLUTION NO. ____ - ____

A RESOLUTION SUPPLEMENTING THE PROJECT AUTHORIZED BY ORDINANCE NO. 48-816, ORDINANCE NO. 49-672, AND ORDINANCE NO. 49-959 OF THE CITY OF WICHITA, KANSAS, AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF WICHITA, KANSAS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS IN THE CITY.

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Design, acquisition of right-of-way, utility relocation and construction of improvements to Pawnee Bridge at Arkansas River (472-84922)

(the "Project") and to provide for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act; and

WHEREAS, certain design and right of way acquisition costs of the Project have been previously authorized pursuant to Ordinance No. 48-816, Ordinance No. 49-672, and Ordinance No. 49-959, and this Resolution is intended to supplement those Ordinances and to authorize additional improvements and expenditures as a part of the Project pursuant to the Act.

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 Project be acquired and/or constructed at an estimated cost of **\$2,358,000, inclusive of the amounts previously authorized by Ordinance No. 49-959**, in accordance with the plans and specifications therefor prepared under the direction of the City Engineer and approved by the Governing Body; said plans and specifications to be placed on file in the office of the City Engineer.

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Section 3. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing body.

ADOPTED by the City Council of the City of Wichita, Kansas, on _____.

JEFF LONGWELL, MAYOR

ATTEST:

KAREN SUBLETT, CITY CLERK

(SEAL)

APPROVED AS TO FORM:

Brian K. Magana
for _____
JENNIFER MAGANA, CITY ATTORNEY
AND DIRECTOR OF LAW

City of Wichita
City Council Meeting
November 24, 2015

TO: Mayor and City Council

SUBJECT: Wichita Area Metropolitan Planning Organization New Freedom Grant for Wichita Transit's Mobility Manager Contract Amendment (All Districts)

INITIATED BY: Wichita Area Metropolitan Planning Organization

AGENDA: Consent

Recommendation: Authorize the Mayor to execute the contract amendment with the Wichita Area Metropolitan Planning Organization (WAMPO).

Background: Wichita Transit was awarded competitive Federal Transit Administration (FTA) funds by the WAMPO Transportation Policy Body in September of 2013. The New Freedom (section 5317) funds are apportioned to Urbanized Areas and are allocated on a competitive basis within the urbanized area. WAMPO is the designated recipient for the funds and held a competitive application process in July of 2013. The selection process was held in August of 2013, in which Wichita Transit was recommended for funding. Since then, Wichita Transit has tried to hire a Mobility Manager and has been unsuccessful. Because the originally awarded funding was not spent during the original award period, WAMPO was granted an extension from FTA for this project. This proposed contract amendment between WAMPO and Wichita Transit extends the contract period from January 1, 2016 through June 30, 2017. Wichita Transit is currently in the process of entering into a professional services agreement for mobility management services and expects to use this funding to pay for those services.

Analysis: The New Freedom grant will provide funds for mobility services, including management of Wichita Transit's American with Disabilities Act (ADA) operations and contracts for purchased rides while coordinating with other service providers in the community.

Financial Consideration: The total grant amount is \$115,828 in New Freedom funds for mobility management services. No local matching funds are required in connection with the New Freedom grant.

Legal Consideration: The Law Department has approved the contract amendment as to form.

Recommendation/Actions: It is recommended that the City Council approve the contract amendment and authorize the Mayor to execute the agreement.

Attachments: New Freedom contract amendment.



Transportation Policy Body (TPB) meeting notice
Tuesday, October 13, 2015 at 3:00pm
455 N. Main – 10th Floor, Wichita, KS 67202-1688

Please call us at 316.268.4315 at least 48 hours in advance if you require special accommodations to participate in this meeting. We make every effort to meet reasonable requests.

AGENDA

[Please note that the meeting agenda is subject to change during the meeting.]

*All agenda items indicated by a double asterisk (**) are a part of the consent agenda and will be acted on in a single motion. Item(s) on the consent agenda can be removed from it and considered independently upon request. Estimated times for agenda items are listed in parentheses.*

1. Call meeting to order and welcome
Tom Jones, Chair
2. **Action:** October 13, 2015 Meeting Agenda
Tom Jones, Chair
3. **Action:** September 8, 2015 Meeting Minutes
Tom Jones, Chair
4. Public Comment Opportunity
Tom Jones, Chair
5. **Update:** Committee Reports and Planning Partner Updates (10 min)
Tom Jones, Chair
 - Tom Jones, Executive Committee
 - Dan Woydziak, Chair, Technical Advisory Committee (TAC)
 - Mike Moriarty, Chief of Transportation Planning, Kansas Department of Transportation (KDOT)
 - Tom Hein, Public Affairs Manager, KDOT Wichita Metro
 - Steve Spade, Director, Wichita Transit
 - Kristen Zimmerman, Planning Manager, WAMPO Staff

WAMPO fully complies with Title VI of the Civil Rights Act of 1964 and related statutes and regulations in all programs and activities. For more information, or to obtain a Title VI Discrimination Complaint Form visit www.wampo.org or call (316) 352-4860. Requests for special accommodation and/or language interpretation should be made to Tricia Thomas at tthomas@wichita.gov or call (316)352-4860.

6. **** Action: Consent Agenda (5 min)**
Tom Jones, Chair
 - **6a. 2016 Transportation Policy Body (TPB) Meeting Schedule**
Kristen Zimmerman, Acting Secretary
 - **6b. 2016 Technical Advisory Committee (TAC) Meeting Schedule**
Kristen Zimmerman, Acting Secretary
 - **6c. 2015 Consolidated Planning Grant (CPG) Supplemental Agreement**
Kristen Zimmerman, Planning Manager
 - **6d. Job Access Reverse Commute (JARC) and New Freedom Program Contract Amendments**
Kristen Zimmerman, Planning Manager
7. **Air Quality Conformity (45 min)**
Chris Upchurch, Senior Planner
Jeff Houk, Air Quality Specialist, Federal Highway Administration (FHWA) Resource Center
8. **Update: 2016 Unified Planning Work Program (UPWP) and Budget (15 min)**
Kristen Zimmerman, Planning Manager
9. **Executive Session & Action: WAMPO Director Appointment (45 min)**
Tom Jones, Chair
**An Executive Session will be held to discuss personnel matters in accordance with KSA 75-4319(b) (1) of the Kansas Open Meeting Act.*
10. Other Items
Tom Jones, Chair
11. Adjournment
Tom Jones, Chair

Kristen Zimmerman, Acting Secretary
October 6, 2015

WAMPO fully complies with Title VI of the Civil Rights Act of 1964 and related statutes and regulations in all programs and activities. For more information, or to obtain a Title VI Discrimination Complaint Form visit www.wampo.org or call (316) 352-4860. Requests for special accommodation and/or language interpretation should be made to Tricia Thomas at tthomas@wichita.gov or call (316)352-4860.



Agenda Item 6

Action:

Consent Agenda

Tom Jones, Transportation Policy Body (TPB) Chair

All agenda items indicated by a double asterisk (**) will comprise the Consent Agenda and will be acted on in a single motion. Item(s) may be removed from the consent agenda and presented for deliberation and consideration upon request.

- 6a. ****Action:** 2016 Transportation Policy Body (TPB) Meeting Schedule
Kristen Zimmerman, Acting Secretary
- 6b. ****Action:** 2016 Technical Advisory Committee (TAC) Meeting Schedule
Kristen Zimmerman, Acting Secretary
- 6c. ****Action:** 2015 Consolidated Planning Grant (CPG) Supplemental Agreement
Kristen Zimmerman, Acting Secretary
- 6d. ****Action:** Job Access Reverse Commute (JARC) and New Freedom Program
Contract Amendments
Kristen Zimmerman, Acting Secretary

Staff recommended action(s)

- **Approve the Consent Agenda and take recommended action(s).**

Attachment(s)

- None



**Job Access Reverse Commute Program and the New Freedom Program
Contract Amendments**

Kristen Zimmerman, Planning Manager

Background

The Job Access and Reverse Commute (JARC) and New Freedom programs are federal funding programs authorized by the Federal Transit Administration (FTA). WAMPO is the organization that awards and administers the funding made available through these programs for the greater Wichita area.

The JARC program's primary focus is for assisting in the provision of public transportation for individuals that are low-income or disabled, to and from the workplace. The New Freedom program is intended to assist in providing transit services that are above and beyond the minimum requirements of the Americans with Disabilities Act of 1990 (ADA). These funding programs are not included in the current federal transportation legislation.

In an effort to award the remaining funding from these programs to existing awardees, the Transportation Policy Body (TPB) approved grant award extensions to existing sub-recipients at the August 11, 2015 TPB meeting. Since then, Regional FTA staff requested slight changes in the award amounts as per the table on *Attachment 1*. WAMPO staff and the sub-recipients agree with the changes.

Next Steps

Should the TPB choose to approve the Contract Amendments, they will then be sent to the sub-recipients and WAMPO's fiscal agent for final signatures. The grant award extensions are scheduled to start in late 2015 or early 2016.

Staff-Recommended Action

- *Approve the JARC and New Freedom Program contract amendments, as proposed, and authorize the necessary signatures.*

Attachments

- *JARC and New Freedom Program Grant Award Extension Amounts Proposal (October 2015)*
- *Episcopal Social Services (ESS) –WAMPO Contract #1 Amendment*
- *Episcopal Social Services (ESS) –WAMPO Contract #2 Amendment*
- *Mental Health Association – WAMPO Contract #1 Amendment*
- *Mental Health Association – WAMPO Contract #2*
- *Wichita Transit – WAMPO Contract Amendment*
- *Breakthrough Club of Sedgwick County – WAMPO Contract Amendment*



Job Access Reverse Commute (JARC) and New Freedom Programs Grant Award Extensions Proposal (October 2015)

Job Access Reverse Commute (JARC) Program

| Project | Grantee | Funding Awarded (2013) | Grant Award Extension Amount Approved by TPB (August 2015) | Grant Award Extension Amount Proposed (October 2015) |
|---|---------------------------|------------------------|--|--|
| Transportation for Employment (Provide transportation services for adults who are clients at ESS and Temporary Aid to Needy Families (TANF) recipients to assist them with employment and employment related activities.) | Episcopal Social Services | \$11,829 | \$19,200 | \$19,065 |
| Supportive Employment Transportation Expansion (Provide transportation services to individuals with severe and persistent mental illnesses for job seeking services and employment.) | Mental Health Association | \$30,786 | \$19,200 | \$19,065 |
| | | \$42,015 | \$38,400 | \$38,130 |

New Freedom Program

| Project | Grantee | Funding Awarded (2013) | Grant Award Extension Amount Approved by TPB (August 2015) | Grant Award Extension Amount Proposed (October 2015) |
|---|--------------------------------------|------------------------|--|--|
| Mobility Management (Provide management services to coordinate and oversee paratransit services in the Wichita area.) | Wichita Transit | \$115,828 | \$115,828 | \$115,828 |
| Transportation Enhancing Social and Prevocational Services (Provide transportation services to services for adults who have mental illness and are members of Breakthrough Club. Services will be provided during the day and evening, for people who need extra assistance to participate in the Breakthrough's recreational, pre-vocational, and job programs.) | Breakthrough Club of Sedgwick County | \$16,462 | \$20,000 | \$22,298 |
| | | \$132,290 | \$135,828 | \$138,126 |

455 N. Main - 10th Floor - Wichita, KS 67202-1688 - 316.352.4862 - wampo@wichita.gov - www.wampo.org

Andale - Andover - Bel Aire - Bentley - Butler County - Cheney - Clearwater - Colwich - Derby - Eastborough - Garden Plain - Goddard - Haysville - Kechi - Maize - Mount Hope - Mulvane - Park City - Rose Hill - Sedgwick - Sedgwick County - Sumner County - Valley Center - Viola - Wichita



You can request a recording of the entire meeting by calling 316.268.4315. Thank you.

| WICHITA AREA METROPOLITAN PLANNING ORGANIZATION Transportation Policy Body (TPB) Meeting Summary | | |
|---|---|--|
| 10.13.15 | Meeting Time: 3:00 p.m. | Meeting Location: 455 N. Main, 10 th Floor Conference Room Wichita, KS 67202 |
| Type of Meeting: | Regular | |
| Members Present: | Tom Jones, City of Wichita (Chair) Kelly Arnold, Sedgwick County Will Black, City of Haysville James Clendenin, City of Wichita (out at item 9) George Dick, SCAC Clair Donnelly, City of Maize Bryan Frye, City of Wichita Tom Hein, KDOT Jack Hezlep, City of Derby Jim Howell, Sedgwick County (In at 5/out at item 9) Carl Koster, City of Cheney Guy MacDonald, City of Bel Aire Marci Maschino, City of Valley Center Pete Meitzner, City of Wichita Janet Miller, City of Wichita Mike Moriarty, KDOT Karl Peterjohn, Sedgwick County (in at 5) Dave Unruh, Sedgwick County Burt Ussery, City of Clearwater Dan Woydziak, Butler County | |
| Other Attendees: | Mitch Coffman, Professional Engineering Consultants, P.A. Zahra Eutishan, City of Andover Vicki Forbes, WAMPO Carol Gilchrist, WAMPO Brent Holper, City of Valley Center Gloria Jeff, WAMPO Steve Lackey, TranSystems Keith Lawing, REAP Katherine Newby, WAMPO Laura Quick, City of Wichita, Air Quality Steve Spade, Wichita Transit Chris Upchurch, WAMPO Lonnie Wright, Citizen Kristen Zimmerman, WAMPO | |
| 1. Call Meeting to Order and Welcome | | |
| | Tom Jones, Chair, TPB | |
| Mr. Jones called the meeting to order at 3:00 p.m. | | |
| 2. Action: October 13, 2015 Meeting Agenda | | |
| | Tom Jones, Chair, TPB | |
| Discussion | None. | |
| Action | Motion | Second |
| <i>Moved to approve the October 13, 2015 meeting agenda. Motion was unanimous (18-0).</i> | Ussery | Donnelly |



You can request a recording of the entire meeting by calling 316.268.4315. Thank you.

| | | |
|---|---|----------|
| 3. Action: September 8, 2015 TPB Meeting Minutes | | |
| | Tom Jones, Chair, TPB | |
| Discussion | None. | |
| Action | Motion | Second |
| <i>Moved to approve the September 8, 2015 TPB meeting minutes. Motion was unanimous (18-0).</i> | Jones | Donnelly |
| 4. Public Comment Opportunity | | |
| | Tom Jones, Chair, TPB | |
| Discussion | None. | |
| 5. Update: Committee Reports and Planning Partner Updates | | |
| | Tom Jones, Chair, TPB | |
| Discussion | <p>Mr. Jones reported that the Executive Committee has met multiple times over the last month to discuss the WAMPO administrative services options, the REAP Transportation Task Force, MOVE 2040 Implementation Plan and committees, and the WAMPO Director hiring process.</p> <p>Mr. Woydziak reported that the TAC meeting was an informative meeting on the MOVE 2040 implementation plan, a report on the WAMPO Certification Review findings, and an update on the Wichita North Junction Concept Study.</p> <p>Mr. Moriarty reported that the KDOT headquarters is half way through the T-WORKS transportation funding program, which means that work will begin on the next program in 2016. At that time, they will also begin the process of beginning a new long range transportation plan.</p> <p>Mr. Hein stated that there are several ramps opening this week on Kellogg, as well as, the ramp on northbound I-235. The first phase of the I-235 interchange will begin in November. The ground breaking for the project will be on October 21st, 2015 at 3:00pm.</p> <p>Mr. Spade reported that Wichita Transit (WT) received over five hundred comments regarding neighborhoods and fares. Implementation of the service changes will take place in Spring of 2016. RLS & Associates has been contracted to assist with the Mobility Management Project. Key activities will include a review of operating policies and procedures, eligibility processes, service delivery model, procurement of transit providers and the development of staff capabilities. Implementation of the Mobility Management project will take place during the second quarter of 2016.</p> <p>Ms. Zimmerman stated that the WAMPO Certification Review Final Report was included in the meeting packet.</p> | |
| 6. Action: Consent Agenda | | |
| | Tom Jones, Chair, TPB | |
| Discussion | None. | |
| Action | Motion | Second |
| <i>Moved to approve the consent agenda and take the recommended action(s). Motion carried (20-0).</i> | Meitzner | Woydziak |
| 7. Presentation: Air Quality Conformity | | |
| | Chris Upchurch, Senior Planner Jeff Houk, Air Quality Specialist, Federal Highway Administration (FHWA) Resource Center | |
| | Transportation conformity is the process required by the Clean Air Act to ensure that federal transportation funding goes to highway, road, and transit projects that are consistent with air quality goals. Mr. Houk gave an overview of the ozone standards timeline, actions subject to conformity, who makes the determination, conformity requirements for transportation improvement plans, emissions testing and analysis, the implications of transportation conformity, interagency consultations, and multi-state conformity issues. If the Wichita area is designated as a non-attainment area, WAMPO will have to carry out this process and produce a conformity determination report demonstrating compliance. | |



You can request a recording of the entire meeting by calling 316.268.4315. Thank you.

| | | |
|--|--|----------|
| Discussion, cont. | <p>Mr. Upchurch reported that the Environmental Protection Agency (EPA) has set the standard ozone levels at 70ppb. This year, the Wichita region has had a very good ozone season. Due to the combination of the 70ppb ozone standard and the most recent ozone season, there is a significant chance that this region will not be designated in non-attainment. The EPA will average ozone levels from 2014, 2015, and 2016 to make their final determination. More details will be given on this topic at the November TPB meeting.</p> <p>Mr. Peterjohn asked if each of these counties within the area of determination have multiple monitoring stations located within them. Mr. Houk said that he would assume these counties would have monitors based on the EPA having the data. However, in certain cases, regions are added to the map based on high industrial areas or high traffic areas, even if they don't have a monitor. Mr. Peterjohn stated that this is why he would like the region to be more clearly defined. Mr. Houk said that the region is determined by the EPA and suggested that Mr. Peterjohn look at the procedures used during the last ozone designation to see what specific criteria the EPA used to determine the boundaries.</p> <p>Ms. Miller asked if we would know if the area is in non-attainment prior to the EPA making its determination. Mr. Houk stated that the Governor of Kansas will make a recommendations to the EPA Region 7 in Kansas City regarding the boundary areas. Six months later, the EPA will respond to the Governor with an agreement or make an alternative proposal. Further conversation will continue until the EPA announces their non-attainment areas sometime in 2019. Ms. Miller asked if it would be to WAMPOs benefit, as the regions MPO, to be proactive with approaching the Governor. Mr. Upchurch stated that WAMPO staff has decided to get a jump start on this issue and has already met with those agencies that would be part of the interagency consultation process. They had their first meeting at the end of July, and will have another meeting at the end of October. WAMPO is currently in contact with the EPA, KDHE, KDOT, and FHWA to stay in the loop on details of the potential designation.</p> <p>Mr. Ussery commented that the region should plan as if it will be designated in non-attainment, and put the processes and plans in place for when that day comes. Mr. Clendenin agrees, and believes that if there are hot days next summer, this region will be designated in non-attainment.</p> | |
| 8. Update: 2016 Unified Planning Work Program (UPWP) and Budget | | |
| | Kristen Zimmerman, Planning Manager | |
| Discussion | Item deferred to the November meeting due to time restraints. | |
| 9. Executive Session & Action: WAMPO Director Recruitment | | |
| | Tom Jones, Chair, TPB | |
| Discussion | Discussion took place in an executive session. No action was taken during the executive session, and a special meeting was scheduled for Tuesday, October 20, 2015 at 3:00pm to continue the discussion. | |
| Action | Motion | Second |
| <i>Motion to recess into executive session to discuss personnel matters of non-elected personnel and to invite in WAMPO attorney, Austin Parker and WAMPO Consultant Marla Flenji, for a period of 30 minutes beginning at 4:02p.m. and returning at 4:32p.m. Motion carried (20-0).</i> | Woydziak | Meitzner |
| <i>Motion to recess into executive session to discuss personnel matters of non-elected personnel and to invite in WAMPO attorney, Austin Parker and WAMPO Consultant Marla Flenji, for a period of 30 minutes beginning at 4:35p.m. and returning at 5:05p.m. Motion carried (20-0).</i> | Ussery | Woydziak |
| <i>Motion to recess into executive session to discuss personnel matters of non-elected personnel and to invite in WAMPO attorney, Austin Parker and WAMPO Consultant Marla Flenji, for a period of 30 minutes beginning at 5:05p.m. and returning at 5:35p.m. Motion carried (18-0).</i> | Woydziak | Arnold |
| 10. Other Items | | |



You can request a recording of the entire meeting by calling 316.268.4315. Thank you.

| | |
|------------------------|-----------------------------------|
| | Tom Jones, Chair, TPB |
| Discussion | None. |
| 11. Adjournment | |
| | Tom Jones, Chair, TPB |
| Discussion | The meeting adjourned at 5:35p.m. |

CONTRACT AMENDMENT

For

Wichita Transit
Wichita Transit Mobility Manager
NF Grant Agreement (CFDA 20.521)
Project Number NF-13-002

THIS CONTRACT AMENDMENT is entered into this _____ day of _____, 2015 by and between the Wichita Area Metropolitan Planning Organization, (hereinafter referred to as "WAMPO"); and Wichita Transit, (hereinafter referred to as "the Sub-Recipient")

WITNESSETH THAT:

WHEREAS, on the 1st of November, 2013, the above-named parties entered into a project grant agreement to utilize grant funds for the transportation needs of persons within the Wichita Urbanized Area.

WHEREAS, the cost for the project was to be based upon a matching ratio of 100 percent federal, reimbursable by WAMPO and 0 percent local funds for operating expenses.

WHEREAS, the existing agreement specified the terms of the agreement were to be for one year, six months (18 months total) following the date of the Notice to Proceed; and

NOW, THEREFORE, the above named parties hereby agree, covenant and contract with each other that the terms of the original agreement dated the 1st day of November, 2013, are hereby reaffirmed and re-executed for and on behalf of these parties except for the following amendment, modification and change.

This Agreement shall run from January 1, 2016 through June 30, 2017, and the total project cost is not to exceed \$115,828.00 of which \$115,828.00 is reimbursable by WAMPO.

No Arbitration. The Sub-Recipient and WAMPO shall not be obligated to resolve any claim or dispute related to the Agreement by arbitration. Any reference to arbitration in bid or proposal documents is deemed void.

City of Wichita
City Council Meeting
November 24, 2015

TO: Mayor and City Council

SUBJECT: Sale of City-owned Property at 1345 N. Fairmount (District I)

INITIATED BY: Office of Property Management

AGENDA: Consent

Recommendation: Approve the sale.

Background: The City of Wichita has completed a project to widen East 13th Street North between Hydraulic and Oliver. The improvements included the addition of a center turn lane, sidewalk relocation away from the back of the curb, improvements to the storm water system, and improvements to the landscaping within the right-of-way. The project required the acquisition of all or part of 78 tracts. At the completion of construction, 24 parcels were identified as being potentially marketable. On July 7, 2015, the City Council declared the 24 parcels available as surplus. The vacant remnant parcel at 1345 N. Fairmount is located at the southwest corner of 13th and Fairmount. The remnant parcel consists of 6,700 square feet.

Analysis: Prior to the road improvement project, the property at 1345 N. Fairmount was comprised of Lots 35, 37, and 39, Fairmount Avenue, Fairmount Park Addition to Wichita. All of Lot 39 and the north 7.34 feet of Lot 37 will be retained by the City as road right-of-way. The remainder of that site is defined as the remnant parcel. The adjacent property owner to the south of the subject parcel made an offer in the amount of \$4,000 for the remnant. The properties will be combined and the remnant parcel will be utilized as additional yard space.

Financial Considerations: The City will receive cash consideration for the sale of the properties. The proceeds from the sale, net fees and operating expenses, will be applied back to the 13th Street project to offset the issuance of debt. Additionally, the sale of this property to a private party will place additional value into the tax base and relieve the City of the cost to maintain the property.

Legal Considerations: The Law Department has approved the real estate agreement as to form.

Recommendation/Action: It is recommended that the City Council 1) approve the sale; 2) approve the real estate agreement; and 3) authorize any necessary signatures.

Attachment(s): Real estate agreement, quit claim deed, and aerial map.

REAL ESTATE SALE CONTRACT

THIS AGREEMENT, Made and entered into this 26 day of October, 2015 by and between the City of Wichita, Kansas, a municipal corporation, party of the First Part, hereinafter referred to as "Seller," whether one or more, and Cynthia Charlton, party of the Second Part, hereinafter referred to as "Buyer," whether one or more.

WITNESSETH: That for and in consideration of the mutual promises, covenants and payments hereinafter set out, the parties hereto do hereby contract to and with each other, as follows:

1. The Seller does hereby agree to sell and convey to the Buyer by a good and sufficient quit claim deed the following described real property, situated in Sedgwick County, Kansas, to-wit:

Lot 35 and the South 17.66 feet of Lot 37, Fairmount Avenue, Fairmount Place Addition
2. The Buyer hereby agrees to purchase, and pay to the Seller, as consideration for the conveyance to him of the above-described real property, the sum of Four Thousand Dollars and Zero Cents (\$4,000) in the manner following to-wit: cash at closing
3. The Buyer agrees that the parcel described above will not be developed or sold separately from its adjacent ownership.
4. Seller and Buyer agree to convey title in and to the above-described real property, subject to easements, restrictions and special assessments of record, if any, acceptable to the other party. In the event an Owners title insurance policy is furnished, the total cost of the commitment to insure and the title insurance policy will be paid by Buyer.
5. A duly executed copy of this Purchase Agreement shall be delivered to the parties hereto.
6. It is further agreed by and between the parties hereto that all rentals, insurance (if policies acceptable to Buyer), and interest, if any shall be adjusted and prorated as of the closing date. Taxes and specials shall be pro-rated for calendar year on the basis of 100% of taxes levied for the prior year. All prior years specials and taxes shall be current at time of closing.
7. The Seller further agrees to convey the above-described premises and deliver possession of the same in the same condition as they now are, reasonable wear and tear accepted.
8. Seller shall place no encumbrances on the property during the period from execution of this contract to closing. In addition, Seller shall be responsible for carrying such insurance as is reasonable on the improvements up until the closing date.
9. It is understood and agreed between the parties hereto that time is of the essence of this contract, and that this transaction shall be consummated on or before October 30, 2015.
10. Possession to be given to Buyer at closing

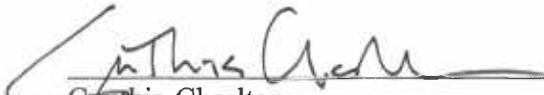
11. Closing costs, if any, shall be paid 50% by Buyer and 50% by Seller.
12. The parties covenant and agree that except for closing, title insurance, easement description, and commissions referenced elsewhere herein, each is solely responsible for the payment of any fee for brokerage, technical or other professional services relating to the execution and performance of this Contract incurred by such party.
13. Seller makes no warranty or guarantee as to the suitability of the real property proposed for trade for the intended use of Buyer. Therefore, Buyer covenants and agrees that Buyer at Buyer's own expense, shall examine the real property in order to determine such suitability including but not limited to:
 - A. Soils data and geology, drainage, hydrology and topographical features that would affect any present or future intended use;
 - B. The presence or absence of any contamination by any hazardous substance;
 - C. The quality and quantity of water available by on-site water wells, and the availability of a permit or permits therefore;
 - D. The nature, extent, and cost of public utilities needed to serve all or a portion of such real property;
 - E. The extent and cost of compliance with subdivision regulations, building codes and other applicable rules and regulations involving public improvements, private improvements, access, building setbacks, public dedications, platting and replatting requirements of such real property;
 - F. The nature and extent of zoning and subdivision statutes, laws, ordinances and regulations affecting the present use, and the ease or difficulty involved in the zone-change and subdivision approval procedures necessary or desirable to allow for the Buyer's intended use or uses.
14. Buyer also covenants and agrees that Buyer, his agents, successors and assigns any future use of the property as described above for the following uses shall be prohibited:
 - A. Adult Book and Video Stores
 - B. Community Correctional Facilities
 - C. Half-way Houses
 - D. Drug or Alcohol Rehabilitation Facilities
 - E. Multi-game, Casino-style Gambling Facilities
 - F. New or Used Car Sales
 - G. Commercial Billboards
15. The covenants and agreements contained in Paragraphs 13 and 14 shall survive the closing of the sale intended hereby, and they shall bind the buyer as fully after the sale as they do before.
16. Buyer hereby agrees; a) Buyer is accepting the subject property on an "AS IS" basis and in "AS IS" condition; and that Buyer's decision to enter into this contract and any future decisions he may make with regard to the property have been and will be made based on his own inspections. Buyer acknowledges that no representations or warranties as to character, quality, value, or condition have been made by any of the brokers or agents

involved, and also agrees not to make any claim against the Seller or the brokers involved.

17. Buyer hereby agrees to dedicate a permanent easement to the City of Wichita, Kansas for that part of the as-built sidewalk is located thereon Lot 35, Fairmount Avenue, Fairmount Place Addition, if the City of Wichita notices said Buyer of the need for an easement within six months of the closing date.

WITNESS OUR HANDS AND SEALS the day and year first above written.

BUYER


Cynthia Charlton

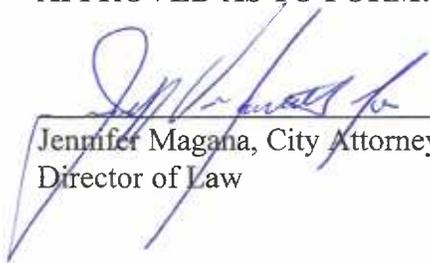
SELLER

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:


Jennifer Magana, City Attorney and
Director of Law

QUIT CLAIM DEED

Grantor(s): **The City of Wichita, Kansas, a municipal corporation**

Grantee(s): **Cynthia Charlton**

Grantee(s) mailing address:

WITNESSETH:

In consideration of One Dollar and other valuable consideration, the receipt of which is hereby acknowledged, the That said Grantor, in consideration of the sum of ONE DOLLAR, the receipt of which is hereby acknowledged, does by these presents, remise, release and quit claim unto said Grantee, their heirs and assigns, all the following described real estate situated in the City of Wichita, County of Sedgwick and State of Kansas, to-wit:

All of Lot 35 and the south 17.66 feet of Lot 37, Fairmount Avenue, Fairmount Place Addition to Wichita, Sedgwick County, Kansas

Subject to all easements, restrictions, reservations and covenants, if any, now of record.

TO HAVE AND TO HOLD THE SAME, Together with all and singular the tenements, hereditaments, and appurtenances thereto belonging or in anywise appertaining, forever.

IN WITNESS WHEREOF, the Grantor had hereunto set its hand the day and year first above written.

Dated: _____, 2015

The City of Wichita, Kansas, a municipal corporation:

Jeff Longwell, Mayor

STATE OF KANSAS) ss:
COUNTY OF SEDGWICK)

On _____, 2015, this deed was acknowledged before me by Jeff Longwell, Mayor of the City of Wichita, Kansas, a municipal corporation.

Notary Public
My commission expires: _____

**City of Wichita
City Council Meeting
November 24, 2015**

TO: Mayor and City Council
SUBJECT: Pooled Funds Investment Policy
INITIATED BY: Department of Finance
AGENDA: Consent

Recommendation: Approve the Pooled Funds Investment Policy.

Background: Investment activities are performed in accordance with State law, City Ordinance and the Pooled Funds Investment Policy, which was most recently approved by the City Council in November 2014. Under the provisions of K.S.A. 12-1677b, the City of Wichita holds expanded investment authority granted by the State Pooled Money Investment Board (PMIB) allowing the City to purchase certain Federal agency securities and extend investment maturities from two to four years.

The City's investment portfolio averages \$400 million with investment purchases and maturities totaling over \$1 billion annually.

As outlined in the Investment Policy, primary objectives of the City's investment activities are as follows in order of priority:

1. Safety of principal;
2. Liquidity to meet cash flow requirements; and
3. Achieving a rate of return to provide maximum earnings consistent with the higher priorities of safety and liquidity.

Analysis: In compliance with K.S.A. 12-1677b, information regarding the City's Pooled Funds investment portfolio and the investment policy must be submitted annually to the PMIB for review and approval of continued expanded investment authority. In 2012, the PMIB imposed a requirement for each entity seeking expanded powers to have its investment policy approved by the governing body on an annual basis. In accordance with this requirement, the City Council last approved the Pooled Funds Investment Policy on November 25, 2014. No modifications or changes have been made to the investment policy since it was approved in 2014.

Following approval by the City Council, the Pooled Funds Investment Policy will be submitted to the PMIB on or before November 30, 2015 for consideration and approval in connection with its annual review of the City's expanded investment authority at the January 2016 PMIB meeting.

The Pooled Funds Investment Policy will also be submitted for review and certification by the Association of Public Treasurers of the United States and Canada (APT US&C). The City's Pooled Funds Investment Policy was last awarded the Certification of Excellence Award in July 2011, and no comments or suggestions for improvement were received as a result of this review. Critical elements of the APT US&C review pertain to: liquidity, selection and review of suitable investment instruments, internal controls, reporting, portfolio diversification, custody and safekeeping, criteria for selection of investment institutions, ethics and conflicts of interest.

Financial Considerations: None.

Legal Considerations: The Pooled Funds Investment Policy has been reviewed by the Law Department.

Recommendations/Actions: It is recommended that the City Council approve the City of Wichita Pooled Funds Investment Policy.

Attachments: City of Wichita Pooled Funds Investment Policy

Pooled Funds Investment Policy

For The



Department of Finance

November 2015

Council Approved: September 1991
Revised: May 1993, Resolution R-93-235
Revised: February 1995, Resolution R-95-076
April 1995: Municipal Treasurer's Association Certification of Excellence
Revised: August 1995, Resolution R-95-396
State Pooled Money Investment Board Expanded Authority Approval, Sept. 19, 1995
Revised: October, 1996, Resolution R-96-406
Revised: December 2001
August 2002: Association of Public Treasurers Certification of Excellence
City Council Approved: December 2005
August 2008: Association of Public Treasurers Certification of Excellence
Revised: December 2008, City Council Approved December 2008
Revised: October 2009, City Council Approved December 2009
Revised: November 2012, City Council Approved November 2012
Revised: November 2013, City Council Approved November 2013
City Council Approved: November 2014

CITY OF WICHITA, KANSAS

Pooled Funds Investment Policy

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CITY OF WICHITA, KANSAS
POOLED FUNDS INVESTMENT POLICY

I. Policy

It is the policy of the City of Wichita that, giving due regard to the safety and risk of investment, all available funds shall be invested in conformance with legal and administrative guidelines and, to the maximum extent possible, at the highest rates obtainable at the time of investment, while meeting the daily cash flow demands of the City of Wichita. This policy is intended to establish principles and basic procedural guidelines for the City's investments and management of such funds.

II. Scope

This investment policy applies to all financial resources of the City of Wichita, other than funds of the pension trust held by the Pension Boards' custodian, the cemetery permanent fund, the special assessment advance payments agency fund, and such funds excluded by law, bond indenture or other Council-approved covenants which are covered in separate investment policies.

The City of Wichita maintains a pooled funds investment strategy. The intent of the pooled investment strategy is to optimize revenue through the pursuit of effective cash management, thereby providing basic liquidity while taking advantage of longer investment horizons. Pooled funds are accounted for by the City's Department of Finance and the Controller's Office, as represented in the City of Wichita Comprehensive Annual Financial Report and include:

- General Fund
- Special Revenue Funds
- Debt Service Funds (unless prohibited by bond indentures)
- Capital Projects Funds
- Enterprise Funds
- Internal Service Funds
- Fiduciary Funds
- Any new fund created, unless exempted by the City Council

The City Treasurer's Office maintains the accounting for investment transactions representing the total pooled funds portfolio.

III. Objectives

The City's pooled investment portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and local law. The primary objectives, in priority order of the City's investment activities, shall be as follows:

A. Safety of Principal

Safety of principal is the foremost objective of the investment program. Investments of the City of Wichita shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio, while mitigating credit and interest rate risk.

Credit Risk

The City will minimize credit risk, which is the risk of loss associated with the failure of a security issuer or broker, by:

1. Limiting investments to the safest types of securities.
2. Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisers with which the City will do business.
3. Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Interest Rate Risk

The City of Wichita will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

1. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
2. Investing funds primarily in shorter-term securities.
3. Diversifying investments by investing among a variety of securities offering independent returns.

B. Liquidity

The City of Wichita pooled investment portfolio will remain sufficiently liquid to meet all operating requirements that might be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. A portion of the portfolio may be placed in investments which offer one-day liquidity for short-term funds, such as repurchase agreements or the Kansas Municipal Investment Pool.

C. Return on Investments

The City of Wichita pooled investment portfolio shall be designed with the objective of attaining a benchmark rate of return throughout budgetary and economic cycles, taking into consideration investment risk constraints and the cash flow characteristics of the portfolio. Return on investments is of secondary importance, compared to the safety and liquidity objectives described above.

IV. Authority

In accordance with Chapter 2.18 of the City Code, the City Manager is directed to arrange for the investment of funds not needed for current obligations and the Director of Finance has management responsibility for the investment program. The Director shall establish written procedures for the operation of the investment program consistent with this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions.

No person may engage in an investment transaction for the City of Wichita, except as provided under the terms of this policy and the procedures established by the Director. The Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

The investment policy adopted by the City of Wichita shall apply uniformly to all officials, employees, departments, agencies, boards, commissions, representatives and authorized agents in the performance of their official duties and to the processing and management of all investment transactions of the City's pooled funds portfolio. All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investment officials shall avoid any transactions that might impair public confidence in the effectiveness of the government of the City of Wichita.

V. Prudence

Investment officials acting pursuant to this policy shall be subject to the “prudent investor rule”, as set forth in the Uniform Prudent Investors Act, K.S.A. 58-24a01 *et seq.* and amendments thereto that shall be applied in the context of managing an overall portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The investment officers, when adhering to written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided any deviations from expectations are reported to management in a timely manner and any necessary action is taken to control adverse consequences to the City.

VI. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the City Manager and City Attorney any material financial interests in financial institutions that conduct business with the City of Wichita, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City's portfolio. Employees and officers shall subordinate their personal investment transactions to those of the City, particularly with regard to the time of purchases and sales.

VII. Pooled Investment Committee

The City of Wichita shall establish a Pooled Investment Committee to review and provide oversight regarding administration of the investment policy. The investment committee shall meet not less than annually and shall consist of the following members:

- Director of Finance
- Budget Officer
- City Treasurer
- Controller
- Cash Manager
- Other appointees, as designated by the Director of Finance

The Investment Committee shall review investment policies and procedures for compliance and adopt revisions to the Investment Operating Guidelines. Minutes of the committee meetings shall be available for review by both the internal and external auditors.

VIII. Internal Controls

In the development of the system of internal controls, consideration shall be given to documentation of strategies and transactions, techniques for avoiding collusion, separation of functions, delegation of authority and limitations of action, custodial safekeeping, and avoidance of bearer-form securities.

The internal control framework and compliance with investment policies and procedures shall be reviewed in connection with the annual audit of the City's financial statements performed by an independent certified public accounting firm.

IX. Management Fees

To support the costs of managing the City's investment pool, the Director of Finance is authorized, upon approval by the City Manager, to assess a management fee to the funds. This management fee shall be deducted from interest earnings before allocation to the funds. The management fee shall be established to cover all costs involved in managing the investment operations. The current pooled investment management fee is established in the Investment Operating Guidelines.

X. Investment Earnings

An aggressive cash management and investment strategy shall be pursued to take advantage of investment earnings as a viable and material revenue source to operating and capital funds. Although interest income is included as a revenue source in the City budget, the investment policy and program is not administered to meet specific budgetary requirements or goals.

All moneys earned and collected from investments authorized in this policy shall be credited or charged to the appropriate funds/projects of the City, as determined by the cash position of each fund/project and in accordance with the budget as adopted by the City Council or otherwise directed by law. It is unlawful for the City to create indebtedness (borrow) in excess of the amount of funds actually on hand in the treasury, except for the following cases:

- A. payment has been authorized by a vote of the electors of the municipality;
- B. provision has been made for payment by the issuance of bonds or temporary notes - including all capital projects (general, special assessment, and enterprise fund types);
- C. provision has been made for payment by the issuance of no-fund warrants;
- D. provision has been made for a revolving fund for the operation of any municipal airport financed and sustained partially or wholly by fees, rentals, proceeds from the sale of merchandise or charges for rendering services, received from the users of such airport;
- E. provision has been made for payment pursuant to a service agreement entered into pursuant to K.S.A. 12-5503 (a municipality may enter into a service agreement for a term not to exceed 30 years).

XI. Authorized Investments

The investments authorized under this policy shall be in accordance with K.S.A. 12-1675, K.S.A. 12-1677b and any other applicable statutes or ordinances and amendments thereto. The following list represents the types of investments that the City will consider and shall be authorized to invest in.

- United States Treasury and Agency Securities: The City may invest in obligations of, or obligations that are insured as to principal and interest by, the United States of America or any agency thereof and obligations and securities of United States sponsored enterprises which under federal law may be accepted as security for public funds, except that none of the City's funds may be invested in mortgage-backed securities.
- Repurchase Agreements (Repo): The City may invest in repurchase agreements with banks, savings and loan associations and savings banks which have main or branch offices located in the city of Wichita, or with a primary government securities dealer which reports to the market reports division of the Federal Reserve Bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof and obligations and securities of United States government sponsored enterprises which under federal law may be accepted as security for public funds. Such repurchase agreements may be made only with institutions that have entered into fully executed master repurchase agreements on file with the City. The market value of the securities underlying any repurchase agreement shall be maintained with a market value of at least 105% of the amount of the repurchase agreement. If the market value of the securities falls below 105% of the amount of the repurchase agreement, additional securities shall be required to attain full security.
- Collateralized Public Deposits (Certificates of Deposit): The City may invest in instruments issued by any bank, savings and local associations and savings banks which have main or branch offices located within the city of Wichita stating specified sums have been deposited for specified periods and at specified rates of interest. The certificates of deposit are required to be backed by acceptable collateral securities as dictated by state statute and further restricted by this investment policy. The maximum dollar amount invested in Certificates of Deposit in any one bank shall never exceed four percent (4%) of the pooled funds portfolio. Interest will be calculated on a 365-day year/actual day month basis, or another method approved by the Director of Finance or designee in writing.
- Temporary Notes or No-Fund Warrants: The City may invest in temporary notes or no-fund warrants issued by the City of Wichita.
- State Municipal Investment Pool: The City may invest in a pool of funds that is managed by and under the authority of the Pooled Money Investment Board established by K.S.A. 12-1677a and amendments thereto.
- Multiple Municipal Client Investment Pools: The City may invest with trust departments of banks which have main or branch offices located in Sedgwick County, or with trust companies incorporated under the laws of the Kansas which have contracted to provide trust services under the provisions of K.S.A. 9-2107, and amendments thereto, with banks which have main or branch offices located in Sedgwick County. These accounts will be secured as provided for under K.S.A. 9-1402 and amendments thereto. Authorized investments in these pools will be subject to the same terms, conditions and limitations as are applicable to the State Municipal Investment Pool established by K.S.A. 12-1677a and amendments thereto.

It is the practice of the City of Wichita to retain expanded investment authority under K.S.A. 12-1677b. Expanded investment authority authorizes the City to extend maturities from two years to four years and allows the City to further diversify the portfolio by investing in government agency securities. The authorized investments and maturity structure defined in this policy are contingent on the City's ability to retain expanded investment powers.

XII. Investment Parameters

A. Diversification

It is the policy of the City of Wichita to diversify its investment portfolio by security type and institution to reduce overall portfolio risk, protect from material losses due to issuer defaults, market pricing changes, technical complications leading to temporary lack of liquidity, or other risks resulting from an over-concentration of assets in a specific maturity sector, a specific issuer, or a specific class of securities. Investments shall be diversified by:

- Limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities);
- Limiting investment in securities that have higher credit risks;
- Investing in securities with varying maturities; and
- Continuously investing a portion of the portfolio in readily available funds, such as the Kansas Municipal Investment Pool, money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

The following maximum limits, by instrument, are established for the City's pooled funds portfolio:

| | Minimum | Maximum |
|---|---------|---------|
| <i>Instrument</i> | | |
| Demand Deposit / Repurchase Agreements | - | 5% |
| Kansas Municipal Investment Pool | - | 15% |
| Certificates of Deposit | - | 100% |
| Temporary Notes | - | 10% |
| Treasury Securities | - | 100% |
| U.S. Agency Bullet/Discount Securities | - | 95% |
| Bullet/Discount | - | 95% |
| Agency Callable | - | 30% |
| Agency Floater | - | 10% |
| <i>Concentration</i> | | |
| Maximum CD's of one issuer to total portfolio | | 4% |
| Maximum single agency issuer to total portfolio | | 40% |
| <i>Maturity</i> | | |
| Less than 6 months | 25% | 65% |
| 6 months to 12 months | 15% | 50% |
| 1 year to 4 years | 10% | 60% |
| Weighted Average Maturity (days) | 125 | 400 |
| Modified Duration (years) | .3 | 1.4 |

To allow efficient and effective placement of proceeds from bond sales and County tax distributions, the limit on repurchase agreements and State MIP deposits may be exceeded up to fifty percent (50%) for a maximum of ten days following receipt of proceeds during adverse market conditions. To allow for investment maturity timing prior to bond payment dates, the limit on repurchase agreements and State MIP deposits may be exceeded up to the amount of the bond payment for a maximum of five days prior to a bond payment date.

B. Maximum Maturities

Investment maturities shall be scheduled in consideration with projected cash flow needs, taking into consideration large routine expenditures, as well as sizeable blocks of anticipated revenue. Maximum maturities for investment of funds under this policy shall be in accordance with K.S.A. 12-1675, K.S.A. 12-1677b, and any other applicable statutes or ordinances and amendments thereto. Maximum maturities by investment type are established as follows:

| Type of Investment | Maximum Maturity |
|--------------------------------------|------------------|
| U.S. Treasury and Agency Securities | Four (4) years |
| Repurchase Agreements | Four (4) years |
| Collateralized Public Deposits (CDs) | Four (4) years |
| Temporary Notes/No-Fund Warrants | One (1) year |
| State Municipal Investment Pool | Two (2) years |
| Multiple Municipal Client Pools | Two (2) years |

The sale of securities prior to maturity shall require the prior approval of the Director of Finance based on the following reasons:

- A security with declining credit may be sold prior to maturity to minimize the loss of principal.
- A security swap to improve the quality, yield, or target maturity of the portfolio.
- Liquidity needs requiring that a selected security be sold.

In the event of an unforeseen liquidity crisis, the current holdings of the portfolio shall be reviewed by the City Treasurer to determine particular investment securities suitable for sale prior to maturity, taking into consideration existing future cash flow requirements, to minimize potential losses. Securities identified for liquidation shall be approved by the Director of Finance prior to sale.

XIII. External Investment Pools

Prior to investing in any externally managed pool, including the State Municipal Investment Pool or Multiple Municipal Client Investment Pools, the City shall conduct a thorough investigation of the pool’s operations. The following information regarding the management of the pool shall be maintained on file in the City Treasurer’s Office and updated annually:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations, interest distribution methods, and treatment of losses.
- A description of how the securities are safeguarded (including the settlement processes), and how often securities are priced and the program is audited.
- A description of who may invest in the program, how often, and minimum and maximum amounts for deposit and withdrawals.
- A schedule for receiving statements and portfolio listings.
- A review of the pool's usage of reserves and retained earnings.
- A fee schedule, including when and how fees are assessed.
- Determination of whether the pool is eligible for deposits of bond proceeds.

XIV. Derivatives

Derivatives, defined as securities whose value relies on or is derived from an underlying security or index, are not authorized investments for the pooled funds portfolio. Exceptions to this policy statement are the following securities:

- U.S. Treasury Strips
- U.S. Treasury or Agency callable securities
- U.S. Treasury or Agency floating rate securities

These securities will meet all other policies and guidelines. Leveraging of the portfolio is strictly prohibited.

XV. Performance Standards and Reporting

The investment portfolio shall be designed with the objective of obtaining a benchmark return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs. The benchmark for the portfolio consists of the average return on the three-month U.S. Treasury Bill. This index is considered the benchmark for investment transactions with minimum risk and, therefore, is a minimum standard for the portfolio rate of return.

Following the primary objective of preservation of capital, the investment portfolio shall be actively managed to take advantage of market opportunities. In so doing, negotiable securities may be sold prior to their maturity to provide liquid funds as needed for cash flow purposes, to enhance portfolio returns, or to restructure maturities to increase yield and/or decrease risk. In practice, however, it is generally a hold to maturity portfolio.

Performance Evaluation Methodology

The value of the pooled investment portfolio's holdings shall be calculated and reported in three ways: market value, par value and amortized cost.

The earnings of the pooled funds portfolio shall be calculated and reported based on generally accepted accounting principles for pooled funds investments of local government units.

The yield on the pooled funds portfolio shall be calculated and reported as the yield to maturity. This calculation takes into account the face value (par), price paid, coupon rate and time to maturity.

Investment Reporting and Performance Analysis

Investment performance is continually monitored and evaluated by the Cash Manager and the City Treasurer using investment strategies developed by the Pooled Investment Committee and this policy, in conjunction with the Pooled Funds Investment Operating Guidelines. The Cash Manager generates monthly investment performance statistics and activity reports. The Director of Finance will provide summary information to the City Manager and the City Council as part of the Quarterly Financial Report.

The Cash Manager and City Treasurer shall prepare monthly, quarterly, and annual reports summarizing and supporting the investment activity for the prior period. Additional comparative performance reviews will be conducted, as the Pooled Investment Committee deems necessary. The Pooled Investment Committee shall be responsible for developing specific reporting guidelines, detailed in the Pooled Funds Investment Operating Guidelines.

The pooled funds investment portfolio will be reviewed annually by the external auditors for compliance with these policies and generally accepted accounting principles.

XVI. Collateralization

A. Initial Placement

Moneys to be deposited in financial institutions shall not be released until the financial institution's board has executed the required Collateral and Custodial Agreements.

Deposits in depository institutions doing business with the City of Wichita shall be fully collateralized at all times. Acceptable collateral for City deposits is listed below as provided in K.S.A. 9-1402. The City does not accept all forms of collateral authorized by Statute. Only the types listed below are acceptable collateral to the City of Wichita.

Collateral shall be priced on a market value basis. The aggregate market value of the collateral must be sufficient to equal the outstanding amount of City funds deposited, plus accrued interest thereon, less federal deposit insurance coverage. The depository bank shall ensure that deposits and accrued interest are always sufficiently collateralized. Sufficiency of collateral values will be validated by the City Treasurer's Office.

If a depository bank fails to meet requirements established by the City, the depository bank shall be required to close the account and return to the City all principal and accrued interest without penalty.

B. Collateral Requirements

Financial institutions may pledge or assign for the City's benefit sufficient securities, the market value of which is at least 105% of the total deposits. Peak period collateral agreements permitted under K.S.A. 9-1403 and mortgages as contemplated by K.S.A. 9-1402 are not to be accepted by the City of Wichita. The allowable securities and forms of collateral acceptable to the City are limited to:

1. Direct obligations of, or obligations insured by, the U.S. government or any agency thereof.
2. Obligations and securities of U.S. sponsored corporations, which under federal law, may be accepted as security for public funds.

3. Bonds of any Kansas municipality, which has been refunded and is secured by U.S. obligations.
4. Bonds of the State of Kansas.
5. General obligation bonds of any Kansas municipality.
6. Revenue bonds of any Kansas municipality, if they meet approval by the State Banking (or Savings and Loan) Commissioner.
7. General obligation temporary notes of any Kansas municipality.
8. No-fund warrants of any Kansas municipality.
9. Certain Kansas municipality sponsored revenue bonds rated Aa or higher by Moody's Investors Service or AA by Standard & Poor's Corp.
10. Commercial paper that does not exceed 270 days to maturity and that has received one of the two highest commercial paper credit ratings by a nationally recognized investment rating firm.
11. Corporate surety bonds approved by the Kansas Commissioner of Insurance and in the standard format acceptable to the City of Wichita, as follows:
 - a. The issuer of the surety bond shall be admitted and licensed to issue surety bonds in Kansas.
 - b. The City of Wichita shall be designated as the insured public depositor.
 - c. The issuer and the depository bank are required to notify the City of Wichita by certified or registered mail no fewer than 90 days prior to non-renewal and no fewer than 45 days prior to a bond's cancellation.
 - d. The claims-paying ability of the issuer must be rated and remain rated in the highest rating category of one of the nationally recognized rating agencies ("A++" or "A+" from A.M. Best Company or "AAA" from Standard and Poor's). Within 48 hours of discovery of a downgrade by a rating agency or notice of financial regulatory action by any jurisdiction in which the issuer is licensed, notice must be given to the City Treasurer by the issuer in the form of certified or registered mail.
 - e. No more than \$5 million per depository bank or an aggregate of \$20 million for all depository banks can be collateralized in the form of surety bonds.
 - f. The issuer is required to send quarterly reports to the Office of the City Treasurer listing all depository banks that have purchased a surety bond for deposits, the insured amount covering deposits of the City of Wichita, and the total insured amount per depository bank in Sedgwick County.
12. A personal bond in an amount, which is double the amount on deposit.
13. A letter of credit (LOC) issued by a U.S. sponsored enterprise that under federal law may be accepted as security for public funds, subject to the following:
 - a. The letter of credit (LOC) must be in the format acceptable to the City of Wichita.
 - b. The City of Wichita must be designated as the irrevocable and unconditional beneficiary of the letter of credit.
 - c. The issuer and the depository bank must notify the City Treasurer by certified or registered mail at least 45 days prior to cancellation or the non-renewal of a letter of credit.
 - d. The issuer may not provide letters of credit for any one depository bank in an amount, which exceeds ten percent of the issuer's capital and surplus.

XVII. Competitive Selection of Investment Instruments

As outlined by K.S.A. 12-1675 and amendments thereto, the City's public funds must first be offered to banks, savings and loan associations and savings banks within the city of Wichita. The City will accomplish this by sending written letters to all local financial institutions on a quarterly basis directing them to contact the City Treasurer or Cash Manager if they are interested in submitting offers on City investments. A notice will also be posted on the City's website providing instructions for local institutions desiring to make offers on investments for City funds. Those institutions who indicate a willingness to bid on the City's investments will be placed on a list so that the City may contact them when funds are available for investment.

The Treasurer will include a letter to the Pooled Money Investment Board with the annual application for expanded powers certifying compliance with subsection (c) of K.S.A. 12-1675 which includes a listing of the local financial institutions from which the City requested bids on City investments.

Should the offered rate from local institutions not equal or exceed the "investment rate" as defined by K.S.A. 12-1675a, the City may solicit offers for investments in the State's investment pool or through brokers and dealers.

Each security transaction, other than directly issued instruments, securities in syndicate or specially bid or offered securities, shall be executed through a competitive process involving solicitation of bids or offers from qualified institutions. When purchasing a security, the offer that provides the highest anticipated current and future rate of return and meets the investment objectives of the portfolio shall be accepted. When selling a security, the bid that generates the highest sales price shall be accepted.

XVIII. Staff Qualifications

To establish and implement cash management practices for the City, the City Manager shall establish the position of City Treasurer and Cash Manager within the Department of Finance. The City Manager, Director of Finance and City Treasurer shall adopt and implement procedures and practices for the efficient cash management of all funds held by or belonging to the City of Wichita.

The position of City Treasurer is appointed by the City Manager upon recommendation of the Director of Finance and is responsible for planning, directing and managing the investment programs of the City as outlined by the City of Wichita Pooled Funds Investment Policy and Operating Guidelines. The City Treasurer shall have at least five years experience in investment management, managing banking relationships and/or cash management. Such appointee shall meet the criteria defined by the Personnel Classification Manual included in the exhibits of the Pooled Funds Investment Operating Guidelines.

XIX. Bond of Treasurer

In accordance with K.S.A. 13-526a and Section 2.16.020 of the City Code, the City Treasurer shall furnish a corporate surety bond in the principal sum of one hundred thousand dollars conditioned that he/she will account for all moneys belonging to the City and will faithfully perform the office of Treasurer of the City. Such bond shall be approved by the City Attorney before acceptance and filed with the City Clerk.

XX. Brokers and Dealers

Investment transactions shall only be conducted with qualified institutions, i.e., banks, savings and loan associations and savings banks, the Federal Reserve Bank of Kansas City, Missouri, or with primary government securities dealers which report to the market report division of the Federal

Reserve Bank of New York, or any broker-dealer which is registered in compliance with Section 15C of the Securities Exchange Act of 1934 and registered pursuant to K.S.A. 17-1254, and amendments thereto.

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements.
- Proof of National Association of Securities Dealers (NASD) certification.
- Proof of State Registration.
- Completed broker/dealer questionnaire.
- Business resume of individual assigned to the City's account.
- Certification of having read and understood and agreeing to comply with the City of Wichita's investment policy.

A list will be maintained of approved security broker/dealers selected by credit worthiness and experience. Approved broker/dealers shall have a minimum capital requirement of \$10,000,000 and at least five years of operation. This may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the City Treasurer.

XXI. Safekeeping and Custody

All security transactions entered into by the City of Wichita shall be conducted on a delivery versus payment basis. Securities will be held by either the Federal Reserve Bank or a third-party custodian, designated by the City of Wichita and evidenced by safekeeping receipts.

XXII. Separate Provisions of Policy and Conflicts with Kansas Law

The above policies shall be approved at least annually by the governing body and shall remain in full force and effect until revoked by the Wichita City Council. If after adoption of this policy, should there exist any conflict of this policy with Kansas laws and/or statutes, current law shall dictate.

APPROVED by the Governing Body of the City of Wichita, Kansas, on November 24, 2015.

CITY OF WICHITA, KANSAS

(Seal)

By _____
Jeff Longwell, Mayor

Attest:

By _____
Karen Sublett, City Clerk

Approved as to form:

By _____
Jennifer L. Magana, City Attorney and Director of Law

City of Wichita
City Council Meeting
November 24, 2015

TO: Mayor and City Council

SUBJECT: Payment of Condemnation Award, Appraisers Fees and Court Costs in Condemnation Matter to Acquire Property for Public Right of Way for the Meridian Avenue Street Improvement from McCormick Avenue to Pawnee Avenue (District IV)

INITIATED BY: Law Department

AGENDA: Consent

Recommendation: Authorize the payment of appraiser's award, together with appraisers' fees and court costs.

Background: On November 5, 2013, the City Council approved the design for the improvement of Meridian from Pawnee to McCormick. The project calls for the improvement of Meridian to a five-lane roadway with a center turn lane, drainage improvements, new sidewalks on both sides of Meridian, the realignment of Orient at Meridian, and waterline improvements to serve surrounding residential neighborhoods. The project required the acquisition of all or part of 81 properties involving 62 owners. Eminent domain was initiated on June 16, 2015 on all properties not yet acquired for the project. All tracts except for one 300 square-foot temporary easement were ultimately acquired through negotiation.

Analysis: On October 29, 2015, the court appointed appraisers filed their award. They determined the compensation to be paid for the remaining required parcel to be \$110. The court approved fees to the three appraisers in the total amount of \$1,200 with court costs of \$180. In order for the City to acquire this property, it must pay the award, together with fees and costs to the Clerk of the District Court on or before November 30, 2015.

Financial Considerations: The cost of acquiring this property will be paid from project funds.

Legal Considerations: The City must pay the award within 30 days from the filing of the appraisers' report in order to get title to the property. If payment is not made to the Clerk of the District Court by that date, the eminent domain is deemed abandoned. In that event, the City would still be responsible for all fees and costs.

Recommendation/Action: It is recommended that the City Council authorize payment to the Clerk of the District Court in the amount of \$1,490 for acquisition of property and easements condemned in the subject case, payment of the appraiser's fees and court costs.

Attachment: Report of Appraisers.

JENNIFER MAGAÑA
 City Attorney
 JEFF A. VANZANDT, #14486
 Assistant City Attorney
 City Hall – 13th Floor
 455 North Main
 Wichita, Kansas 67202-1635
 (316) 268-4681
 FAX: (316) 268-4335

FILED
 APP DOCKET NO. MD
 2015 OCT 29 P 3:24
 CLERK OF DIST. COURT
 18TH JUDICIAL DISTRICT
 SEDGWICK COUNTY, KS
 BY _____

IN THE EIGHTEENTH JUDICIAL DISTRICT
 DISTRICT COURT, SEDGWICK COUNTY, KANSAS
 CIVIL DEPARTMENT

THE CITY OF WICHITA, KANSAS, a)
 Municipal Corporation,)
)
 Plaintiff,)
)
 vs.)
)
 ALLEN REAL ESTATE, L.P.,)
 RICARDO ORTIZ,)
 CROWN ENTERTAINMENT, INC.,)
 EMPRISE BANK.)
)
 Defendants.)

Case No. 15 CV 2066



REPORT OF APPRAISERS

We, the undersigned appraisers, appointed to view and appraise the value of certain lands and/or interests and/or rights therein, described in the Petition of the City of Wichita, Kansas, in the above-captioned matter and to determine just compensation and damages to the interested parties resulting from the takings, after being duly sworn, now report as follows:

On September 21, 2015, we caused notices of our hearing to be mailed to all defendants and interested parties named in the Petition whose addresses were known to us after diligent inquiry and on September 23, 2015, caused such notice to be published in The Wichita Eagle, a newspaper of general circulation in Sedgwick County, Kansas. On October 7, 2015, we began our appraisal and assessment of damages by actual view of the land to be taken and of the tracts of which it is a part. Commencing on October 7, 2015, at a public hearing held at the offices of

J.P. Weigand & Sons, Inc., 150 N. Market, Wichita, Kansas, at the time and place stated in the notices, at which time we heard oral testimony and received written and other evidence concerning our appraisal and assessment of damages from the plaintiff and such of the defendants as were present and desired to be heard.

After our review of the land involved, after consideration of the testimony received at the hearing and according to the instructions given us by the Court, we have appraised the land and/or interests and/or rights therein sought by the plaintiff and described in the Petition and have determined just compensation and damages to the interested parties resulting from the takings are as follows:

Tract No. 49

Interested Parties:

Ricardo Ortiz (owner)

Legal Description of Entire Tract

Lots 41 and 43, Meridian Avenue, Richmond's Addition to Wichita, Sedgwick County, Kansas, EXCEPT the east 10 feet thereof.

REAL PROPERTY INTERESTS TO BE ACQUIRED:

Temporary Construction Easement

Tract 49

TEMPORARY CONSTRUCTION EASEMENT

Legal Description:

That part of Lot 43, Richmond's Addition to Wichita, Kansas, Sedgwick County, Kansas described as beginning at the intersection of the south line of said Lot 43 with the west right-of-way line of Meridian Ave. as established in Condemnation Case A-53077, said intersection being 10.00 feet west of the northeast corner of said Lot 41; thence west along the south line of said Lot 43, 15.00 feet; thence north parallel with the west right-of-way line of said Meridian Ave., (Condemnation Case A-53077), 20.00 feet; thence east parallel with the south line of Lot 43, 15.00 feet; thence south along the west right-of-way line of said Meridian Ave., (Condemnation Case A-53077), and 10.00 feet normally distant west of and parallel with the east line of said Lot 43, 20.00 feet to the point of beginning. (Said Tract containing 300.00 square feet, more or less.)

All Right of Access

Fair Market Value of Entire Property
Immediately Before the Taking:

\$ 55,700

Fair Market Value of Property Remaining,
Immediately After the Taking:

\$ 55,590

Difference, which is Just Compensation
and The Amount of Our Award:

\$ 110⁰⁰

GJT
(initials)

PB
(initials)

[Signature]
(initials)

The foregoing Report of our appraisal is well and truthfully made and in witness whereof,
we have hereunto affixed our signatures this 29th day of October, 2015.

COURT-APPOINTED APPRAISERS:

[Signature]
Grant Tidemann

[Signature]
Paul Buchanan

[Signature]
Steve Lackey

Subscribed and sworn to before me this _____ day of October, 2015.

CLERK OF THE DISTRICT COURT

Second Reading Ordinances for November 24, 2015 (first read on November 17th, 2015)

A. Nuisance Abatement Assessments, Lot Clean Up

ORDINANCE NO. 50-109

AN ORDINANCE MAKING A SPECIAL ASSESSMENT TO PAY FOR THE COST OF ABATING CERTAIN PUBLIC HEALTH NUISANCES (LOT CLEAN UP) UNDER THE PROVISION OF SECTION 7.40.050 OF THE CODE OF THE CITY OF WICHITA, KANSAS. BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS.

B. Nuisance Abatement Assessments Cutting Weeds.

ORDINANCE NO. 50-110

AN ORDINANCE MAKING A SPECIAL ASSESSMENT TO PAY FOR THE COST OF CUTTING WEEDS IN THE CITY OF WICHITA, KANSAS.

C. Sidewalk Repair Assessment Program (Districts I, III, IV, V and VI)

ORDINANCE NO. 50-111

AN ORDINANCE MAKING A SPECIAL ASSESSMENT TO PAY FOR THE IMPROVEMENT OF AND PROVIDING A TAX LEVY FOR THE COST OF CONSTRUCTION OF SIDEWALKS IN THE CITY OF WICHITA, KANSAS.

D. ZON2015-00035 Zone Change from LC Limited Commercial to CBD Central Business District on Property Located at 915, 917 and 923 West Douglas Avenue, east of South Walnut street and south of West Douglas Avenue. (District IV)

ORDINANCE NO. 50-112

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

- E. **ZON2015-00036 Zone Change from SF-5 Single-Family Residential to B Multi-Family Residential District on Property Located at Southeast Corner of West 45th Street South and South Meridian Avenue.**

ORDINANCE NO. 50-113

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

- F. **ZON2015-00039 City Zone Change from Limited Commercial to Central Business District on Property Generally Located West of Seneca Street, East of Dodge Avenue, on South Side of Douglas Avenue.**

ORDINANCE NO. 50-114

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED

- G. **ZON2015-00040 Zone Change from Limited Industrial to Central Business District Subject to the Delano Overlay District on Property Generally Located West of Seneca Street on the northeast corner of North Elizabeth Avenue and West Douglas Avenue.**

ORDINANCE NO. 50-115

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

- H. **ZON2015-00041 Zone Change from Limited Industrial to Central Business District Subject to the Delano Overlay District on Property Generally Located West of Seneca Street, West of Seneca Street, West of North Elizabeth Avenue on the North Side of West Douglas Avenue, 1520 West Douglas Avenue.**

ORDINANCE NO. 50-116

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED

ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

- I. **ZON2015-00042 City Zone Change from TF-3 Two Family Residential, MR-29 Multi-Family Residential and B Multi-Family Residential to LC Limited Commercial on Property Generally Located Southeast of the Intersection of East Harry Street and South Oliver Avenue. (District III)**

ORDINANCE NO. 50-117

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

- J. **ZON2015-00044 City Zone Change from General Office to Limited Commercial on Property Generally Located South of Harry Street on the West Side of Webb Road. 3(District II)**

ORDINANCE NO. 50-118

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

City of Wichita
City Council Meeting
November 24, 2015

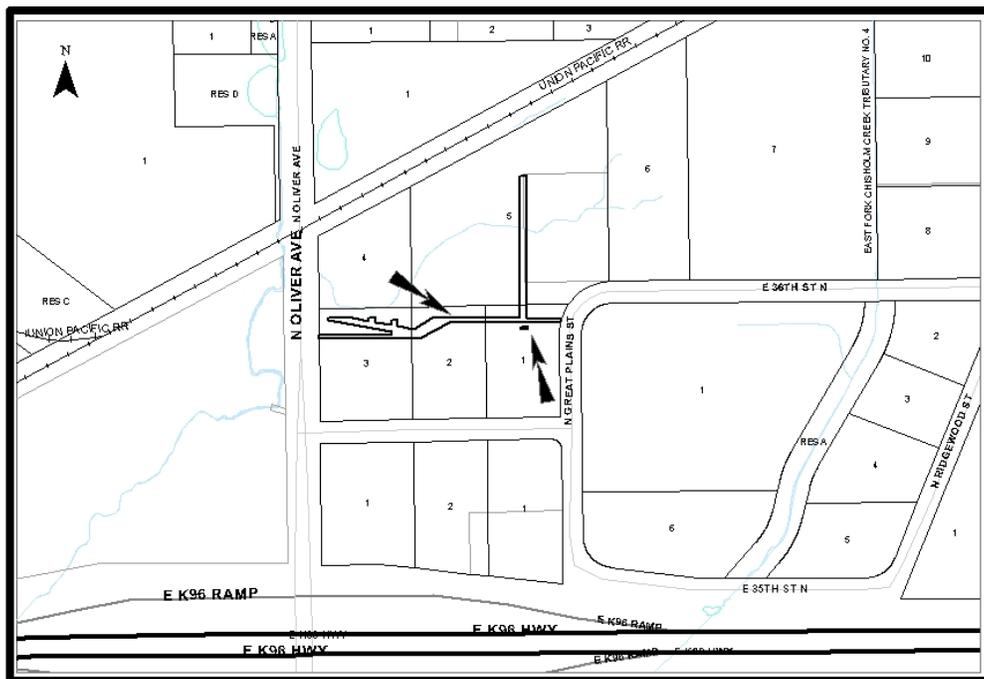
TO: Mayor and City Council

SUBJECT: DED2015-00014 Dedication of Utility Easement Located on the East Side of Oliver, South of 37th Street North (District I)

INITIATED BY: Metropolitan Area Planning Department

AGENDA: Planning (Consent)

Staff Recommendation: Approve the Dedication.



Background: The Dedication is associated with Lot Split Case No. LSP2015-00029 (Great Plains Business Park 2nd Addition).

Analysis: The Dedication DED2015-00014 is for the purpose of constructing, maintaining and repairing public utilities.

Financial Considerations: There are no financial considerations associated with the Dedication.

Legal Considerations: The Law Department has approved the Dedication as to form and the document will be recorded with the Register of Deeds.

Recommendations/Actions: It is recommended that the City Council accept the Dedication.

Attachments: Dedication of Utility Easement.

City of Wichita
City Council Meeting
November 24, 2015

TO: Mayor and City Council

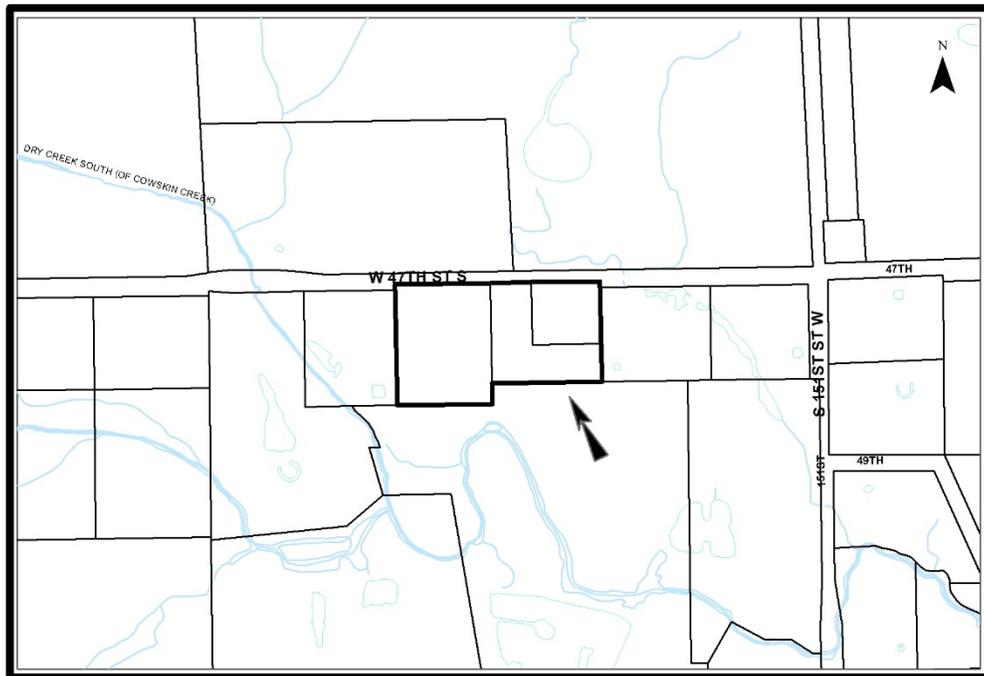
SUBJECT: SUB2015-00024 -- Plat of Steinke 2nd Addition Located on the South Side of 47th Street South, West of 151st Street West (County)

INITIATED BY: Metropolitan Area Planning Department

AGENDA: Planning (Consent)

Staff Recommendation: Approve the plat.

MAPC Recommendation: Approve the plat. (11-0)



Background: The site, consisting of two lots on 10.18 acres, is zoned Rural Residential (RR) and is located in the County within three miles of Wichita's boundary.

Analysis: The site has been approved by the Metropolitan Area Building and Construction Department for the use of on-site sanitary sewer facilities. The site will be served by Sedgwick County Rural Water District #4. The applicant has provided a No Protest Agreement for Future Sewer Extension as requested by the City of Wichita Public Works and Utilities Department. The applicant has provided a Quit Claim Deed.

The plat has been reviewed and approved by the Metropolitan Area Planning Commission subject to conditions.

Financial Considerations: There are no financial considerations associated with the plat.

Legal Considerations: The Law Department has reviewed and approved the No Protest Agreement for Future Sewer Extension and the Quit Claim Deed as to form and the documents will be recorded with the Register of Deeds.

Recommendations/Actions: It is recommended that the City Council approve the documents and plat, and authorize the necessary signatures.

Attachments: No Protest Agreement for Future Sewer Extension.
Quit Claim Deed.

City of Wichita
City Council Meeting
November 24, 2015

TO: Wichita Airport Authority

SUBJECT: Ground Lease Estoppel Certificate, Assignment and Assumption Agreement, and First Amendment to the Lease
Wichita Airport Hotel Associates, L.P. and 2015 Wichita Investment LLC
Wichita Dwight D. Eisenhower National Airport

INITIATED BY: Department of Airports

AGENDA: Wichita Airport Authority (Consent)

Recommendation: Approve the Ground Lease Estoppel Certificate, the Assignment and Assumption Agreement, and the First Amendment to the Lease.

Background: On June 1, 1980, the original lease was approved between the Wichita Airport Authority (WAA) and Wichita Airport Hotel Associates, L.P., a Kansas Limited Partnership, (WAHA) to construct and lease what is now known as the DoubleTree by Hilton Wichita Airport hotel (DoubleTree), located at 2098 Airport Road on Wichita Dwight D. Eisenhower National Airport. The most recent lease was approved on June 5, 2007. The basic term of this lease will expire on May 31, 2030 and the tenant has the right to exercise two, consecutive, ten-year option periods, plus one additional seven-year option.

The Greenwood Hospitality Group (Greenwood), a hotel management group based in the Denver area, is in the process of purchasing the DoubleTree. Greenwood has formed a Kansas-franchised business entity, 2015 Wichita Investment LLC, to own and operate the DoubleTree. Greenwood owns or operates 12 full-service hotel properties around the country, five of which are under the Hilton flag. Societe Generale is the lender chosen by Greenwood to provide the financing for this transaction.

Analysis: WAHA is now desirous of assigning the lease agreement to 2015 Wichita Investment LLC. Greenwood and Societe Generale have requested, as part of their due diligence investigation that WAA execute the Ground Lease Estoppel Certificate, which affirms that all obligations of WAHA are current and unencumbered. 2015 Wichita Investment LLC has requested an amendment to the lease that will recognize it as the new Tenant, and its obligations in its lending relationship with Societe Generale. These changes do not materially alter the agreement from the perspective of the WAA.

Financial Considerations: The financial terms of the agreement remain unchanged, as does the length of the lease term. Therefore, there is no financial impact to the Wichita Airport Authority.

Legal Considerations: The Ground Lease Estoppel Certificate, the Assignment and Assumption Agreement, and the First Amendment have been reviewed and approved as to form by the Law Department.

Recommendations/Actions: It is recommended that the Wichita Airport Authority approve the Ground Lease Estoppel Certificate, the Assignment and Assumption Agreement, and the First Amendment, and authorize the necessary signatures.

Attachments: Ground Lease Estoppel Certificate, Assignment and Assumption Agreement, and the First Amendment.

GROUND LEASE ESTOPPEL

THIS GROUND LEASE ESTOPPEL (this "Agreement"), dated as of November 24, 2015, is made by and among SOCIETE GENERALE, (together with its successors and assigns, "Lender"), THE WICHITA AIRPORT AUTHORITY OF THE CITY OF WICHITA, KANSAS, a governmental or quasi-governmental entity organized under the laws of the State of Kansas ("Landlord"), and 2015 WICHITA INVESTMENT LLC, a Delaware limited liability company ("Tenant").

RECITALS

A. Tenant is the "Tenant" and the lessee under and pursuant to that certain Lease dated as of June 5, 2007 between Landlord, as "Landlord" and lessor, and Wichita Airport Hotel Associates, L.P. (the "Original Tenant"), as assigned by Original Tenant to, and assumed by, Tenant under and pursuant to that certain [Assignment and Assumption of Lease] by and between Original Tenant and Tenant and approved by Landlord dated of even date herewith (such Lease, as so assigned and assumed, and collectively with such Assignment and Assumption of Lease, the "Lease").

B. Under and pursuant to the Lease, Landlord leases to Tenant certain real property described on Exhibit A attached hereto (together with all rights of way, easements and appurtenances relating thereto, the "Property").

C. Lender intends to extend a loan (the "Loan") to Tenant in the original principal amount of \$22,250,000.00 ("Loan Amount") to be evidenced by that certain Promissory Note made by Tenant and payable to the order of Lender (the "Note"), and secured by, among other things, a leasehold mortgage or deed of trust granted by Tenant in favor of Lender (the "Mortgage") encumbering Tenant's interest in the Property and in the Lease (the Note, the Mortgage and all other documents executed in connection therewith are collectively referred to herein as the "Loan Documents").

NOW, THEREFORE, to induce Lender to make the Loan to Tenant and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Landlord's Representations and Warranties. Landlord represents and warrants to Lender and Tenant the following:

(a) Lease. A true, correct and complete copy of the Lease is attached hereto as Exhibit B, and the Lease has not been amended, supplemented or otherwise modified except as expressly set forth in Exhibit B. The Lease is in full force and effect and constitutes the entire agreement between Landlord and Tenant with respect to the Property and the Lease. The Lease constitutes the legal, valid and binding obligation of Landlord, enforceable against Landlord in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law. Capitalized terms used but not defined in this Agreement have the respective meanings set forth in the Lease.

(b) Ownership. Landlord is the sole record owner of the fee interest in the Property, and holder of the landlord's interest in, to and under the Lease. Tenant is the sole record owner of the leasehold estate in the Property, and holder of the tenant's interest in, to and under the Lease.

(c) Rent. (i) The Ground Rental payable under the Lease currently is \$36,550.05 per annum, and such rent has been paid through the month of May 31, 2016. The Parking Rental payable under the Lease currently is \$41.15 per monthly, and such rent has been paid through the month of September 30, 2015. The Percentage Rental payable under the Lease currently is: Not Applicable, and such rent has been paid through the month of: Not Applicable.

(ii) Upon the closing of the Loan, the Parking Rental (and any Percentage Rental that may become applicable) shall be subordinate to the payment of amounts due under the Loan Documents, as and to the extent provided in Section 3.04 of the Lease.

(d) Maintenance of Property; and Capital Reserve. To Landlord's knowledge, to date, Tenant has complied with all of its obligations under Sections 4.11 and 7.01 of the Lease.

(e) Term. The current term of the Lease commenced on June 5, 2007 and expires on May 31, 2030. Tenant has the right to renew or extend the Lease as provided in Section 3.02 of the Lease.

(f) Defaults; Offsets. Neither Landlord nor, to the knowledge of Landlord, Tenant is in default under the Lease. Landlord has no knowledge of the existence of any event which, with the giving of notice, the passage of time, or both, would constitute a default by Landlord or, to the knowledge of Landlord, Tenant under the Lease. To the knowledge of Landlord, Tenant has no offsets, counterclaims, defenses, deductions or credits with respect to the Lease. All monetary obligations due under the Lease to date have been fully and currently paid. No controversy presently exists between Landlord and Tenant, including any litigation or arbitration, with respect to the Lease or the Property or otherwise. Landlord has no claims asserted or, to its knowledge, unasserted against Original Tenant.

(g) No Mortgages on Fee Interest. Landlord has not assigned, transferred, sold, encumbered or mortgaged its interest in the Lease or the Property (or any part thereof) except as expressly set forth in Exhibit C, and there currently are no mortgages, deeds of trust or other security interests encumbering Landlord's fee interest in the Property (or any part thereof). Neither Tenant, nor any third party has any option, preferential right or right of first refusal to purchase all or any portion of the fee interest in the Property. No consent or approval of any third party is required in order for Landlord to deliver this Agreement and to fully perform Landlord's obligations hereunder.

(h) Eminent Domain; Violations of Law. Landlord has not received written notice of any pending eminent domain proceedings or other governmental actions or any judicial actions of any kind against Tenant's or Landlord's interest in the Property. Landlord has not received written notice that it or the Property is in violation of any governmental law, rule or regulation applicable to it or the Property or its operation thereon, including, without limitation,

any environmental laws, the Americans with Disabilities Act or any rules or regulations of the FAA, and has no reason to believe that there are grounds for any claim of any such violation.

(i) Commercial Activity; Antennas. Landlord is not aware of any: (i) Commercial Activity at the Property, or (ii) antennas at the Property that are subject to Section 4.10 of the Lease, in either case, except: [None].

(j) No Bankruptcy. No bankruptcy proceedings, whether voluntary or otherwise, are pending, or to the knowledge of Landlord, threatened, against Landlord.

(k) Approval of Financing. Landlord acknowledges and agrees that the Loan complies with Section 4.09 of the Lease.

(l) Right of First Refusal. Landlord has not provided to Tenant any pending and has no current intention to enter into any future transaction that would require Landlord to provide to Tenant a notice under Section 5.01 of the Lease.

(m) Subleases. Landlord has not granted its consent to any subleases of the Property or any portion thereof, except: a Lease Agreement by and between Wichita Airport Hotel Associates, L.P. and New Cingular Wireless PCS, LLC, dated September 30, 2005, as amended.

(n) Related Documents. Exhibit D hereto contains a true, correct and complete list of all Related Documents, as such term is used in Section 14.03 of the Lease, and any and all amendments and other modifications to any of the same.

(o) Parking. Tenant's leasehold estate in the Property includes the exclusive right to use 402 parking spaces. Subject in all cases to Section 11.05 of the Lease and the rights of Landlord reserved thereunder and to the provisions of Section 11.06 of the Lease, the location of the parking may not be changed by Landlord, and the number of parking spaces may not be reduced other than in connection with any Additions made by Tenant (or by Condemnation).

2. Lease Amendments. Landlord and Tenant hereby agree to enter into an amendment to the Lease, which amendment shall be subject to the final review and approval by the Lender, in substantially the form provided as Exhibit E hereto.

3. Reliance. Landlord agrees that this Agreement may be relied upon by Lender, its successors and assigns and any nationally recognized statistical rating agency rating any securities issued in connection with the Loan or any portion thereof. This Agreement shall inure to the benefit of Lender, its successors and assigns (including, without limitation, each and every owner and holder of the Loan and each person who may succeed to Tenant's interest under the Lease) and shall be binding on Landlord, its heirs, legal representatives, successors and assigns. Landlord and the persons executing this certificate on behalf of Landlord have the power and authority to execute this Agreement.

4. Waiver. Lender may, without affecting the validity of this Agreement, extend the time for payment of this Loan within the confines of the current term or extension as defined in Section 3.02 of the Lease, or alter the terms and conditions of any agreement between

Tenant and Lender, including, but not limited to, the Mortgage and any note secured thereby, without the consent of, or notice to, Landlord and without in any manner impairing or otherwise affecting Lender's rights under this Agreement, except that Lender may not amend the Loan to increase (x) the Loan Amount (excluding, for the sake of clarity, increases in principal for amounts accrued upon default and for protective advances made by Lender), or (y) the interest rate (excluding, for sake of clarity, the default interest rate), in either case, to such an extent as would violate Section 4.09 of the Lease without Landlord's prior written consent.

5. Miscellaneous. This Agreement shall in all respects be governed by, and construed and enforced in accordance with, the laws of the State in which the Property is located (without giving effect to such state's principles of conflicts of law). This Agreement shall be binding upon and shall inure to the benefit of Landlord, Lender and Tenant and each of their respective successors and assigns. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same original. At Lender's option, this Agreement (or a memorandum hereof) shall be recorded in the public land records of the jurisdiction in which the Property is located. The rights of Lender hereunder are in addition to the rights of Lender granted in the Mortgage and/or the Lease and shall not be in derogation thereof. All agreements and covenants contained herein are severable, and if any one of them is held to be invalid, then this Agreement shall be interpreted as if such invalid provisions were not contained herein. To the extent terms in this Agreement conflict with the terms of the Lease, the terms of this Agreement shall control.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Ground Lease Estoppel to be duly executed and delivered as of the day and year first written above.

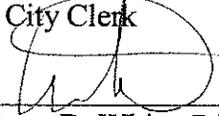
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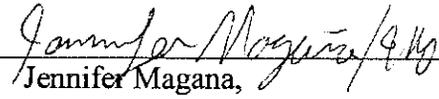
LESSOR

THE WICHITA AIRPORT AUTHORITY

By: _____
Name: Karen Sublett, City Clerk
Title: City Clerk

By: _____
Name: Jeff Longwell
Title: President

By: 
Victor D. White, Director of Airports

APPROVED AS TO FORM:  Date: 11-10-15
Jennifer Magana,
City Attorney and Director of Law

LENDER

SOCIETE GENERALE

By: _____

Name:
Title:

LESSEE

2015 WICHITA INVESTMENT LLC, a Delaware limited liability company

By: _____

Name:
Title:

EXHIBIT A

Legal Description of the Property

Parcel 1:

A portion of Reserve F, in Wichita Municipal Airport Addition to Wichita, Kansas, Sedgwick County, Kansas, described as:

Beginning at a point 30 feet right of STA.56+11.18 of the proposed Midfield Road, said point being 2727.21 feet south and

565.77 feet west (Grid System) of the Southeast corner of Section 28, Township 27 South, Range 1 West of the Sixth Principal

Meridian, Sedgwick County, Kansas; thence bearing S 19°20'14" W along the South right-of-way line of said Midfield Road, a

distance of 330 feet; thence bearing S 70°39'46" E, a distance of 582.97 feet to a point on a curve to the right having a radius

of 894.13 feet; thence along said curve to the right, through a central angle of 27°09'55", with a chord bearing of S 47°57'57.5"

W, an arc distance of 423.93 feet to the point of compound curvature of a curve to the right having a radius of 308.43 feet;

thence along said curve to the right, through a central angle of 47°48'25", an arc distance of 257.35 feet; thence bearing N

70°38'40" W, a distance of 320.40 feet to the point of curvature of a curve to the right having a radius of 374.0 feet; thence

along said curve to the right, through a central angle of 64°44'39", an arc distance of 422.62 feet to an intersection of said

curve and a line bearing N 19°21'20"E; thence bearing N 19°21'20"E, a distance of 277.14 feet; thence bearing N 32°29'22" E,

a distance of 316.34 feet; thence bearing S 70°39'46" E, a distance of 433.31 feet to the point of beginning.

Parcel 2:

A portion of Reserve F, in Wichita Municipal Airport Addition to Wichita, Kansas, Sedgwick County, Kansas, described as:

Commencing at a point 30 feet right of STA.56+11.18 of the proposed Midfield Road, said point being 2727.21 feet south and

565.77 feet west (Grid System) of the Southeast corner of Section 28, Township 27 South, Range 1 West of the Sixth Principal

Meridian, Sedgwick County, Kansas; thence bearing S 19°20'14" W along the South right-of-way line of said Midfield Road, a

distance of 330 feet; thence bearing S 70°39'46" E, a distance of 582.97 feet to a point on a curve to the right having a radius

of 894.13 feet; thence along said curve to the right, through a central angle of 27°09'55", with a chord bearing S 47°57'57.5"

W, an arc distance of 423.93 feet to the point of compound curvature of a curve to the right having a radius of 308.43 feet;

thence along said curve to the right, through a central angle of 47°48'25", an arc distance of 257.35 feet; thence bearing N

70°38'40" W, a distance of 320.40 feet to the point of curvature of a curve to the right having a radius of 374.0 feet; thence along said curve to the right, through a central angle of 20°55'24", an arc distance of 136.58 feet to the point of beginning; thence bearing N 70°32'54"W, a distance of 21.11 feet; thence bearing N 18°15'32" E, a distance of 8.86 feet to the point on a curve to the left having a radius of 374.0 feet; thence along said curve, an arc distance of 23.06 feet and a chord the bears S 47°57'34" E to the point of beginning.

Parcel 3:

A portion of Reserve F, in Wichita Municipal Airport Addition to Wichita, Kansas, Sedgwick County, Kansas, described as:

Commencing at a point 30 feet right of STA.56+11.18 of the proposed Midfield Road, said point being 2727.21 feet south and 565.77 feet west (Grid System) of the Southeast corner of Section 28, Township 27 South, Range 1 West of the Sixth Principal Meridian, Sedgwick County, Kansas; thence bearing S 19°20'14" W along the South right-of-way line of said Midfield Road, a distance of 330 feet; thence bearing S 70°39'46" E, a distance of 582.97 feet to a point on a curve to the right having a radius of 894.13 feet; thence along said curve to the right, through a central angle of 27°09'55", with a chord bearing S 47°57'57.5" W, an arc distance of 423.93 feet to the point of compound curvature of a curve to the right having a radius of 308.43 feet; thence along said curve to the right, through a central angle of 47°48'25", an arc distance of 257.35 feet; thence bearing N 70°38'40" W, a distance of 320.40 feet to the point of curvature of a curve to the right having a radius of 374.0 feet; thence along said curve to the right, through a central angle of 57°08'31", an arc distance of 372.00 feet to the point of beginning; thence N 67°45'39"W, a distance of 10.30 feet; thence bearing N 19°15'39" E, a distance of 16.30 feet to the point on a curve to the left having a radius of 374.0 feet; thence along said curve, an arc distance of 17.73 feet and a chord that bears S 12°08'58" E to the point of beginning.

Approved / Accepted by City Council:

Date 5-6-07

LEASE

between

THE WICHITA AIRPORT AUTHORITY OF
THE CITY OF WICHITA, KANSAS

and

WICHITA AIRPORT HOTEL ASSOCIATES, L.P.

Relating to

The Hotel Facility (the "Project")

DATED AS OF June 5, 2007

RECEIVED

JUN 21 2007

W.A.A.

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- Exhibit A: Project Site Survey
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LEASE

THIS LEASE is made and entered into as of June 5, 2007, by and between THE WICHITA AIRPORT AUTHORITY OF THE CITY OF WICHITA, KANSAS, a governmental or quasi-governmental entity organized and existing under the laws of the State of Kansas (the "Landlord"), and WICHITA AIRPORT HOTEL ASSOCIATES, L.P., a Kansas limited partnership (the "Tenant").

WITNESSETH

WHEREAS, the Project has been leased by Landlord to Tenant pursuant to a certain Lease dated as of June 1, 1980 as supplemented by that certain Supplemental Lease dated as of December 1, 1983, the Second Supplemental Lease dated as of September 1, 1987, the Third Supplemental Lease dated as of March 1, 1988, and the Restated and Amended Lease dated as of February 1, 1992, which collectively are referred to herein as the "Prior Lease", and hereafter shall be leased to Tenant pursuant to this Lease hereinafter referred to as the "Lease" or as this "Agreement";

WHEREAS, Landlord and Tenant desire that, by execution of this Agreement, the Prior Lease shall be terminated in its entirety and be of no further force and effect and, concurrently, this Agreement shall completely replace the Prior Lease in all respects as set forth herein; and

WHEREAS, the execution and delivery of this Agreement has been in all respects duly and validly authorized by Landlord.

NOW THEREFORE, the Landlord and the Tenant, each in consideration of the representations, covenants and agreements of the other as set forth herein, mutually represent, covenant and agree as follows:

ARTICLE I

DEFINITIONS, EXHIBITS AND MISCELLANEOUS

Section 1.01. Definitions.

In this Agreement, the following terms have the following meanings, unless the context clearly requires otherwise.

Act: the laws of the State of Kansas including K.S.A. 3-153, et seq., as amended;

Act of Bankruptcy: voluntary or involuntary bankruptcy or insolvency of a party which is not vacated or dismissed within sixty (60) days of the institution of such proceedings;

Additions: additional sleeping room units or other improvements to the Project, including, but not limited to, construction of a separate additional hotel facility located on the Project Premises.

Agreement: this Lease by and between the Landlord and Tenant, as the same may from time to time be amended or supplemented as provided herein;

Airport: the real property making up Wichita Mid-Continent Airport together with the improvements located thereon owned and operated by the Landlord as a public airport facility in accordance with the laws of the State of Kansas, including the Act, and applicable rules and regulations of the FAA;

Commercial Activity: any new material and substantial revenue producing commercial transactions that are entered into after the Date of this Agreement that are not in the ordinary course of hotel business as set forth in Section 10.02 and 10.03 and are not addressed in the definitions of Food and Beverage Sales and Guest Room Sales;

Condemnation: the word "Condemnation" or phrase "eminent domain" as used herein shall include the taking or requisition by governmental authority or by a person, firm or corporation acting under governmental authority and a conveyance made under threat of Condemnation, provided such conveyance is made with the approval of the Landlord, which approval shall not be unreasonably withheld, and "Condemnation Award" shall mean payment for property condemned or conveyed under threat of Condemnation;

Date of this Agreement: June 5, 2007;

Director of Airports: the Director of Airports employed at any time during this Agreement by the Wichita Airport Authority or City of Wichita;

Event of Default: any of the events set forth in Section 13.01 hereof;

FAA: the Federal Aviation Administration;

Food and Beverage Sales: the gross revenues received by the Project from the sale of food and beverage items in the Project's restaurant, lounge, meeting/conference/banquet facilities, sleeping rooms (room service), and the rental of meeting/conference/banquet rooms. Said gross revenues shall exclude all sales and use taxes and other charges levied or imposed by governmental agencies. Such gross revenues shall further exclude all tips and gratuities added to customers' charges and collected by the Project and all miscellaneous charges for audio/visual equipment rental, music and entertainment charges, off-site catering and other charges not directly relating to the sale of food and beverage items at the Project.

Ground Rental: the Ground Rentals in the amounts and payable at the times set forth in Part I of the Schedule of Rentals attached hereto as Exhibit C.

Guest Room Sales: the gross revenues received by the Project from the overnight rental of sleeping rooms to guests of the Project. Said gross revenues shall exclude all sales and use taxes and other charges levied or imposed by governmental agencies. Such gross revenues shall further exclude all guest charges posted to the guest's account for telephone charges, laundry valet, movie rental, room damage and smoking charges, no-show charges and other similar charges that do not specifically relate solely to the rental of the sleeping room.

Hotel: the hotel facility described herein as a component of the Project.

Improvements: The Hotel, together with other facilities and appurtenances necessary for the customary operation of such Hotel.

Landlord: The Wichita Airport Authority of the City of Wichita, Kansas, and any successor to its functions;

Mortgage: any mortgage and/or security agreement against the Project that is granted in connection with Tenant's financing efforts with respect to the Project, including, but not limited to, the construction of additional buildings, recapitalization of Tenant, expansion of the Hotel, major improvements to the Project, or a sale of the Project, as the same may from time to time be amended or supplemented;

Mortgaged Property: the Tenant's leasehold estate in and to the properties, real, personal or mixed, described in any Mortgage, as it may at any time exist;

Option Period Ground Rent: the Option Period Ground Rental in the amounts, and subject to adjustment, and payable at the times set forth in Part I of the Schedule of Rentals attached hereto as Exhibit C;

Parking Rental: the Parking Rentals in the amounts, and subject to adjustment, and payable at the times set forth in Part II of the Schedule of Rentals attached hereto as Exhibit C;

Percentage Rental: the Percentage Rental in the amounts, and subject to adjustment, and payable at the times set forth in Part III of the Schedule of Rentals attached hereto as Exhibit C;

Prior Lease: the Lease dated as of June 1, 1980 as supplemented and amended by that certain Supplemental Lease dated as of December 1, 1983, the Second Supplemental Lease dated as of September 1, 1987, the Third Supplemental Lease dated as of March 1, 1988, and the Restated and Amended Lease dated as of February 1, 1992, each by and between Landlord, as Lessor, and the Tenant (or its predecessors in interest), as Lessee, which such Lease, as amended, shall be terminated in its entirety and concurrently completely replaced in all respects upon the execution of this Agreement;

Project: the hotel facility and any Additions consisting of a leasehold estate created hereby on and to the real property described as Tracts A, B and C of Exhibit B to this Lease together with the improvements and other tangible property, real, personal and mixed;

Project Premises: the property and interests in real property described in Exhibits A and B to the Lease;

Reclamation Property: that certain portion of real property described in Section 3.06 that may be reclaimed in whole or in part by Landlord from Tenant pursuant to Section 3.06 in order to support and enhance the infrastructure of the Airport;

Term of this Agreement: the period of time commencing on the Date of this Agreement and terminating on the date set forth in Section 3.01, subject to any renewal options set forth herein;

- (1) Basic Term is as described in Section 3.01; and
- (2) Option Term is as described in Section 3.02.

Section 1.02. Exhibits.

The following Exhibits are attached to and, by reference, made a part of this Agreement:

- (1) Exhibit A: Project Site Survey;
- (2) Exhibit B: Project Description; and
- (3) Exhibit C: Schedule of Rentals.

Section 1.03. Rules of Interpretation.

(1) This Agreement shall be interpreted in accordance with and governed by the laws of the State of Kansas.

(2) The words “herein”, “hereof” and “hereunder” and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than to any particular section or subdivision of this Agreement.

(3) References in this Agreement to any particular article, section or subdivision hereof are to the designated article, section or subdivision of this Agreement as originally executed.

(4) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles; and all computations provided for herein shall be made in accordance with generally accepted accounting principles consistently applied and applied on the same basis as in prior years.

(5) The Table of Contents and titles of articles and sections herein are for convenience of reference only and are not a part of this Agreement, and shall not define or limit the provisions hereof.

(6) Unless the context hereof clearly requires otherwise, the singular shall include the plural and vice versa and the masculine shall include the feminine and vice versa.

(7) Articles, sections, subsections and clauses mentioned by number only are those so numbered which are contained in this Agreement.

(8) Any opinion of counsel required hereunder shall be a written opinion of such counsel.

(9) In the event that additional general partners are admitted to the Tenant, references herein to the general partner shall be deemed to refer to, and be binding upon, each general partner of the Tenant.

(10) The parties mutually understand and agree that nothing herein contained is intended or shall be construed as creating or establishing the relationship of co-partners or joint-venturers between the parties hereto or as constituting the Tenant as the agent or representative of Landlord for any purpose or any matter whatsoever.

ARTICLE II

REPRESENTATIONS OF LANDLORD AND TENANT

Section 2.01. Representations of the Landlord.

The Landlord makes the following representations and warranties as the basis for its covenants herein:

(1) The Landlord is a governmental or quasi-governmental entity duly organized and existing under the laws of the State of Kansas, including particularly the Act.

(2) The Landlord has lawful power and authority under the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action of its governing body, the Landlord has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers.

(3) To its knowledge, no member of the governing body of the Landlord or any other officer of the Landlord has any significant or conflicting interest, financial, employment or otherwise, in the Tenant, the Project or in the transactions contemplated hereby including violations of the Kansas Conflict of Interest statutes for local government officials.

(4) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the Landlord's knowledge, threatened against or affecting it (or, to its knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or the validity or the enforceability of this Agreement or any agreement or instrument to which the Landlord is a party and which is used or contemplated for use in the consummation of the transactions contemplated thereby.

Section 2.02. Representations of the Tenant.

The Tenant makes the following representations and warranties as the basis for its covenants herein:

(1) The Tenant is a limited partnership duly formed and existing under the laws of the State of Kansas, and is duly authorized to conduct its business in the State of Kansas and all other states where its activities require such authorization, has power to enter into this Agreement, and the other documents or instruments necessary to carry out the intention of this Agreement ("Related Documents") to which Tenant is a party and to use the Project for the purpose set forth in this Agreement, and by proper partnership action

has authorized the execution and delivery of this Agreement, and the other Related Documents to which Tenant is a party.

(2) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and thereby, and the fulfillment of the terms and conditions thereof do not and will not conflict with or result in a breach of any of the terms or conditions of the partnership agreement, any restriction or any agreement or instrument to which the Tenant (or any of its general partners) is now a party or by which it or any of its general partners is bound or to which any property of the Tenant or any of its general partners is subject, and do not and will not constitute a default under any of the foregoing, or to the best of the Tenant's knowledge, cause the Tenant or any of its general partners to be in violation of any order, decree, statute, rule or regulation of any court or any state or federal regulatory body having jurisdiction over the Tenant or any of its general partners or their properties, including the Project, and do not and will not result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Tenant or any of its general partners contrary to the terms of any instrument or agreement to which the Tenant or any of its general partners is a party or by which they are bound.

(3) The use of the Project, as it is proposed to be operated, complies, in all material respects, with all presently applicable zoning, development, pollution control, water conservation, environmental and other laws, regulations, rules and ordinances of the federal government and the State of Kansas and the respective agencies thereof and the political subdivisions in which the Project is located; the Tenant has obtained all necessary and material approvals of and licenses, permits, consents and franchises from federal, state, county, municipal or other governmental authorities having jurisdiction over the Project to acquire and operate the Project and to enter into, execute and perform its obligations under this Agreement.

(4) There are no actions, suits, proceedings or inquiries or investigations at law or in equity pending or, to the knowledge of the Tenant, threatened against the Tenant or any property of the Tenant in any court or before any federal, state, municipal or other governmental agency, which, if decided adversely to the Tenant, would have a material adverse effect upon the Tenant or upon the business or properties of the Tenant or upon its power, authority and right to enter into this Agreement; and the Tenant is not in default with respect to any order of any court or governmental agency.

(5) Neither the Tenant nor any of its general partners: (a) is in default in the payment of the principal of or interest on any indebtedness for borrowed money; or (b) is in default under any instrument or agreement under and subject to which any indebtedness for borrowed money has been issued.

(6) The Tenant has filed all federal and state income tax returns which, to the knowledge of any of the general partners of the Tenant, are required to be filed and has paid all taxes shown on said returns and all assessments and governmental charges received by it to the extent that they have become due.

(7) To the best of the Tenant's knowledge, no member of the governing body of the Landlord or any other officer of the Landlord has any significant or conflicting interest, financial, employment or otherwise, in the Tenant, the Project or in the transactions contemplated hereby.

(8) The Tenant is not in the trade or business of selling properties such as the Project and operates the Project for investment purposes only or otherwise for use by the Tenant in its trade or business.

(9) There has been no material adverse change in the financial condition, prospects or business affairs of the Tenant or the feasibility or physical condition of the Project since December 31, 2005.

Section 2.03. Environmental Representations.

(1) Tenant hereby covenants that it will not cause or knowingly permit any Hazardous Substances to be placed, held, located or disposed of, on, under or at the Project Premises, other than in the ordinary course of business and in compliance with all applicable laws. For purposes of this Section, "Hazardous Substances" means and includes: (i) any hazardous wastes, hazardous substances, toxic materials, pollutants, contaminants, or industrial solid waste (as those terms are defined in any federal, state, or local statute, law, ordinance or regulation); (ii) waste oil or petroleum products; and (iii) any formaldehyde.

(2) In furtherance and not in limitation of any indemnity elsewhere provided to Landlord hereunder, Tenant hereby agrees to indemnify and hold harmless Landlord and the City of Wichita from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees, costs of any settlement or judgment and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, Landlord or the City of Wichita by any person or entity for or arising out of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Project Premises during the Term of this Agreement of any Hazardous Substance including, without limitation, any losses, liabilities, reasonable attorneys' fees, costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, any federal, state or local so-called "Superfund" or "Super lien" laws, or any other applicable statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability, including strict liability, or standards of conduct concerning, any Hazardous Substance if such presence, escape, seepage, leakage, spillage, discharge, emission was caused by the Tenant, or persons within the control of Tenant, its officers, employees, agents, and/or licensees, or if such Hazardous Substance was owned by, or located on the premises by, Tenant (without regard to the actual cause of any escape, seepage, leakage, spillage, discharge, emission or release).

(3) If, during the Term of this Agreement, Tenant receives any notice of (i) the happening of any event involving the use (other than in the ordinary course of business and in compliance with all applicable laws), spill, release, leak, seepage, discharge or cleanup of any Hazardous Substance on the Project Premises or in connection with Tenant's operations thereon or (ii) any complaint, order, citation or notice with regard to air emissions, water discharges, or any other environmental, health, or safety matter affecting Tenant (an "Environmental Complaint") from any persons or entity (including, without limitation), the United States Environmental Protection Agency (the "EPA") or the Kansas Department of Health and Environment ("KDHE"), Tenant shall immediately notify Landlord in writing of said notice.

(4) Landlord shall have the right, but not the obligation, and without limitation of Landlord's other rights under this Agreement, to enter the Project Premises or to take such other actions as deemed reasonably necessary or advisable to inspect, clean up, remove, resolve or minimize the impact of, or to otherwise deal with, any Hazardous Substance or environmental complaint following receipt of any notice from any person, including, without limitation, the EPA or KDHE, asserting the existence of any Hazardous Substance or an environmental complaint pertaining to the Project Premises or any part thereof which, if true, could result in an order, suit or other action against Tenant and/or which, in the reasonable judgment of Landlord, could jeopardize Landlord's interests under this Agreement. If such conditions are caused by circumstances within the control of Tenant or if such circumstances result from a Hazardous Substance owned by, or located on the premises by, the Tenant (without regard to the actual cause of any escape, seepage, leakage, spillage, discharge, emission or release) all reasonable costs and expenses incurred by the Landlord in the exercise of any such rights shall be payable by the Tenant upon demand.

(5) If an Event of Default within 15 days of written demand by Landlord shall have occurred and be continuing, Tenant at the reasonable written request of Landlord shall periodically perform (at Tenant's expense) an environmental audit and, if reasonably deemed necessary by Landlord, an environmental risk assessment (each of which must be reasonably satisfactory to Landlord) of the Project Premises, or the hazardous waste management practices and/or hazardous waste disposal sites used by Tenant with respect to the Project Premises. Such audit and/or risk assessment shall be conducted by an environmental consultant satisfactory to Landlord. Should Tenant fail to perform any such environmental audit or risk assessment within ninety (90) days of the written request of Landlord, Landlord shall have the right, but not the obligation, to retain an environmental consultant to perform any such environmental audit or risk assessment. All costs and expenses incurred by Landlord in the exercise of such rights shall be payable by Tenant upon receipt of documentation of such expenses from Landlord.

(6) Neither Tenant nor Landlord shall install or permit to be installed on the Project Premises friable asbestos, electrical equipment containing polychlorinated biphenyls (PCBs), or any substance containing asbestos and deemed hazardous by federal or state regulations applicable to the Project Premises and respecting such material. Tenant shall defend, indemnify, and save Landlord and the City of Wichita harmless from all costs and expenses (including consequential damages) asserted or proven against Tenant by any person, as a result of the presence of the substances described in this subsection (6), and any removal or compliance with such regulations, if said substance was installed by Tenant, or persons within its control. Landlord shall defend, indemnify, and save Tenant harmless from all costs and expenses (including consequential damages) asserted or proven by any person, as a result of the presence of the substances described in this subsection (6), and any removal or compliance with such regulations, if said substance was installed by Landlord, or persons within its control.

(7) Subject to any limitations or restrictions imposed by the Kansas Budget Law or Cash Basis Law, Landlord hereby agrees to indemnify and hold harmless Tenant from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees, costs of any settlement or judgment and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, Tenant by any person or entity for, arising out of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from or onto the Project Premises during the Term of this Agreement and the period prior to the Term of this Agreement of any Hazardous Substance (including, without limitation, any losses, liabilities, reasonable

attorneys fees, costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, any federal, state or local so-called "Superfund" or "Super lien" laws, or any other applicable statute, law, ordinance, code, rule, regulation, order of decree regulating, relating to or imposing liability, including strict liability, or standards of conduct concerning any Hazardous Substance) unless such presence, escape, seepage, leakage, spillage, discharge, emission or release was caused by Tenant, or persons within the control of the Tenant, its officers, employees, agents, business invitees and/or licensees., or if such hazardous substance was owned by, or placed upon the premises by, the Tenant (without regard to the actual cause of any escape, seepage, leakage, spillage, discharge, emission or release except to the extent such was caused by the Landlord).

- (8) The provisions of this Section shall survive the termination of this Agreement.

ARTICLE III

LEASE OF THE PROJECT, RENT PAYMENTS, AND TERM OF AGREEMENT

Section 3.01. Grant of Leasehold.

Subject to the Reserved Rights set forth in Section 3.03, Landlord by these presents hereby rents, leases and lets unto Tenant and Tenant hereby rents, leases and hires from Landlord, for the rentals and upon and subject to the terms and conditions hereinafter set forth, the Project described and set forth in Tract A, B, and C of Exhibit B attached hereto and made a part hereof, and certain attendant privileges, uses and rights as hereinafter specifically provided, for the Basic Term commencing on the Date of this Agreement and ending on May 31, 2030 (the "Basic Term"). Landlord and Tenant agree and acknowledge that this Agreement hereby concurrently terminates the Prior Lease in its entirety and completely replaces the Prior Lease in all respects.

Section 3.02 Option to Extend.

Tenant shall have the right and option, to be exercised as hereinafter provided, and provided that no Event of Default shall have occurred and be subsisting hereunder, to extend the Term of this Agreement for two (2) successive terms of ten (10) years each from and after May 31, 2030 and one (1) additional term of seven (7) years from and after June 1, 2050 to May 31, 2057 ("Option Term"). Rent for such extended term shall be as described in Part III of Exhibit C attached hereto. Such rent shall be payable directly to the Landlord as set forth herein. All other terms and conditions of this Lease shall be fully applicable to such extended term, except only the provisions hereof with reference to the Ground Rent and Parking Rent, which shall not be applicable. The options to extend the Term of this Agreement set forth in this Section shall be automatically exercised at the expiration of the immediately preceding term without any action required by Tenant, unless Tenant provides written notice to Landlord of its intention not to renew this Agreement no less than nine (9) months prior to the expiration of the then-current term and no more than twelve (12) months prior to the expiration of the then-current term.

Section 3.03 Reserved Rights.

Landlord hereby expressly reserves from the grant of leasehold pursuant to this Agreement: (a) all oil, gas and mineral rights in and under the soil; (b) the right to install or permit others to install navigational aids in, on or about the Project; (c) the right to install, maintain or modify utility lines and to grant utility rights of way to others over, under, through and across the Project; (d) the rights reserved to Landlord for enforcement of the covenants and obligations of Tenant as set forth herein; and (e) its rights to indemnification hereunder. Landlord's exercise of any Reserved Rights (a) through (c) shall be without expense to Tenant, shall not unreasonably or materially interfere with Tenant's use of the Project and shall not delay Tenant in the exercise of its rights or the performance of its duties hereunder or increase Tenant's cost of such performance. However, Landlord shall have no responsibility to continue to provide a source of water supply to the pond included within the Project Premises.

Section 3.04 Rental Payments.

(1) During the Basic Term of this Agreement, Landlord reserves and Tenant hereby covenants and agrees to pay directly to Landlord the Ground Rental and Parking Rental set forth herein in the amounts and at the times and in the manner provided in Part I and Part II of the Schedule of Rentals attached hereto as Exhibit C and incorporated herein by reference. Landlord's rights to timely payment of the Parking Rental is hereby expressly subordinated to Tenant's obligation to pay any bond or mortgage financing payments, and other amounts payable hereunder or under any other related financing security documents; and, so long as any of the bonds or mortgage financing remain outstanding, default in the payment of said Parking Rentals shall not constitute an Event of Default hereunder or under any related financing security documents. In the event that all or a portion of the Parking Rentals are subordinated to bond or mortgaging financing payments during the Basic Term, payments to Landlord shall include the Ground Rental payments incorporated in Part I of the Schedule of Rentals attached as Exhibit C and any Parking Rentals remaining after the required bond payment or mortgage financing payments.

(2) During the Option Term of this Agreement as set forth in Section 3.02 herein, the payment of Ground Rental and Parking Rental by Tenant shall cease and Landlord reserves and Tenant hereby covenants and agrees to pay directly to Landlord the Percentage Rental or Option Period Ground Rent set forth herein in the amounts and at the times and in the manner provided in Part III of the Schedule of Rentals attached hereto as Exhibit C and incorporated herein by reference. Landlord's rights to timely payment of the Percentage Rental is hereby expressly subordinated to Tenant's obligation to pay any bond or mortgage financing payments, and other amounts payable hereunder or under any other related financing security documents; and, so long as any of the bonds or mortgage financing remain outstanding, default in the payment of said Percentage Rentals shall not constitute an Event of Default hereunder or under any related financing security documents. In the event that all or a portion of the Percentage Rentals are subordinated to bond or mortgaging financing payments during any Option Term, payments to Landlord shall be the greater of the Option Term Ground Rental payments incorporated in Part III of the Schedule of Rentals attached as Exhibit C or any Percentage Rentals remaining after the required bond or mortgage financing payments; provided, however, that such payments will not be less than the amount of the Option Term Ground Rental for such period.

(3) During any Option Term of this Agreement, if any Commercial Activity is in effect or is undertaken, Tenant shall compensate the Landlord for revenue derived from the Commercial Activity, as is mutually agreed upon between the Landlord and Tenant. For purposes of this subsection, for any Commercial Activity that is undertaken during any Option Term and not carried over from the Basic Term, Tenant shall be required to first obtain the approval of Landlord, which approval shall not be unreasonably withheld or delayed. Notwithstanding the provisions of this subsection, the parties understand and acknowledge that casino gaming and/or slot machine gaming during both the Basic Term and the Option Term shall be considered "Commercial Activity" and that Tenant shall compensate Landlord for revenue derived from such activities in a manner mutually agreed upon between Landlord and Tenant.

Section 3.05 Access to Project.

Landlord grants to Tenant, its subtenants, licensees, concessionaires, invitees and permittees full, complete and free ingress to and egress from the Project Premises to a publicly dedicated thoroughfare. Such access shall be by means of existing private roadways located on Landlord's adjoining property, the general location and layout of such access roadways being identified on Exhibit A attached hereto. Landlord covenants to maintain such roadways in good repair and to provide for appropriate snow removal so as to allow for the access contemplated hereby.

Section 3.06 Reclamation Property.

During the Term of this Agreement, in the event that Landlord reasonably determines that all or any portion of the real property referred to as the "Reclamation Property", situated on the eastern section of Tracts 1 and 3, is needed to enhance, support, or accommodate reasonably necessary infrastructure improvements for future Airport development purposes and Landlord wishes to reclaim such portion of the Reclamation Property for such purposes, Landlord shall deliver written notice of such desire to Tenant, which notice shall include (i) a property survey and legal description specifically identifying the portion of the Reclamation Property Landlord wishes to reclaim from Tenant; and (ii) the reason or reasons Landlord desires to reclaim such property. Within thirty (30) days of receipt of such notice from Landlord, Tenant shall provide Landlord with a written response to such notice stating (a) whether Tenant is using such portion of the Reclamation Property at such time or has plans to initiate a use or uses of such portion of the Reclamation Property within six (6) months from the receipt of Landlord's notice; and (b) specifically explaining such existing and/or proposed use or uses of such portion of the Reclamation Property. If Tenant is not using such portion of the Reclamation Property at that time, or does not plan to use the same within such 6-month period, the parties acknowledge and agree that Landlord may reclaim such portion of the Reclamation Property specifically identified in Landlord's written notice to Tenant only for the infrastructure improvements set forth in this Section and specifically identified in Landlord's written notice to Tenant. Pursuant to such transfer described in the previous sentence, the right, title, interest in and possession of such portion of the Reclamation Property shall revert from Tenant to Landlord, Tenant shall have no further rights, obligations, or liabilities with respect to such portion of the Reclamation Property except as set forth in Section 2.03 hereof, and any applicable land rental payments for the reclaimed land, including, but not limited to, maintenance and other forms of additional rent, paid by Tenant under this Agreement shall be reduced accordingly to reflect the reduction of the Project Premises due to the reclamation of such portion of the Reclamation Property by Landlord. Additionally, Landlord shall promptly repair any damage or alteration to the Project Premises occurring in connection with such reclamation in order to restore the Project Premises to its normal working condition immediately prior to

such reclamation, which such repairs may include, but not be limited to, landscaping and relocation and modification of roadways, curbing, and sidewalks. Landlord shall indemnify and defend Tenant, and hold Tenant harmless from any and all loss, cost, liability, claim, damage, or expense (including, without limitation, reasonable legal fees and costs) that Tenant may sustain or incur by reason of or in connection with any construction, alteration, or improvements to any portion of the Reclamation Property reclaimed by Landlord from Tenant, except to the extent that such loss, cost, liability, claim, damage, or expense is caused by Tenant or persons within the control of Tenant.

ARTICLE IV

IMPROVEMENTS AND ALTERATIONS

Section 4.01 Improvements.

Tenant has designed and constructed on the Project Premises a first-class three hundred two (302) guest room hotel facility, together with other facilities and appurtenances necessary for the customary operation of such Hotel. Tenant agrees to furnish fixtures, furnishings, equipment and other items which shall be deemed to be personal property, consistent with the type and character of the interior design of the Hotel. Furniture, furnishings and equipment, not including central heating and air conditioning equipment, will be held as personal property of Tenant.

Tenant shall have the right at any time to construct the Additions on the Project Premises pursuant to the procedure set forth in this Section. Tenant shall have, subject to the prior written approval of Landlord, which approval shall not be unreasonably withheld or delayed, the right, at Tenant's sole cost and expense, to construct on the Project Premises, or in airspace above the same, such additional buildings and improvements as Tenant from time to time may deem necessary or advisable, for the purposes of expanding the existing Hotel to a maximum capacity of four hundred two (402) guest rooms and/or the construction and development of a limited service hotel facility up to a maximum of one hundred sixty (160) guest rooms on the Project Premises. Tenant covenants and agrees (a) to make all repairs and restorations, if any, required to be made to the Project because of the construction of, addition to, alteration or removal of additional buildings or improvements, (b) to keep and maintain said additional buildings and improvements in good condition and repair, ordinary wear and tear and damages by fire or other casualty excepted, (c) to promptly and with due diligence either raze and remove from the Project Premises in a good, workmanlike manner, or repair, replace or restore such additional buildings or improvements as may from time to time be damaged by fire or other casualty, and (d) that all additional buildings and improvements constructed by Tenant pursuant to this Section shall at all times remain the separate and absolute property of Landlord.

Section 4.02 Scheduling of Construction.

Tenant agrees to, and shall construct the Additions on the Project Premises subject to the terms and conditions herein set forth. Tenant shall cause the construction of the Additions to be coordinated with time schedules established by the Landlord for other construction at the Airport. Further, Tenant's plans and specifications shall cause any contractor engaged for such construction to establish advance scheduling or a critical path network in accordance with instructions and provisions to be furnished by the Director of Airports. Tenant shall have the right to enter upon the Project Premises for construction of the Additions

once the permits are obtained, the Director of Airports has approved the Improvements, and has provided notice that the subject portion of the Project Premises is available.

Landlord shall have the right at any reasonable time prior to the completion of the Project or the Addition, to enter upon the Project Premises for the purpose of inspecting the construction thereof, to determine whether or not the project is being constructed substantially in accordance with the plans and specifications. If at any time during the progress of such construction, it is determined that the Project is not being constructed substantially in accordance with the plans and specifications, upon receipt of written notice from the Landlord, the Tenant shall make or cause to be made such reasonable alterations as may be required to cause the project to substantially conform to the plans and specifications.

Section 4.03 Design Control.

Prior to commencement of working drawings and specifications for the Improvements or Additions, Tenant shall submit to the Director of Airports for review, in accordance with design submission requirements and any required review by Landlord, all proposed design concepts, including architectural renderings showing appearance, types of materials and colors proposed for all facilities to be constructed, including, but not limited to buildings, parking, landscaping, approaches, gates, fences, lamps, signs, marquees, works of art and other structures to be erected upon the Project Premises. Tenant agrees to cause Additions for Tenant's use to be constructed on the Project Premises in accordance with plans and specifications to be prepared by Tenant and approved by Landlord, which approval shall not be unreasonably withheld or delayed. Plans and specification review submittals shall follow accepted practice for such deliverables; and the Landlord shall provide comments, as applicable, on each submittal. Landlord retains the right to ask for special submittals, as needed, to fully understand the proposed improvements. Facility floors and slabs shall follow nationally-recognized standards for design and construction such as the American Concrete Institute (ACI) 360R-2 and 302.1R-04, respectively. No above ground utility service lines shall be installed.

Tenant shall make displays and presentations as needed to boards, design councils, and other applicable bodies to explain the Additions and respond accordingly.

Tenant agrees (1) construction shall be administered, documented and observed on-site by professional architects and/or engineers to ensure compliance with the approved plans and specifications; (2) proposed exterior construction changes to the approved plans and specifications shall be submitted to Landlord for approval; (3) quality control testing shall be by an independent testing laboratory certified to provide such services; (4) to provide Landlord, within 60 days following occupancy of the Additions, a complete reproducible set of record drawings and an electronic file in a format usable by Landlord. Upon completion of the Additions, Tenant shall furnish a Certificate of Completion to Landlord which states that (1) the Additions have been completed in accordance with the plans and specifications; (2) the Additions have been completed in a good and skilled manner; (3) no liens have been filed, nor is there any basis for the filing of such liens, with respect to the Additions; and (4) all improvements constituting a part of the Additions are located or installed upon the Project Premises.

Section 4.04 Federal Aviation Administration Review.

Any and all construction of the Additions shall undergo a review and approval process by the FAA. It shall also be the responsibility of Tenant to file all necessary drawings and forms with the Director of Airports for submission to the FAA for approval, as may be required.

Section 4.05 Landscaping and Screening.

Tenant shall provide and install appropriate landscaping and screening, including lawn, shrubbery, trees, bushes, vines and other plantings and screening on the Project Premises as a part of the construction of the Project. All proposed landscaping plans and screening designs shall be submitted to the Director of Airports for review and approval, which approval shall not be unreasonably withheld or delayed. Tenant further agrees to provide any further landscaping and fencing that may be required, during the Term hereof, by the Director of Airports for the purpose of screening from view any area of the Project.

Section 4.06 Personal Property Purchased by Tenant.

Any fixtures, furnishings, equipment and other personal property the entire purchase price of which is paid for by Tenant with Tenant's own funds under Section 4.01 hereof shall be the property of Tenant, and shall not be included within the term "Improvements," "Additions," or "Project" as used in this Agreement.

Section 4.07 Property of Landlord.

Title to the Project Premises, all Improvements, the Additions, and work constituting a part of the Project, all work and materials on the Project Premises as such work progresses, and the Project as fully completed, anything under this Agreement which becomes, is deemed to be, or constitutes a part of the Project, as expanded, repaired, rebuilt, rearranged, restored or replaced by Tenant under the provisions of this Agreement, except as otherwise specifically provided herein, shall immediately when erected or installed be in and shall at all times remain in the Landlord.

Section 4.08 Alteration of the Project.

Tenant shall have and is hereby given the right, at its sole cost and expense, to make such additions, changes and alterations in and to any part of the Project as Tenant from time to time may deem necessary or advisable; provided, however, Tenant shall not make any major addition, change or alteration which will adversely affect the intended use or structural strength of any part of the Project without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. All additions, changes and alterations made by Tenant pursuant to the authority of this Section shall comply with the requirements included in Section 4.02 through 4.05, and shall (a) be made in a workmanlike manner and in compliance with all laws and ordinances applicable thereto, (b) when commenced, be prosecuted to completion with due diligence, and (c) when completed, shall be deemed a part of the Project; provided, however, that purchases of machinery, equipment and/or personal property by Tenant do not constitute a part of the Project and shall remain the property of Tenant and may be removed by Tenant prior to the termination of this Agreement; provided further, however, that all such additional machinery, equipment and/or personal

property which remain on the Project after the termination of this Agreement shall, upon and in the event of such termination, become the separate and absolute property of Landlord.

Section 4.09 Additional Financing.

If, in connection with the construction of additional buildings and/or the Additions, expansion of the Project, the recapitalization of the Tenant, or a sale of Tenant's interest in the Project, Tenant may secure financing, including, but not limited to, mortgage financing, to finance all or part of the cost thereof. Tenant agrees that such financing shall be at market rates prevalent for financing of the facilities described in this Section and that the amount of financing approved shall not exceed 75% of the appraised value of the Project as of a date that is within six (6) months of the proposed financing. If Landlord approval of such financing is required by any lender, mortgage company, or other entity, Tenant shall obtain the approval of Landlord, which approval shall not be unreasonably withheld, conditioned, or delayed and Landlord shall execute and deliver any certificates and instruments required to be executed on behalf of Landlord that are necessary for Tenant to obtain such financing.

Section 4.10 Additional Antennas.

During the Term of this Agreement, Tenant may enter into agreements with third parties to install and maintain antennas and other related communications equipment on the Project Premises, provided such equipment complies with all applicable federal, state, and local rules and regulations, including the rules and regulations of the FAA and, provided, further, that such antennas and other related equipment are disguised or screened in such a manner as to be reasonably inconspicuous in a manner reasonably determined by Landlord. The parties agree and acknowledge that the net revenues (after deduction of expenses of Tenant incurred pursuant to the terms of such agreements) generated in connection with any agreements between Tenant and third parties described in this Section shall be split equally between Tenant and Landlord; provided, however, that this sentence shall not apply to agreements for roof antennas and other related communications equipment already in effect prior to the Date of this Agreement.

Section 4.11 Reinvestment.

During the Term of this Agreement, Tenant agrees to set aside an amount equal to three percent (3%) of the sum of the annual Guest Room Sales and the annual Food and Beverage Sales for the exclusive use of making ongoing capital improvements, renovation expenditures, and furniture, fixtures and equipment replacement necessary to maintain the Hotel and to meet the requirements and standards set forth in Tenant's franchise or license agreement. The funds described in this Section shall be expended annually for such purposes and any unused funds in a given year will be carried forward and used in future years as may sometimes be necessary to meet the requirements of major planned capital expenditures.

ARTICLE V

RIGHT OF FIRST REFUSAL

Section 5.01. Right of First Refusal

Landlord shall notify Tenant in writing if during the Term hereof Landlord proposes to construct or engage a third party to construct, own, lease, or operate another hotel of similar quality to the Hilton franchise or licensee of a national hotel organization or a budget or limited service motel of extended stay lodging facility on the Airport as the Airport exists at the time of the execution of this Agreement. In such event, Tenant shall have the first right to develop, lease and operate such other facilities on such terms as the Landlord may specify. Tenant shall, within twelve (12) months after receipt of Landlord's written notice, advise Landlord in writing of its exercise or refusal of such proposal; provided, however, if, during any Option Term of this Agreement as set forth in Section 3.02 herein, Landlord proposes to construct or engage a third party to construct, own, lease, or operate a national franchise first class full service hotel facility comparable to the Hilton franchise on the Airport premises or proposes to construct a budget or limited service or an extended stay lodging facility, Tenant shall have four (4) months following the receipt of Landlord's written notice to provide such written notification to Landlord of its intent to exercise or refuse such proposal within. If Tenant shall refuse such proposal or shall fail to advise Landlord in writing within the time period set forth in this Section 5.01, then Landlord shall have the right to contract with any other person for the development, leasing and operation of such facilities; provided, however, that if such contract shall contain any terms materially different than those contained in its proposal to Tenant, then Tenant shall again be offered the first right to enter into such contract with Landlord and Tenant shall, within thirty (30) days, accept or refuse such proposal.

ARTICLE VI

PROJECT COVENANTS

Section 6.01. Project Operation and Maintenance.

- (1) The Tenant shall pay all expenses related to the operation and maintenance of the Project.
- (2) Tenant shall, during the life of this Agreement, pay and discharge, before the delinquency thereof, all taxes and assessments, general and special, if any, which may be lawfully taxed, charged, levied, assessed or imposed upon or against or be payable for or in respect of the Project or any part thereof, or any Improvements at any time thereon or Tenant's interest therein, including any new lawful taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against real property, and further including all water and sewer charges, assessments and other governmental charges and impositions whatsoever, foreseen or unforeseen, which if not paid when due would encumber Landlord's title to the Project (all of the foregoing being herein referred to as "Impositions"). In the event any special assessment taxes are lawfully levied and assessed which may be paid in installments, Tenant shall be required to pay only such installments thereof as become due and payable during the life of this Agreement as and when the same become due and payable. Landlord covenants that without Tenant's written consent it will not, unless required by law, take any action which may reasonably be construed as tending to cause or induce the levying or assessment of any Impositions (other than special assessments levied on account of special

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benefits) which Tenant would be required to pay under this Article and that should any such levy or assessment be threatened or occur Landlord shall, at Tenant's request, fully cooperate with Tenant in all reasonable ways to prevent any such levy or assessment. Landlord further covenants that any special assessments levied against Landlord's property on account of special benefits to Landlord shall not be assessed separately against the Project or in any manner to create or result in a separate lien or encumbrance on the Project, and shall be paid when due by Landlord in accordance with law.

(3) In the event the Tenant shall fail to maintain, or cause to be maintained, the full insurance coverage required by Article VIII of this Agreement or shall fail to keep the Project in as reasonably safe condition as its operating conditions will permit, or shall fail to keep the Project in good repair and good operating condition and make all necessary repairs and replacements to the Project, the Landlord may (but shall be under no obligation to) contract for the required policies of insurance and pay the premiums on the same or make any required repairs, renewals and replacements; and the Tenant agrees to reimburse the Landlord to the extent of the amounts so advanced, with interest thereon from the date such amount was due until paid by the Tenant at the Prime Rate published in the Wall Street Journal on the date Landlord took such action, whether or not such amount has actually been advanced by the Landlord.

(4) The Tenant shall obtain or cause to be obtained all necessary permits and approvals for the operation and maintenance of the Project and shall comply with all lawful requirements of any governmental body regarding the use or condition of the Project, whether existing or later enacted or foreseen or unforeseen or whether involving any change in governmental policy or requiring structural or other changes to part or all of the Project and irrespective of the cost of making the same.

(5) Notwithstanding the provisions of this Section 6.01, the Tenant may in good faith contest the validity or the applicability of any law, ordinance, rule or regulation provided that during the period of such contest and any appeal therefrom, such failure to comply with such requirement or requirements will not adversely affect the lien of any Mortgage, materially endanger such lien or the Project or any part thereof.

(6) The Tenant agrees not to permit or suffer others to commit a nuisance in or about the Project or themselves commit a nuisance in connection with its use or occupancy of the Project.

(7) Tenant, its agents and employees, shall be subject to any and all applicable rules, regulations, orders and restrictions which are now in force or which may hereafter be reasonably adopted by Landlord and shall also be subject to any and all applicable laws, statutes, rules, regulations or orders of any governmental authority, federal, state, or local, lawfully exercising authority over the Airport or Tenant's operations conducted hereunder. Landlord shall not be liable to Tenant for any diminution or deprivation of its rights hereunder on account of the exercise of any such authority as provided for in this Section 6.01.

(8) Tenant shall not, without the prior written approval of the Landlord (i) grant easements, licenses and other rights or privileges in the nature of easements with respect to the land, or (ii) release existing easements, licenses, rights-of-way and other rights or privileges, and Tenant agrees, to the extent that it may legally do so, that it will execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or any such agreement or other arrangement, upon receipt by Tenant of (a) a copy of the instrument of grant or release or of the agreement or other arrangement, and (b) a written application signed by the Landlord

requesting execution and delivery of such instrument, provided that, such grant or release is not detrimental to the proper conduct of the business of Tenant, and such grant or release will not unreasonably or materially interfere with the effective use or the efficient and economical operation of the Project. Any payments or other consideration received by Landlord for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of Landlord.

ARTICLE VII

REPAIRS AND MAINTENANCE

Section 7.01 Repairs and Maintenance.

Tenant covenants and agrees that it will, during the Term of this Lease, at its sole expense, keep, maintain, and repair the Project, keeping all parts thereof in good condition and repair, ordinary wear and tear excepted, including, without limitation, (i) all alterations (including without limitation, all engines, boilers, machinery, the roof, foundation, footings and all structural and non-structural components thereof) and all other Improvements located in, or about the Project, (ii) all heating, plumbing, electrical, air-conditioning, fire suppression systems, mechanical and other systems, fixtures and equipment with respect to the Project and all other Improvements located in, on or about the Project Premises, (iii) utilities, and (iv) all other areas including, without limitation, lawns and planted areas, walks, parking lots, and driveways, except as provided in Section 4.10.

In the event the Tenant shall fail to keep the Project in good repair and good operating condition and make all necessary repairs and replacements to the Project, the Landlord may after a 30-day written notice to Tenant (but shall be under no obligation to) make any repairs and replacements. Any costs for such maintenance or replacement shall be paid by Tenant no later than thirty (30) days following demand by Landlord for such payment at Landlord's cost plus twelve percent (12%). Any disputes between the parties with respect to the condition of the Project shall be submitted to a mutually agreed upon third party possessing expertise relating to the portion of the Project at issue for determination as to the status of the condition of such portion of the Project and, for purposes of this Section, the parties agree to consider such determination in resolving such dispute; provided, however, that the parties acknowledge that they are not bound by such determination.

Tenant, at its sole expense, during said Term it will keep the Project and all parts thereof free from filth, nuisance or conditions unreasonably increasing the danger of fire.

Tenant covenants and agrees without cost or expense to Landlord during the Term hereof:

- (1) Good Condition. To keep the Project in good and safe order and condition.
- (2) Furnishings and Equipment Maintenance. To maintain all furnishings and equipment used in the Project, whether or not constituting a part of the Project, in a first-class condition comparable to the furnishings and equipment in other first-class hotels in the Wichita, Kansas area, or to replace the same with furnishings and equipment meeting said standard.

(3) Obstruction Lights. To provide, maintain, and replace obstruction lights and all similar equipment or devices now or at any time required by an applicable law or ordinance, or any municipal, state or federal regulation.

(4) Housekeeping of Project Premises. To reasonably provide for complete, proper and adequate sanitary handling and disposal, away from the Airport, of all trash, garbage, and other refuse caused as a result of the operation of the Project not otherwise disposed of by approved methods such as garbage disposals and incinerators; to provide and use suitable, covered metal receptacles, to be approved by the Director of Airports, for all garbage, trash and other refuse on or about the Project Premises; and not to pile boxes, cartons, crates, drums or the like on the outside of the buildings, or dump any waste matter of any nature, in liquid state or otherwise, on the Project Premises nor to contaminate any sewers or drainage control reservoirs. Tenant agrees promptly to install, without cost or expense to the Landlord, any other device or devices for the handling and disposition of refuse and all manner of waste (liquid or otherwise), as may be reasonably required by the Director of Airports from time to time, of all airport tenants, including Tenant.

(5) Policing of Project Premises. To reasonably keep all papers and debris picked up from the Project Premises and to sweep the pavements thereon and remove snow and ice as often as necessary to keep them clean, and to keep all grass mowed, and shrubbery and other plantings pruned, trimmed and maintained.

(6) Drainage Facilities. To establish a system of periodic inspection, cleaning, and maintenance to keep watercourses, catch basins and other drainage structures controlled by Tenant functioning at full design capacity. Tenant shall see that special care is taken to pile removed snow in a location that will permit the water generated by the melting of such snow piles to flow into the drainage system of the Project.

Section 7.02 Removal, Disposition and Substitution of Machinery and Equipment.

(1) Tenant shall have the right, provided Tenant is not in default hereunder, to remove and sell or otherwise dispose of any machinery and equipment which constitutes a part of the Project and which are no longer used by the Tenant or, in the opinion of Tenant, are no longer useful to Tenant in its operations.

(2) Tenant may remove any machinery and equipment constituting a part of the Project that is used by Tenant in the operation of the Project; provided, however, that Tenant shall promptly replace any such machinery and equipment so removed with machinery and equipment of the same or a different kind but which are capable of performing the same function, efficiently, as the machinery and equipment so removed, and the machinery and equipment so acquired by Tenant to replace such machinery and equipment shall be deemed a part of the Project.

(3) All machinery and equipment constituting a part of the Project and removed by Tenant pursuant to subparagraphs (1) or (2) above shall become the absolute property of Tenant and may be sold or otherwise disposed of by Tenant without accounting to the Landlord with respect thereto, and Landlord shall execute and deliver to Tenant all documents or releases necessary to release such property from any and all liens hereunder. In all cases, Tenant shall pay all the costs and expenses of any such removal and shall immediately repair at its expense all damage caused thereby. Tenant's right under this Section to remove machinery and equipment constituting a part of the Project is intended only to permit Tenant to

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maintain an efficient operation by the removal of such machinery and equipment no longer suitable to Tenant's use for any of the reasons set forth in this Section and such right is not to be construed to permit a removal under any other circumstances and specifically is not to be construed to permit Tenant to make a wholesale removal of such machinery and equipment.

ARTICLE VIII

INSURANCE

Section 8.01. Insurance.

Tenant covenants and agrees that:

(1) Tenant will, throughout the Term of this Lease, at its sole cost and expense, keep the Project constantly insured against loss or damage by fire, lightning and all other risks by securing full replacement cost insurance, provided by an insurance company or companies authorized to do business in the State of Kansas, on all of the Improvements on the Project Premises (now or hereafter existing) or used in connection therewith against any loss or damage by fire, lightning and all other casualties or peril, and all other perils as are included within what is commonly known as "all risk coverage" with full replacement costs in an amount sufficient to prevent Landlord from being or becoming a co-insurer within the terms of the policy or policies in question and in no event less than the full replacement value thereof, exclusive of the cost of foundations, excavations, and footings below the lowest basement floor, and without any deduction being made for depreciation. The amount of such insurance required hereunder shall be determined from time to time at the reasonable request of Landlord or Tenant (but not more frequently than once in every twenty-four (24) months by an architect, appraiser, appraisal company, the Marshall & Swift replacement cost evaluation, or one of the insurers, to be selected by Tenant, subject to Landlord's reasonable written approval, and paid by Tenant). At a date not less than thirty (30) days prior to the expiration dates of the expiring policies, originals or certificates or acceptable binders of the policies provided for in this Article VIII, each bearing notations evidencing payment of the premiums or other evidence of such payment satisfactory to Landlord, shall be delivered by Tenant to Landlord. All policies of such insurance and all renewals thereof shall name Landlord, the City of Wichita, and Tenant as insureds as their respective interests may appear, shall contain a provision that such insurance may not be cancelled or amended by the issuer thereof without at least thirty (30) days' written notice to Landlord and Tenant.

(2) Tenant will, throughout the life of this Lease, at its sole cost and expense, maintain, with respect to the Project, general accident and comprehensive general public liability insurance against loss or liability in connection with bodily injury, death, or property damage or destruction, occurring on or about the Project Premises under one or more policies of commercial general liability insurance. Each policy shall be written on an occurrence basis. The insurance coverage shall be in an initial amount of not less than \$1 million per occurrence limit, \$5 million general aggregate limit. Landlord and the City of Wichita shall be named as additional insureds under said policies, and such policies shall properly protect and indemnify Landlord and the City of Wichita in amounts not less than aforesaid. The policies of said insurance shall contain a provision that such insurance shall not be cancelled by the issuer thereof without at least thirty (30) days' advance written notice to Landlord and Tenant. Such policies or copies or certificates thereof shall be furnished to Landlord.

(3) Tenant will, throughout the life of this Lease, at its sole cost and expense, maintain workers' compensation insurance in an amount as required by law and employer's liability coverage of \$500,000 per occurrence and covering all persons employed, directly or indirectly, in connection with Tenant's business or the initial improvements or any future alterations.

(4) Before any substantial alterations are undertaken by or on behalf of Tenant, Tenant shall obtain and maintain, at its expense, or Tenant shall require any contractor performing work on the Project Premises to obtain and maintain, at no expense to Landlord, in addition to workers' compensation insurance as required by state law in which the Project Premises are located, all-risk builder's risk insurance in the amount of the replacement cost of the applicable alterations (or such other amount reasonably required by Landlord), automobile and commercial general liability insurance (including contractor's liability coverage, contractual liability coverage, completed operations coverage, broad form property damage coverage, and contractor's protective liability) written on an occurrence basis with a minimum limit of \$1 million per occurrence limit, which coverage limits may be effected with umbrella coverage.

(5) Tenant will, throughout the life of this Lease, at its sole cost and expense, maintain commercial automobile liability insurance with a limit of \$1 million per occurrence, covering owned, hired and non-owned automobiles. Coverage shall be on an "any auto" basis and written on an "occurrence" basis. This insurance will protect against claims arising out of the operation of motor vehicles, as to acts done in connection with this Agreement.

(6) Each policy of insurance hereinabove referred to may be adjusted in the event of future changes in the law and upon notice by the Landlord, the minimum levels of insurance required may be increased within the bounds of commercial reasonableness, in relation to Tenant's specific business operations, to the amount that may be required to provide coverage of the events described herein.

ARTICLE IX

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 9.01. Damage and Destruction.

In the event that the Project is damaged or destroyed in whole or in part by fire, lightning or any other peril or other casualty during the Term of this Agreement, this Agreement shall remain in full force and effect and Tenant shall proceed with due diligence to repair, restore, rebuild or replace said damaged or destroyed Project or parts thereof to as good condition as the same were in immediately prior to such damage or destruction, subject to such alterations as Tenant may elect to make as permitted in Article 4.08. All proceeds from the insurance policies described in Article VIII, above, related to such damage or destruction shall be applied to cover the cost of such repairs or restoration. Any proceeds not required for such costs shall be distributed to the parties in pro-rata distributions as their interests may appear based upon the fair market value of each party's interest at the time the proceeds are received. If Tenant and the Landlord mutually agree, Tenant may use the insurance proceeds to construct other facilities equal to those facilities not restored.

Section 9.02. Tenant's Election Not to Restore Damaged Property.

In the event that the Project is damaged or destroyed in whole or in part by fire, lightning or any other peril or other casualty during the Term of this Agreement, and such damage, destruction or loss is not capable of being repaired within one hundred eighty (180) days, Tenant shall have the election, indicated by written notice given to Landlord within one hundred eighty (180) days after the occurrence of such event, not to repair, restore, rebuild or replace the Project, such election to be effective as of the date of such damage, destruction or loss. All of the insurance proceeds shall be paid to Tenant and Landlord in pro-rata distributions as their interests may appear based upon the fair market value of each party's interest at the time the proceeds are received; provided, that in the event the renewal options are taken into account in the award, then Tenant's leasehold shall be valued for such purpose for the entire unexpired term of the Lease, including renewal options.

Section 9.03. Condemnation.

If, during the Term of this Agreement, title to substantially all of the Project is Condemned, this Agreement shall (subject to the following provisions of this Article), terminate on the date possession of substantially all of the Project is required to be surrendered to the condemning authority. A Condemnation which in Tenant's judgment renders the Project untenable or impairs the efficient utilization of the Project by Tenant shall be deemed a Condemnation of substantially all of the Project; provided, however, that Tenant agrees to be reasonable in exercising such judgment.

(1) Disposition of Awards Received – Full Condemnation.

In the event this Agreement shall terminate pursuant to Section 9.03 hereof, all awards received from the Condemnation of the Project during the Term of this Agreement shall be applied as follows: (a) Landlord and Tenant shall first receive an amount equal to all legal fees and other expenses and costs incurred by Landlord and Tenant in connection with such Condemnation and any other sums of money then due and owing by Tenant to Landlord under the terms of this Agreement, and (b) the balance shall belong and be paid to Landlord and Tenant, in pro-rata distributions as their interests may appear based upon the fair market value of each party's interest at the time the awards are received, provided that in the event the renewal options set forth herein are taken into account in the award, then Tenant's leasehold shall be valued for such purpose for the entire unexpired term of this Agreement, including all renewal options; and provided further that Tenant shall have the right to claim and recover, from the Condemning authority, compensation (including, but not limited to, damages awarded as compensation for diminution in value of the leasehold or to the fee of the Project) as may be separately awarded or recoverable by Tenant, in Tenant's own right, on account of any and all damage to Tenant's business by reason of the Condemnation, and for or on account of any cost or loss which Tenant might incur in removing Tenant's merchandise, furniture, fixtures, leasehold improvements and equipment.

(2) Condemnation Not Resulting in Termination. Except as provided in Section 9.03(1) hereof, a Condemnation of the Project or any part thereof shall not cause a termination of this Agreement or give Landlord or Tenant any right to terminate this Agreement, and neither the Term of this Agreement nor any of the obligations (including the payment of rentals) of either party under this Agreement shall be reduced or affected in any way.

(3) Disposition of Awards Received – Partial Condemnation. If the Project is Condemned in accordance with Section 9.03 (2) above, all awards received from such Condemnation of the Project, after any Mortgage and interest thereon have been paid in full, shall be applied in the same manner as provided in Section 9.03(1) hereof.

Section 9.04. Parties to Give Notice.

In the case of material damage to or destruction of all or any part of the Project, the Tenant shall give prompt notice thereof pursuant to Section 14.01 hereof. In the case of a taking or proposed taking of all or any part of the Project by Condemnation, the party hereto upon which notice of such taking or proposed taking is served shall also give prompt notice to the Landlord pursuant to Section 14.01 hereof. Any such notice shall describe generally the nature and extent of such damage, destruction, taking or proposed taking.

ARTICLE X

USE OF THE PROJECT

Section 10.01 Use of the Project; Compliance with Laws.

Subject to the provisions of this Article, Tenant shall have the right to use the Project for any and all purposes allowed by law and this Lease. Tenant shall comply with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities, now or hereafter applicable to the Project or to any adjoining public ways, as to the manner of use or the condition of the same or of adjoining public ways. Tenant shall maintain continuously all necessary licenses and certifications as required by law. Tenant shall comply with the mandatory requirements, rules and regulations of all insurers under the policies required to be carried under the provisions of Article VIII.

Section 10.02 Hotel Services.

Tenant shall, in the Hotel, have the right to and shall rent rooms, suites, conference suites and convention and other facilities and may provide other services incidental to and normally provided by a first-class hotel, including recreational facilities (such as a swimming pool or pools), gift and specialty shops, cigar and newsstands, barber and beauty shops, valet and laundry services, and any additional services which are now or may hereafter become incidental to the operation of first-class hotels.

Section 10.03 Food and Beverage Services.

Tenant shall, in the Hotel, have the right to and shall install and operate a coffee shop, a dining room, a bar/lounge facility and other facilities without limitation as to the number of facilities in which this is done, for the preparation, sale and service of food and beverages of all kinds for consumption in the Hotel as such service is incidental to the operation of a first-class hotel. Tenant agrees that each and all of such facilities shall be first-class.

Section 10.04 Pick-Up Service.

Tenant may operate automotive vehicles on the roads and streets of the Airport for courtesy pick-up and delivery service of its patrons to and from the Hotel, subject to the written rules and regulations developed for ground transportation vehicles operating on the Airport

Section 10.05 Hotel Telephone and Advertisement.

It is understood and agreed that telephone and advertisement privileges in the Airport terminal are provided pursuant to a separate agreement between Tenant and Landlord. If these services are provided in the Airport terminal, and space is available, Tenant shall be entitled to enter into an agreement with Landlord to provide these services pursuant to the terms included in the written agreement between Landlord and Tenant.

Section 10.06 Depository and Solicitation.

Tenant shall not act as an agent, custodian, or depository for anyone engaged in the business of renting cars, taxicabs, limousines or in any other similar activity or service whatsoever, nor permit the Hotel to be used for solicitation of such business except as provided for herein or authorized by the Director of Airports.

Section 10.07 Motor Vehicles; Parking.

Subject to rules and regulations promulgated by the Landlord and in compliance with Airport standards and regulations, Tenant is granted the right to operate administrative offices related to the Project, and park, load and unload service vehicles and automobiles belonging to Tenant, its employees physically working on the Project and others having business with Tenant, including guests and visitors. Parking and standing of such vehicles shall not be permitted on highways, roadways, or service areas adjacent to the Project Premises. Tenant shall not offer or permit, either for consideration or without charge, motor vehicle parking space to any person or business operation other than those provided above. Tenant and Landlord shall cooperate to prevent unauthorized parking of automobiles on the Project Premises.

Section 10.08 Hours of Operation.

Tenant shall offer its available sleeping accommodations in the Project not less than twenty-four (24) hours a day, seven (7) days a week. All other facilities and services shall be operated in the manner and during such hours and days as are customarily offered in first-class hotels in the Wichita, Kansas area.

Section 10.09 Personnel.

Tenant shall at all times retain an active, qualified, competent, and experienced manager, authorized to represent and act for Tenant, to supervise the Project. Tenant shall maintain a close check over attendants and employees to ensure the maintenance of a high standard of service to the public.

Section 10.10 Sanitary Condition of Project Premises and Equipment.

The Project and all equipment and materials used by Tenant in the operation of the Project shall at all times be clean and sanitary, in accordance with conditions of sanitation applicable to first-class hotels.

Section 10.11 Franchise.

Tenant covenants and agrees to use reasonable commercial efforts to keep in force at all times during the Term hereof the right and franchise to operate the Project as a Hilton hotel or other similar quality franchisee or licensee of a national hotel organization, subject to the reasonable approval of Landlord, pursuant to a written franchise or license agreement which shall be filed with the Director of Airports.

ARTICLE XI

TENANT'S COVENANTS

Section 11.01. Inspection and Access.

Tenant agrees that Landlord, upon delivery of at least twenty-four (24) hours' prior written notice to Tenant, except as may be provided otherwise in this Agreement, shall have the right to examine and inspect, and for that purpose to enter upon, the Project Premises, and shall also have such right of access thereto as may be reasonably necessary to cause the Project to be properly maintained in accordance with the terms and conditions of this Agreement.

Section 11.02. Annual Statement, Certificate of Compliance and Other Reports.

The Tenant covenants and agrees with Landlord, at Tenant's sole cost and expense, to furnish to Landlord the annual audited financial statements of Tenant within one hundred twenty (120) days after the end of each calendar year. In addition, during the Basic Term of this Agreement, Tenant shall, within fifteen (15) days from the end of each month, provide Landlord with monthly statements of Hotel occupancy and a report showing the monthly calculation of Parking Rentals. During any Option Term of this Agreement, Tenant shall, within fifteen (15) days from the end of each month, provide Landlord with a monthly report showing the Guest Room Sales and the Food and Beverage Sales for the respective month and a report showing the monthly calculation of Percentage Rentals, if applicable. Such statements and reports shall be in a form and contain information as may be reasonably agreed to by the parties.

Section 11.03. Indemnity by Tenant.

(1) Tenant will, to the fullest extent permitted by law, protect, indemnify and save Landlord and the City of Wichita, their respective officers, agents, and employees harmless from and against all liabilities, losses, damages, costs, expenses (including legal fees), taxes, causes of action, suits, claims, demands and judgments of any nature arising from:

(a) any injury to or death of any person or damage to property in or upon the Project Premises or growing out of or connected with the use, non-use, condition or occupancy of the Project or any part thereof, including any and all acts or operations relating to the construction or installation of property or improvements; provided, however, that such injury, death, or damage is not caused by or related to the gross negligence, recklessness, or willful misconduct of Landlord. The foregoing indemnification obligations shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Tenant, customers, suppliers or affiliated organizations under any workers' compensation acts, disability benefit acts or other employee benefit acts;

(b) violation of any agreement, provision or condition of this Agreement by the Tenant;

(c) violation of any contract, agreement or restriction relating to the Project which shall have existed at the Date of this Agreement, and has been disclosed to the Tenant, and which shall have been approved in writing by the Tenant;

(d) violation of any law, ordinance, court order or regulation affecting the Project or any part thereof or the ownership, occupancy or use thereof;

(2) Promptly after receipt by Landlord or any other person indemnified hereunder, as the case may be, of notice of the commencement of any action with respect to which indemnity may be sought against Tenant under this Section, such person will notify Tenant in writing of the commencement thereof, and, subject to the provisions hereinafter stated, Tenant shall assume the defense of such action (including the employment of counsel, who shall be counsel satisfactory to Landlord or such other person as the case may be, and the payment of expenses). Insofar as such action shall relate to any alleged liability with respect to which indemnity may be sought against Tenant, Landlord or any such other indemnified person shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of Tenant unless the employment of such counsel has been specifically authorized by Tenant. Tenant shall not be liable to indemnify any person for any settlement of any such action effected without its written consent.

(3) The provisions of this Section shall survive the termination of this Agreement for any reason.

Section 11.04. Status of Tenant.

Throughout the Term of this Agreement, Tenant will maintain its existence as a limited partnership or other appropriate legal entity organized under the laws of the State of Kansas in good standing and will not wind up or otherwise dispose of all or substantially all of its assets except as provided in this Agreement. In addition, if Tenant sells or otherwise transfers all or substantially all of its assets to another person, as provided in this Agreement, such person, by written instrument delivered to Landlord, must assume all of the obligations of Tenant under this Agreement. Every such transferee person or entity shall be bound by all of the covenants and agreements of the Tenant herein with respect to any further sale or transfer and shall continue to operate the Project as a Hilton hotel or other similar quality franchisee or licensee of a national hotel organization.

Section 11.05. FAA Requirements.

Landlord and Tenant further agree that the requirements of the FAA set out below are approved by both parties, and, if applicable, Tenant agrees to comply with all FAA requirements with respect to its operations, the use of the Airport and this Agreement.

(1) The Tenant, for itself and its representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the Project Premises that, in the event facilities are constructed, maintained or otherwise operated on the Project Premises for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, as said regulations may be amended.

(2) The Tenant, for itself and its representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the Project Premises that: (a) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (b) that in the construction of any improvements on, over, or under such Project Premises and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (c) that the Tenant shall use the Project Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, as said regulations may be amended.

(3) It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of 49 U.S.C. Section 40103(c), as amended (formerly Section 308 of the Federal Aviation Act of 1958, as amended).

(4) Tenant agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, however, that Tenant may make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

(5) Landlord reserves the right (but shall not be obligated to Tenant) to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Tenant in this regard.

(6) Landlord reserves the right to develop or improve the landing area and all publicly-owned air navigation facilities of the Airport as it sees fit, regardless of the desires or views of Tenant, and without interference or hindrance.

(7) Landlord reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent Tenant from erecting, or

permitting to be erected, any building or other structure on the Airport which, in the opinion of Landlord would limit the usefulness of the Airport or constitute a hazard to aircraft.

(8) During times of war or national emergency, Landlord shall have the right to enter into an agreement with the United States Government for military or naval use of part or all of the landing area, the publicly-owned air navigation facilities and/or other areas or facilities of the Airport. If any such agreement is executed, the provisions of this Agreement, insofar as they are inconsistent with the provisions of the agreement with the United States Government, shall be suspended.

(9) It is understood and agreed that the rights granted by this Agreement will not be exercised in such a way as to interfere with or adversely affect the use, operation, maintenance or development of the Airport.

(10) There is hereby reserved to Landlord, its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Project Premises, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft now known or hereafter used for navigation of or flight in the air, using said airspace or landing at, taking off from or operating on or about the Airport.

Section 11.06. Modifications to Comply with FAA Requirements.

In the event that the FAA requires modifications to this Agreement as a condition precedent to granting of funds for the improvement of the Airport or to otherwise comply with the rules and regulations of the FAA, the Tenant agrees to consent to such reasonable amendments, modifications, revisions, supplements or deletions of any of the terms, conditions, or requirements of this Agreement as may be reasonably required to enable Landlord to obtain said FAA funds or to comply with the rules and regulations of the FAA. Unless required by law or by applicable FAA rules or regulations, Landlord shall not adopt rules, regulations, orders or restrictions which will unreasonably interfere with Tenant's use of the Project in the manner contemplated by this Agreement. Rules, regulations, orders or restrictions shall be deemed to unreasonably interfere with Tenant's use of the Project if, for example, they materially impair the rights of Tenant hereunder or materially increase its obligations hereunder or otherwise materially impair its ability to derive income from its primary business in connection with operation of the Project.

Section 11.07. Equal Employment Opportunity.

Tenant covenants and agrees for itself, its principals, if any, successors and assigns that it shall not discriminate against any person or group thereof upon the basis of race, color, religion, sex or national origin in its use or occupancy of the Project, and Tenant further agrees that, without limitation, it shall be bound by, among others, the following duties and obligations in its use or occupancy of the Project:

(1) The Tenant will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. Tenant will take affirmative action to insure that the applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, disability, and age except where age is a bona fide occupational qualification, ancestry or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or terminations; rates of pay or other

forms of compensation; and selection for training, including apprenticeship. The Tenant agrees to post in conspicuous places available to employees and applicants for employment notice setting forth the provisions of this nondiscrimination clause.

(2) Tenant will, in all solicitation or advertisements for employees placed by or on behalf of Tenant, state that all qualified applicants shall receive consideration for employment without regard to race, color, religion, sex or national origin.

(3) Tenant will send to each labor union or representative of workers with which they have a collective bargaining agreement or other contract of understanding a notice to be provided advising the labor union or worker's representative of Tenant's commitments to equal employment opportunity and nondiscriminatory treatment of persons or groups of persons as above defined, and Tenant shall post copies in conspicuous places available to employees and applicants for employment.

(4) Tenant will comply with all provisions of the Civil Rights Act of 1964, as amended, 42 United States Code 2000, et seq.; Executive Order 11246, as amended, as well as the rules and regulations issued pursuant thereto; the Kansas Act against Discrimination, K.S.A. 44-1001, et seq., as amended; and any resolutions of the City of Wichita, Kansas presently existing or to be hereinafter enacted providing for equal employment opportunity and nondiscrimination for all persons.

(5) Tenant will furnish all information and reports required by the federal, state and municipal laws last above mentioned, and by the rules, regulations and orders issued pursuant thereto, and will permit access to its books, records and accounts by Landlord for the purpose of investigation to ascertain compliance with such laws.

(6) In the event of noncompliance with any of the requirements of this Section or with any of the said rules, regulations or orders, Tenant acknowledges that it may be declared ineligible for use of industrial revenue bonds as may be issued by Landlord from time to time. Landlord shall in such case be also entitled to the use of such other sanctions as may be imposed or remedies provided by law, including equitable relief in the nature of injunction or other appropriate remedies, provided that in no event shall breach or violation of any of the requirements of this Section, or any of said rules, regulations or orders be deemed an Event of Default under this Agreement. In the event Tenant is found to have breached or violated any of the requirements of this Section, any costs or expenses incurred by Landlord in the course of enforcing the same shall be reimbursed by Tenant as a payment of indemnity pursuant to Section 11.03.

Section 11.08. Surrender of Possession.

(1) Tenant covenants and agrees that, at the expiration of the term or earlier termination hereof, it will surrender possession of the Project peaceably and in good condition, wear and tear accepted, and Landlord shall have the right to take possession thereof at such time with or without due process of law.

(2) Unless Landlord shall have consented in writing to Tenant's holding over, Tenant shall be liable to Landlord for all damages, including any consequential damages, that Landlord may suffer by reason of any holding over by Tenant, and Tenant shall indemnify, defend, and save Landlord harmless against all costs, claims, loss, or liability resulting from delay by Tenant in so surrendering the Project Premises, including any claims made by any succeeding Tenant founded on any delay. No holding over by Tenant or payments of money by Tenant to Landlord after the expiration of the Term of this Agreement

shall be construed to extend the Term of this Agreement or prevent Landlord from immediate recovery of possession of the Project Premises. Tenant shall also repair any damage to the Project Premises caused by removal of its personal property. On fifteen (15) days written notice, any items of Tenant's property that shall remain in the Project Premises after the expiration or sooner termination of the Term of this Agreement, may, at the option of Landlord, be deemed to have been abandoned, and in that case, those items may be retained by Landlord as its property to be disposed of by Landlord, without accountability to Tenant or any other party, in the manner Landlord shall determine, at Tenant's expense.

ARTICLE XII

SUBLEASE AND ASSIGNMENT

Section 12.01 Sublease by Tenant.

Tenant may sublease the Project, or any part thereof, with the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. In the event of such subleasing, Tenant shall remain fully liable for the performance of its duties and obligations hereunder, and no such subleasing and no dealings or transactions between Landlord and any such subtenant shall relieve Tenant of any of its duties and obligations hereunder. Notwithstanding the provisions of the foregoing sentence, Tenant may, without Landlord's consent, let rooms for temporary occupancy by guests in the normal course of Tenant's hotel business, and sublease areas not greater than 2,000 square feet per unit to shopkeepers, merchants, vendors or concessionaires, subject to the other provisions of this Agreement.

Section 12.02 Assignment by Tenant.

Tenant may assign its interest in this Agreement with the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. In the event of any such assignment, Tenant shall remain fully liable for the performance of its duties and obligations hereunder, except to the extent hereinafter provided, and no such assignment and no dealings or transactions between Landlord and any such assignee shall relieve Tenant of any of its duties and obligations hereunder, except as may be otherwise provided in Section 12.03 hereof.

Section 12.03. Release of Tenant.

If, in connection with an assignment by Tenant of its interests in this Agreement, (1) the Landlord and the holders of any Mortgage shall consent in writing to such assignment, and (2) the proposed assignee shall expressly assume and agree to perform all of the obligations of Tenant under this Agreement and any Mortgage, then Tenant shall be fully released from all obligations, duties and responsibilities accruing hereunder and under any said Mortgage after the date of such assignment.

Section 12.04. Sale by Tenant.

Tenant shall have the right to sell, transfer or otherwise dispose of its interest in the Project to a purchaser provided that such purchaser (or its employees and/or managers) (i) is experienced in the operation of similar properties and has financial capability equal to or greater than that of Tenant; (ii) has not been convicted of a crime involving fraud; or (iii) has not filed for bankruptcy within the three (3) years immediately preceding such purchase or been the subject of a receivership or other proceeding for

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the benefit of creditors.

ARTICLE XIII

EVENTS OF DEFAULT AND REMEDIES

Section 13.01. Events of Default.

Any one or more of the following events is an Event of Default under this Agreement, and the term “Event of Default,” wherever used herein, means any one of the following events, whatever the reason for such default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body:

(1) if Tenant shall fail to pay any Ground Rentals, Parking Rentals, and Percentage Rentals or Option Period Ground Rent due as set forth in Section 3.04 and such failure shall not be cured within the period permitted in Section 13.13;

(2) if Tenant shall fail in any respect to observe and perform or shall breach in any respect any other covenant, condition or agreement on its part under this Agreement and shall fail to remedy such default or breach within thirty (30) days after confirmed delivery of a written notice to it by Landlord, specifying such default or breach and requesting that it be remedied, or such longer period of time (up to an additional thirty (30) days) as may be necessary to remedy such default or breach provided that (a) the default or breach in question is able to be remedied; (b) Tenant has commenced action during the thirty (30) days necessary to remedy such default or breach; and (c) Tenant is proceeding with reasonable diligence to remedy the default or breach;

(3) if an Act of Bankruptcy shall occur with respect to Tenant or any of its general partners (for purposes of this Agreement, a petition in bankruptcy shall be deemed dismissed only if the petition is dismissed by order of a court of competent jurisdiction and no further appeal rights exist from such order);

(4) if the partnership agreement of Tenant or any general partner thereof shall expire or be annulled; or if Tenant shall be dissolved or liquidated (other than when a new entity assumes the obligations of Tenant under the conditions permitting such action as set forth herein), or when dissolution occurs as a result of the death or disability of the sole general partner (other than under circumstances where action is taken in accordance with the partnership agreement to reconstitute the partnership);

(5) if any representation or warranty made by Tenant herein, or by the general partners or by any general partner or shareholder thereof or by any other representatives of Tenant in any document or certificate furnished Landlord, in connection herewith or therewith or pursuant hereto or thereto shall prove at any time to be, in any material respect, adversely incorrect or misleading as of the date made.

Section 13.02. Remedies.

(1) Whenever any Event of Default shall have occurred and be continuing, any one or more of the following remedial steps may also be taken to the extent permitted by law:

(a) the Landlord may take whatever action at law or in equity may appear necessary or appropriate to collect all sums then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement, covenant, representation or warranty of Tenant under this Agreement, any Mortgage or other Related Document, or to otherwise compensate Landlord for any damages on account of such Event of Default; and

(b) the Landlord may take whatever action at law or in equity may appear necessary or appropriate to enforce its rights of indemnification under Section 11.03 and to collect all sums then due and thereafter to become due to Landlord under this Agreement; provided that Landlord will not take any action which would prejudice the rights of the holder of any Mortgage.

Section 13.03. Nonexclusive Remedies.

No remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Landlord to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required or as may be required by law.

Section 13.04. Legal Fees and Expenses.

If an Event of Default shall exist under this Agreement, subject to the final conclusion of any legal or other proceeding to determine whether such Event of Default exists or to resolve such issue, and the Landlord employs attorneys or incurs other expenses for the collection of any amounts due hereunder, or for the enforcement of performance of any obligation or agreement on the part of Tenant, Tenant shall upon demand pay to Landlord the reasonable fees of such attorneys and such other expenses so incurred.

Section 13.05. Effect of Waiver.

No failure by either party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach or any other covenant, duty, agreement, or condition. One or more waivers of any covenant or condition of this Agreement by either party shall not be construed as a waiver of a further breach of the same covenant or condition.

Section 13.06. Waiver of Stay or Extension.

Tenant covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any appraisal, valuation, stay, or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants in, or the performance of, this Agreement; and Tenant (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder,

delay or impede the execution of any power herein granted to Landlord, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 13.07. Landlord May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to Tenant or the property of Tenant, Landlord shall be entitled and empowered, by intervention in such proceeding or otherwise:

(1) to file and prove a claim and to file such other papers or documents as may be necessary or advisable in order to have the claims of Landlord (including any claim for the reasonable compensation, expenses, disbursements and advances of Landlord and its agents and counsel) allowed in such judicial proceeding, and

(2) to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute the same.

Section 13.08. Restoration of Positions.

If Landlord has instituted any proceeding to enforce any right or remedy under this Agreement, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to Landlord, then and in every such case Tenant and Landlord shall, subject to any determination in the proceeding, be restored to the positions they held prior to commencement of such proceedings, and thereafter all rights and remedies of Tenant and Landlord shall continue as though no such proceeding had been instituted.

Section 13.09. Suits to Protect the Project.

In the event that Tenant commits any acts which may be unlawful or in violation of this Agreement and thereafter fails to cure such breach within thirty (30) days' prior written notice of such breach from Landlord, Landlord shall have the power to institute and to maintain such proceedings as it may deem reasonably expedient to prevent any impairment of the Project or any portion thereof, and such suits and proceedings as Landlord may deem reasonably expedient to protect its interests in the Project or any portion thereof, including power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order, if the enforcement of, or compliance with such enactment, rule or order would impair or adversely affect the Project.

Section 13.10. Performance by Third Parties.

Landlord may permit third parties to perform any and all acts or take such action as may be necessary for and on behalf of the Tenant to cure any Event of Default hereunder. The acceptance by Landlord of any such performance by third parties shall not in any way diminish or absolve Tenant of primary liability hereunder.

Section 13.11. Third Party Rights.

It is specifically agreed between the parties that it is not intended by any of the provisions of any part of this Agreement to create the public or any member thereof a third-party beneficiary hereunder, or to authorize anyone not a party to this Agreement to maintain a suit for damages pursuant to the terms or provisions of this Agreement.

Section 13.12. Non-Recourse Obligation.

The personal liability of Tenant and the partners of Tenant for non-payment of Rental Payments shall be limited to the Project and any other collateral securing performance of Tenant's obligations under this Agreement. Notwithstanding the foregoing, Tenant and its general partners and any general partners or shareholders of such general partners shall not be exonerated or exculpated for any loss or deficiency suffered or sustained by Landlord as a result of:

(1) any fraud by Tenant, any of its general partners or any general partner or shareholder of a general partner with regard to any matter relating to the financing evidenced and secured by any Mortgage; or

(2) Misapplication of insurance or Condemnation proceeds.

Section 13.13. Notice of Tenant's Failure to Pay Rentals.

Should Tenant fail to pay Ground Rentals, Parking Rentals, and Percentage Rentals or Option Period Ground Rent to Landlord in the amounts and at the times specified pursuant to Section 3.04 hereof, Landlord shall give written notice to Tenant of such failure within five (5) business days of the date such payment was due and Tenant shall have thirty (30) days following receipt of such notice to cure such defect. Landlord shall not terminate this Agreement due to Tenant's failure to pay such rentals until the expiration of such 30-day cure period.

Notwithstanding anything to the contrary in this Agreement or in any Mortgage, until such time as any outstanding mortgage debt has been paid in full or otherwise discharged, and all obligations of Tenant to the holders of any Mortgage have been fully satisfied, Landlord shall have no right to accelerate any payments due hereunder, to terminate this Agreement or otherwise limit or restrict the rights of Tenant, its successors or assigns (including without limitation the holders of any Mortgage or any other purchaser at a foreclosure sale under any Mortgage) to the use, enjoyment and benefit of the Project except as pursuant to the terms and conditions of this Agreement.

ARTICLE XIV

GENERAL PROVISIONS

Section 14.01. Notices.

All notices, certificates or other communications hereunder shall be in writing and shall be deemed effective: (i) upon delivery, if delivered in person; (ii) one (1) day after delivery to Federal Express or other similar courier service, marked for next day delivery, addressed as set forth below; (iii) three (3) days after deposit in the United States mail if sent by registered or certified mail, return receipt requested, addressed as set forth below; or (iv) upon being sent by facsimile transmission, provided an original is mailed the same day by registered or certified mail, return receipt requested, addressed as set forth below. By executing this Agreement, the parties are consenting to all of the foregoing methods of delivery of notice. All parties listed below may, by written notice given to the others, designate any address or addresses to which notices, certificates or other communications to them shall be sent when required as contemplated by this Agreement. Any notice, certificate, report, financial statement or other communication properly provided by legal counsel on behalf of any party hereunder shall be deemed properly provided by the party represented by such counsel. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

| | |
|------------------|--|
| To the Landlord: | The Wichita Airport Authority of the City of Wichita, Kansas 2173 Air Cargo Road P.O. Box 9130 Wichita, Kansas 67277-0130 Attention: Director of Airports Telephone: (316) 946-4700 Facsimile: (316) 946-4793 |
| To the Tenant: | Wichita Airport Hotel Associates, L.P. c/o Innco Investment Company 7300 West 110 th Street Suite 990 Overland Park, Kansas 66210 Telephone: (913) 451-1300 Facsimile: (913) 451-6072 |
| w/a copy to: | Hinkle Elkouri Law Firm L.L.C. 301 North Main, Suite 2000 Wichita, Kansas 67202 Attention: David S. Elkouri Telephone: (316) 267-2000 Facsimile: (316) 264-1518 |

w/a copy to: Hilton Wichita Airport Hotel
2098 Airport Road
Wichita, Kansas 67209
Attention: General Manager
Telephone: (316) 945-5272
Facsimile: (316) 945-7620

Section 1.02. Binding Effect.

This Agreement shall inure to the benefit of and shall be binding upon the Landlord and Tenant and their respective successors and assigns.

Section 14.03. Complete Agreement.

The Landlord and the Tenant understand that oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect Landlord and Tenant from misunderstanding or disappointment, any agreements Landlord and Tenant reach covering such matters are contained in this Agreement and the Related Documents, which are the complete and exclusive statement of the agreement between Landlord and Tenant, except as Landlord and Tenant may later agree in writing to modify this Agreement.

Section 14.04. Severability.

In the event any provisions of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.05. Amendments, Changes, and Modifications.

Except as otherwise provided in this Agreement, this Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of Landlord and Tenant.

Section 14.06. Execution in Counterparts.

This Agreement may be executed in any number of counterparts (including execution by facsimile), each of which shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument, but only one of which need be produced.

Section 14.07. Required Approvals.

Consents and approvals required by this Agreement to be obtained from Tenant or Landlord shall be in writing and shall not be unreasonably withheld or delayed.

Section 14.08. Limitation on Landlord's Liability.

No agreements or provisions contained in this Agreement nor any agreement, covenant or undertaking by Landlord contained in any document executed by Landlord in connection with the Project shall give rise to any pecuniary liability of Landlord or a charge against its general credit or taxing powers, or shall obligate Landlord financially in any way. No failure of Landlord to comply with any term, condition, covenant or agreement herein shall subject Landlord to liability for any claim for damages, costs or other financial or pecuniary charge except to the extent that the same can be paid or recovered from the Project or revenues therefrom; and no execution of any claim, demand, cause of action or judgment shall be levied upon or collected from the general credit, general funds or taxing powers of Landlord. Nothing herein shall preclude a proper party in interest from seeking and obtaining specific performance against Landlord for any failure to comply with any term, condition, covenant or agreement herein; provided, that no costs, expenses or other monetary-relief shall be recoverable from Landlord except as may be payable from the Project or its revenues.

Section 14.09. Representations of Tenant.

All representations made in this Agreement by Tenant are based on Tenant's independent investigation of the facts and law, and accordingly no such representations are made in reliance upon any representations made or legal advice given by Landlord or any of its agents, officers or employees.

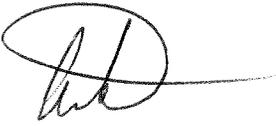
[Signature pages follow.]

IN WITNESS WHEREOF, the Landlord and the Tenant have caused this Agreement to be executed by their duly authorized officers.

THE WICHITA AIRPORT AUTHORITY OF THE CITY OF WICHITA, KANSAS

(SEAL)

By: 
Carl Brewer, Mayor

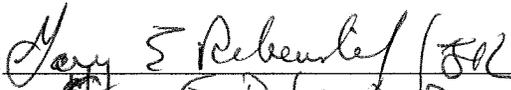
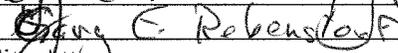
By: 
Victor White, Director of Airports

ATTEST:


Karen Schubert, CMC
Clerk



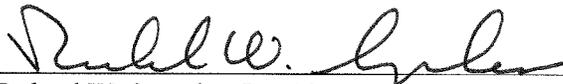
APPROVED AS TO FORM BY CITY ATTORNEY:

By: 
Name: 
Title: City Attorney

WICHITA AIRPORT HOTEL ASSOCIATES,
L.P., a Kansas Limited Partnership

By: Innco Properties, L.P., a Kansas Limited Partnership,
General Partner

By: Innco Investment Company, a Kansas corporation, its
General Partner

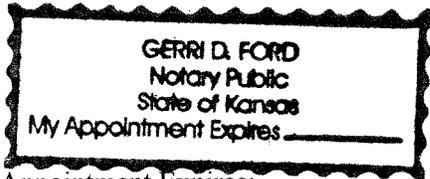
By: 
Roland W. Samples, President

ACKNOWLEDGMENTS

STATE OF KANSAS)
) SS:
COUNTY OF SEDGWICK)

BE IT REMEMBERED that on this 5th day of June, 2007, before me a Notary Public in and for said County and State, came Carl Brewer Mayor, _____ and Karen Sublett, Clerk of the Wichita Airport Authority of the City of Wichita, Kansas, a quasi-governmental entity and the Landlord hereunder, who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said entity and such persons duly acknowledged the execution of the same to be the act and deed of said entity.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



By: [Signature]
Notary Public

My Appointment Expires:
7-29-2007

ACKNOWLEDGMENTS

STATE OF KANSAS)
)
COUNTY OF JOHNSON) SS:

BE IT REMEMBERED that on this 18th day of June, 2007, before me a Notary Public in and for said County and State, came Roland W. Samples, President of Innco Investment Company, a Kansas corporation, which corporation is the managing General Partner of Innco Properties, L.P., a Kansas limited partnership, which limited partnership is the managing General Partner of Wichita Airport Hotel Associates, L.P., a Kansas limited partnership and the Tenant hereunder, who is personally known to me to be such person, and who is personally known to me to be the same person who executed the within instrument on behalf of said limited partnership, and such person duly acknowledged the execution of the same to be the act and deed of said partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

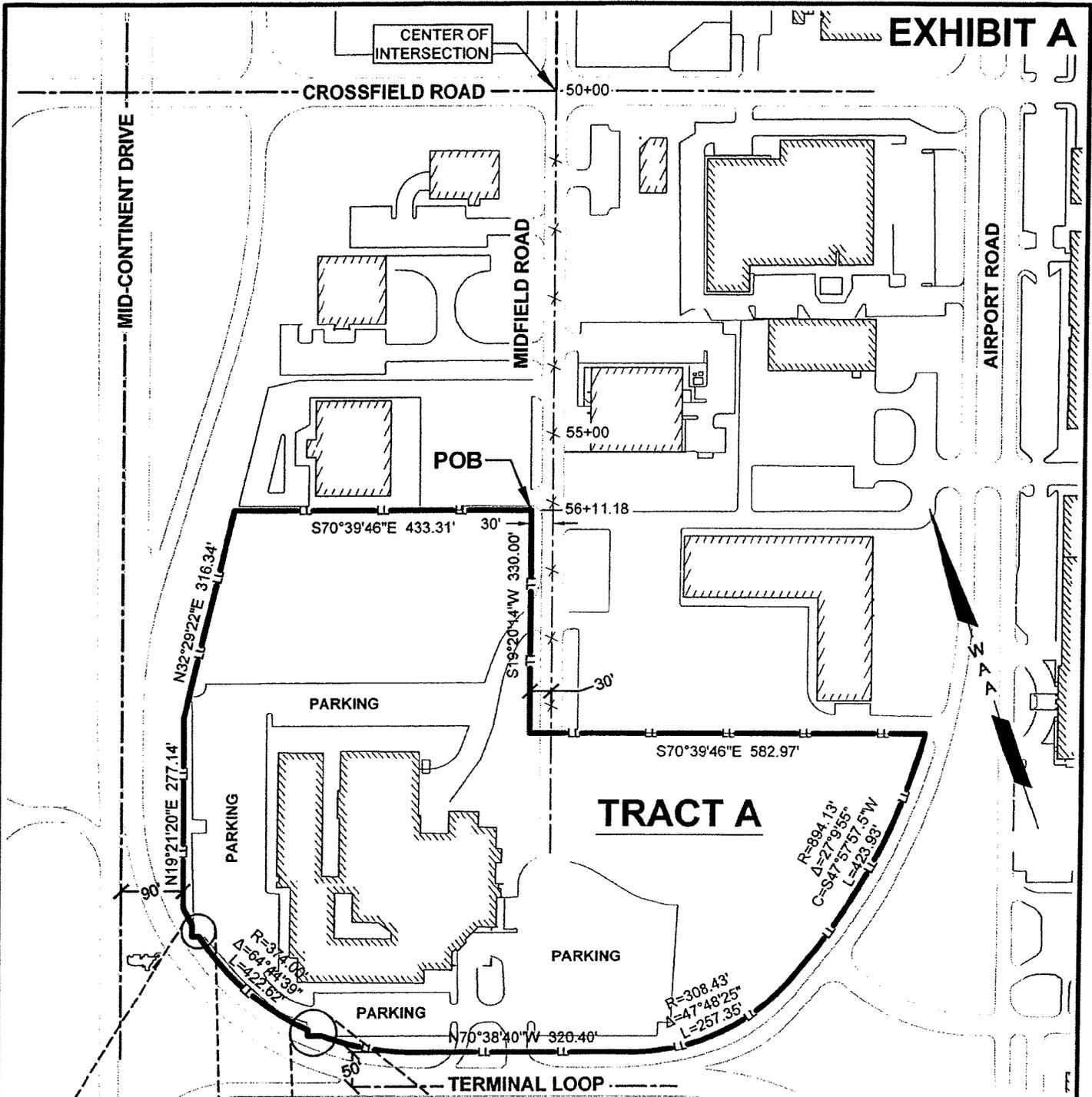


Annette L Barnes
Notary Public

My Appointment Expires:

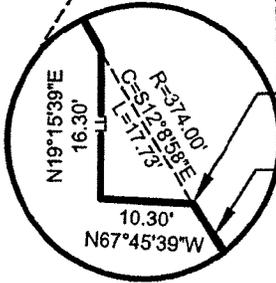
10-29-09

EXHIBIT A



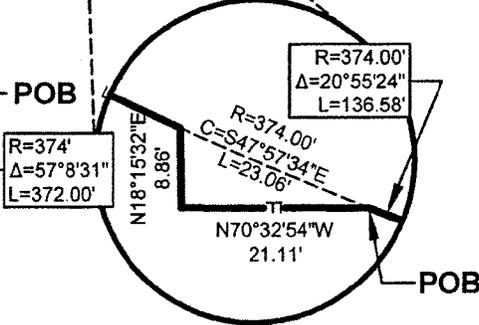
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NOTE:
REFERENCE "EXHIBIT B" FOR
BOUNDARY DESCRIPTION



TRACT C

SCALE 1" = 20'



TRACT B

SCALE 1" = 20'

| | | | |
|--|--------|-----------|--------|
| 2098 AIRPORT ROAD | | | |
| HILTON INN LEASE | | | |
| WICHITA MID-CONTINENT AIRPORT | | | |
| THE WICHITA AIRPORT AUTHORITY WICHITA, KANSAS | | | |
| DATE | DR. BY | SCALE | SHEET |
| 5/23/07 | H.G.O. | 1" = 200' | 1 of 2 |

Project Description

EXHIBIT B

Tract A:

That portion of Reserve F, in Wichita Municipal Airport Addition to Wichita, Kansas, Sedgwick County, Kansas, described as: **Beginning** at a point 30 feet right of STA. 56+11.18 of the proposed Midfield Road, Said point being 2727.71 feet South and 565.77 feet West (Grid System) of the Southeast corner of Section 28, T27S, R1W, of the Sixth Principal Meridian, Sedgwick County, Kansas; Thence bearing S19°20'14"W along the West right-of-way line of said Midfield Road a distance of 330.0 feet; Thence bearing S70°39'46"E a distance of 582.97 feet to a point on a curve to the Right having a radius of 894.13 feet; Thence along said curve to the Right, through a central angle of 27°09'55", with a chord bearing S47°57'57.5"W, an arc distance of 423.93 feet to the point of compound curvature of a curve to the Right having a radius of 308.43 feet; Thence along said curve to the Right, through a central angle of 47°48'25", an arc distance of 257.35 feet; Thence bearing N70°38'40"W a distance of 320.40 feet to the point of curvature of a curve to the Right having a radius of 374.0 feet; Thence along said curve to the Right, through a central angle of 64°44'39", an arc distance of 422.62 feet to an intersection of said curve to the Right and a line bearing N19°21'20"E; Thence bearing N19°21'20"E a distance of 277.14 feet; Thence bearing N32°29'22"E a distance of 316.34 feet; Thence bearing S70°39'46"E a distance of 433.31 feet to the **Point of Beginning**.

Tract B:

That portion of Reserve F, in Wichita Municipal Airport Addition to Wichita, Kansas, Sedgwick County, Kansas, described as: Commencing at a point 30 feet right of STA. 56+11.18 of the proposed Midfield Road, said point being 2727.71 feet South and 565.77 feet West (Grid System) of the Southeast corner of Section 28, T27S, R1W, of the Sixth Principal Meridian, Sedgwick County, Kansas; Thence bearing S19°20'14"W along the West right-of-way line of said Midfield Road a distance of 330.0 feet; Thence bearing S70°39'46"E a distance of 582.97 feet to a point on a curve to the Right having a radius of 894.13 feet; Thence along said curve to the Right, through a central angle of 27°09'55", with a chord bearing S47°57'57.5"W, an arc distance of 423.93 feet to the point of compound curvature of a curve to the Right having a radius of 308.43 feet; Thence along said curve to the Right, through a central angle of 47°48'25", an arc distance of 257.35 feet; Thence bearing N70°38'40"W a distance of 320.40 feet to the point of curvature of a curve to the Right having a radius of 374.0 feet; Thence along said curve to the Right, through a central angle of 20°55'24", an arc distance of 136.58 feet to the **Point of Beginning**; Thence bearing N70°32'54"W a distance of 21.11 feet; Thence bearing N18°15'32"E a distance of 8.86 feet to the point on a curve to the Left having a radius of 374.0 feet; Thence along said curve an arc distance of 23.06 feet and a chord that bears S47°57'34"E to the **Point of Beginning**.

Tract C:

That portion of Reserve F, in Wichita Municipal Airport Addition to Wichita, Kansas, Sedgwick County, Kansas, described as: Commencing at a point 30 feet right of STA. 56+11.18 of the proposed Midfield Road, said point being 2727.71 feet South and 565.77 feet West (Grid System) of the Southeast corner of Section 28, T27S, R1W, of the Sixth Principal Meridian, Sedgwick County, Kansas; Thence bearing S19°20'14"W along the West right-of-way line of said Midfield Road a distance of 330.0 feet; Thence bearing S70°39'46"E a distance of 582.97 feet to a point on a curve to the Right having a radius of 894.13 feet; Thence along said curve to the Right, through a central angle of 27°09'55", with a chord bearing S47°57'57.5"W, an arc distance of 423.93 feet to the point of compound curvature of a curve to the Right having a radius of 308.43 feet; Thence along said curve to the Right, through a central angle of 47°48'25", an arc distance of 257.35 feet; Thence bearing N70°38'40"W a distance of 320.40 feet to the point of curvature of a curve to the Right having a radius of 374.0 feet; Thence along said curve to the Right, through a central angle of 57°08'31", an arc distance of 372.00 feet to the **Point of Beginning**; Thence bearing N67°45'39"W a distance of 10.30 feet; Thence bearing N19°15'39"E a distance of 16.30 feet to the point on a curve to the Left having a radius of 374.0 feet; Thence along said curve an arc distance of 17.73 feet and a chord that bears S12°08'58"E to the **Point of Beginning**.

| | | | |
|--|--------|-------|--------|
| 2098 AIRPORT ROAD | | | |
| HILTON INN LEASE | | | |
| WICHITA MID-CONTINENT AIRPORT | | | |
| THE WICHITA AIRPORT AUTHORITY WICHITA, KANSAS | | | |
| DATE | DR. BY | SCALE | SHEET |
| 5/23/07 | H.G.O. | N/A | 2 of 2 |

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EXHIBIT C

SCHEDULE OF RENTALS
(Wichita Airport Hotel Associates, L.P. Project)

PART I
GROUND RENTALS

Tenant shall pay to Landlord, as and for the Ground Rentals due and payable pursuant to Section 3.04 of this Agreement, the aggregate of the sums set forth below (and subject to adjustment as described herein) computed on the basis of the areas of Parcels 1, 2 and 3 of Tract A of Exhibit B as follows:

| | | |
|-----------|--|--------------------|
| Parcel 1: | 248,373 square feet at \$.065/sq.ft. | \$16,144.25 |
| Parcel 2: | 86,565 square feet at \$.065/sq.ft. | \$5,626.73 |
| Parcel 3: | 253,993 square feet at \$.035/sq.ft. | \$8,889.76 |
| | <u>Aggregate Annual Ground Rentals</u> | <u>\$30,660.74</u> |

No Ground Rentals shall be payable with respect to Tracts B and C described in Exhibit B.

Tenant shall pay the aggregate annual Ground Rentals directly to Landlord for its own account on or before June 1, 2007 and on or before June 1 in each year during the term of the Agreement including all extensions thereof.

The respective rates for computation of the Ground Rentals set forth above shall be adjusted and increased by \$.005 per square foot effective for the Ground Rental Payment due June 1, 2010 and by a like additional amount on June 1, 2015, 2020 and 2025. In the event additional guest rooms or Additions are constructed in the future upon a portion of Parcel 3, the rate per square foot for the portion of Parcel 3 so occupied shall be increased to a rate equal to the rate applicable to Parcels 1 and 2 for purposes of computing the annual Ground Rental due on the June 1 subsequent to completion of such additional units and on each June 1 thereafter so long as this Agreement remains in effect.

In the event that all or a portion of the Percentage Rentals set forth in Part III of Exhibit C are subordinated to bond or mortgaging financing payments during any Option Term, rental payments to Landlord shall be the greater of the Option Period Ground Rental payments or any Percentage Rentals remaining after the required bond or mortgage financing payments. Option Period Ground Rental payments commencing June 1, 2030, if implemented, shall be the sums as set forth below (and subject to adjustments as described herein) computed on the basis of the areas of Parcel 1, 2 and 3 of Tract A of Exhibit B as follows:

| PERIOD | Rates Per Sq Ft | | Parcel 1 | Parcel 2 | Parcel 3 | Total |
|-------------------------|-----------------|-----------|---------------|--------------|---------------|-------------|
| | Parcel 1 & 2 | Parcel 3 | 248,373 sq ft | 86,565 sq ft | 253,993 sq ft | Annual Rent |
| 06-1-2030 to 11-30-2033 | \$ 0.2409 | \$ 0.1205 | \$ 59,833 | \$ 20,854 | \$ 30,606 | \$ 111,293 |
| 12-1-2033 to 11-30-2038 | \$ 0.2529 | \$ 0.1265 | \$ 62,814 | \$ 21,892 | \$ 32,130 | \$ 116,836 |
| 12-1-2038 to 11-30-2043 | \$ 0.2655 | \$ 0.1328 | \$ 65,943 | \$ 22,983 | \$ 33,730 | \$ 122,656 |
| 12-1-2043 to 11-30-2048 | \$ 0.2788 | \$ 0.1394 | \$ 69,246 | \$ 24,134 | \$ 35,407 | \$ 128,787 |
| 12-1-2048 to 11-30-2053 | \$ 0.2927 | \$ 0.1464 | \$ 72,699 | \$ 25,338 | \$ 37,185 | \$ 135,222 |
| 12-1-2053 to 05-31-2057 | \$ 0.3074 | \$ 0.1537 | \$ 76,350 | \$ 26,610 | \$ 39,039 | \$ 141,999 |

Said Option Period Ground Rental, if any due herein, shall be paid annually on June 1 of each year during the Option Term of this Agreement, including all extensions thereof. No Option Period Ground Rentals shall be payable with respect to Tract B and C described in Exhibit B. In the event additional guest rooms or Additions are constructed in the future upon a portion of Parcel 3, the rate per square foot for that portion of Parcel 3 so occupied shall be increased to a rate equal to the rate applicable to Parcels 1 and 2 for purposes of computing the Option Period Ground Rental due on June 1 subsequent to completion of such additional units or Additions on each June 1 thereafter so long as this Agreement remains in effect.

PART II

PARKING RENTALS

Landlord and Tenant acknowledge and agree that Tenant is entitled to the use of 402 parking spaces located on the Project Premises and, in consideration thereof, Tenant shall pay Parking Rentals directly to Landlord for Landlord's account the amounts computed as set forth below, said parking Rentals to be paid monthly in arrears commencing 7/15/07 and on the 15th day of each month thereafter so long as the Lease remains in effect. Said monthly installments of the Parking Rentals shall be computed using the Basic Rate per Parking Space set forth below and adjusted as provided herein.

| <u>Period</u> | <u>Basic Rent per Parking Space</u> |
|---------------------------|-------------------------------------|
| 01/01/07 through 12/31/09 | \$37.20 |
| 01/01/10 through 12/31/14 | \$39.15 |
| 01/01/15 through 12/31/19 | \$41.15 |
| 01/01/20 through 12/31/24 | \$43.15 |
| 01/01/25 through 05/31/30 | \$45.20 |

Said Parking Rental shall be subject to proportionate increase or reduction in the event Landlord shall increase or reduce the total number of such parking spaces pursuant to the construction of any Additions, except that there shall be no reduction by reason of a reduction in parking spaces caused by construction of additional improvements by Tenant. Installments of Parking Rentals due in accordance with this Schedule shall also be subject to reductions hereinafter provided to the extent that, during the preceding twelve (12) month period, the average percentage of occupancy of the Project guest rooms was less than 100% for such period. Such reduced Parking Rental shall be calculated by multiplying the number of available parking spaces by the applicable Rate per Parking Space and multiplying the product thereof by the actual average occupancy of the Project guest rooms for the preceding 12-month period, as certified in writing by a financial officer of Tenant. Landlord and Tenant agree that the foregoing method of calculation is a reasonable basis for estimating the actual usage of the parking facilities provided to Tenant.

Landlord and Tenant acknowledge and agree that the parties entered into the Parking Rental component with the understanding that the Project is exempt from ad valorem property taxation in accordance with the laws of the State of Kansas including the Act, as amended, and that the terms of this Agreement have been agreed upon in reliance upon such exemption. Landlord and Tenant hereby further agree that in the event the Project or any part thereof shall, in the future, be finally determined to be subject to the levy and collection of ad valorem taxes, whether directly or indirectly, that the Parking Rentals payable by Tenant hereunder shall be reduced in an amount equal to the aggregate amount of any such ad valorem taxes Tenant may be required to pay with respect to the Project, or the operation and use thereof, without regard to whether such payments are required to be paid by Tenant to the Landlord or to a taxing political subdivision for the account of Landlord or Tenant. In the event the ad valorem property taxes

levied exceed the Parking Rentals paid by Tenant during any given year in which the ad valorem property taxes are levied, Tenant shall be required to pay the additional amount required for the aggregate amount of any such ad valorem taxes due.

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PART III

PERCENTAGE RENTALS

In the event the terms of this Agreement are extended beyond May 31, 2030, as provided in Section 3.02 herein, the Ground Rentals and Parking Rentals as set forth in Part I and Part II of Exhibit C will cease, and Tenant shall pay rent to Landlord as set forth below and adjusted as provided herein. Tenant shall pay the greater of Option Period Ground Rent as set forth in Part I of Exhibit C or Percentage Rentals as set forth below in this Part III of Exhibit C.

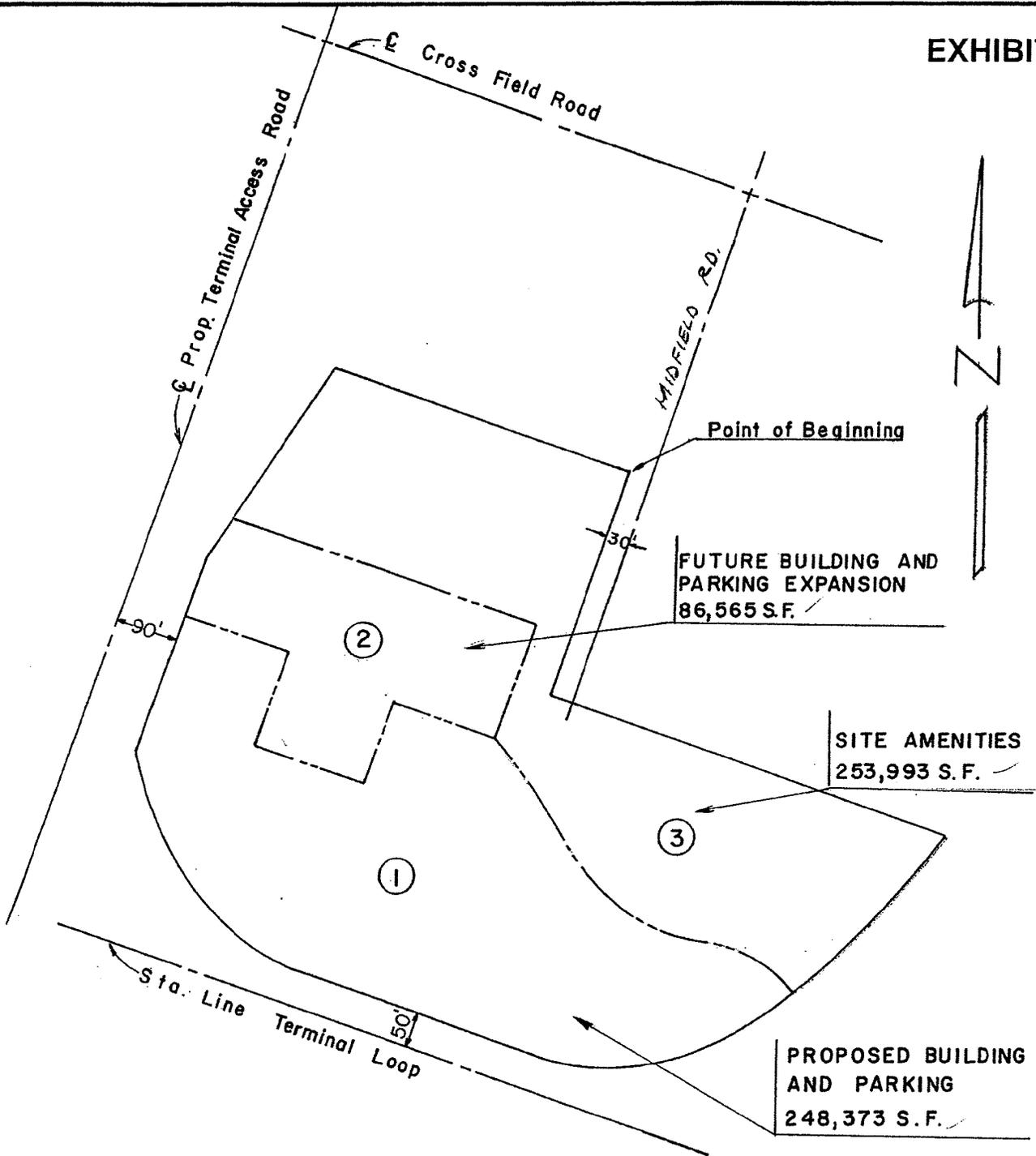
Percentage Rentals

Percentage Rentals equal to 3% Guest Room Sales plus 2% of Food and Beverage Sales, all as defined in the Agreement. Said Percentage Rentals to be paid monthly in arrears on the 15th of each month thereafter so long as the Lease remains in effect. Said rent shall be adjusted annually if required to reflect the final calculation of Percentage Rentals based upon the audited revenue numbers for Guest Room Sales and the Food and Beverage Sales. Any amounts due or overpaid shall be paid within 30 days after receipt by Tenant and Landlord of the year-end audited financial statement of the hotel operations. The parties agree and acknowledge that, for purposes of determining the annual Percentage Rentals payable herein by Tenant to Landlord hereunder for a given year, that said Percentage Rentals shall be the greater of the actual Percentage Rentals or a minimum of \$206,000 on June 1, 2031, which minimum amount shall be adjusted and increased by five percent (5%) on the five (5) year anniversary of June 1, 2031 and for every five (5) year anniversary thereafter until the expiration or termination of this Agreement.

Landlord and Tenant acknowledge and agree that the parties entered into the Percentage Rental component with the understanding that the Project is exempt from ad valorem property taxation in accordance with the laws of the State of Kansas including the Act, as amended, and that the terms of this Agreement have been agreed upon in reliance upon such exemption. Landlord and Tenant hereby further agree that in the event the Project or any part thereof shall, in the future, be finally determined to be subject to the levy and collection of ad valorem taxes, whether directly or indirectly, that the Percentage Rentals payable by Tenant hereunder shall be reduced in an amount equal to the aggregate amount of any such ad valorem taxes Tenant may be required to pay with respect to the Project, or the operation and use thereof, without regard to whether such payments are required to be paid by Tenant to the Landlord or to a taxing political subdivision for the account of Landlord or Tenant. In the event the ad valorem property taxes levied exceed the Percentage Rentals paid by Tenant during any given year in which the ad valorem property taxes are levied, Tenant shall be required to pay the additional amount required for the aggregate amount of any such ad valorem taxes due.

[EXHIBIT C-1 SITE PLAN ON THE FOLLOWING PAGE]

EXHIBIT C



SITE KEY PLAN

No Scale

SITE AREA TOTAL 13.52 Ac.
588,931 S.F.

NOTE: Reference Exhibits A and B for the lease boundary.

| | | |
|--|--------|---------|
| 2098 AIRPORT ROAD | | |
| WICHITA MID-CONTINENT AIRPORT | | |
| THE WICHITA AIRPORT AUTHORITY WICHITA, KANSAS | | |
| DATE | DR. BY | REVISED |
| 6-2-80 | O.L. | |

EXHIBIT C

Fee Mortgages, Liens and Encumbrances

[None.]

EXHIBIT D

Related Documents

“Included with Ground Lease Copy in Exhibit B”)

EXHIBIT E

Proposed Lease Amendment

[Attached]

FIRST AMENDMENT TO LEASE

This First Amendment to Lease ("Amendment"), dated November 24, 2015, is by and between THE WICHITA AIRPORT AUTHORITY OF THE CITY OF WICHITA, KANSAS ("Landlord") and 2015 WICHITA INVESTMENT LLC, a Delaware limited liability company ("Tenant").

RECITALS

A. Landlord and Wichita Airport Hotel Associates, L.P. ("Original Tenant") entered into that certain Lease, dated June 5, 2007 ("Lease") with respect to certain real property (the "Property"), a 302 room hotel and various related amenities including the lobby, restaurants, lounges and banquet space and other related improvements commonly known as the DoubleTree by Hilton Hotel, Wichita Airport and having a general address of 2098 Airport Road, Wichita, Kansas 67209 (collectively the "Hotel").

B. With the consent of Landlord, Tenant assumed the Lease pursuant to a certain [Assignment and Assumption of Lease, dated November 24, 2015] by and between Original Tenant and Tenant.

C. Tenant is entering into a credit facility with Societe General (the "Lender"), and as part of such credit facility, Tenant and Landlord have agreed to make certain Lender required amendments to the Lease as more fully set forth herein.

NOW, THEREFORE, in consideration of the mutual obligations and covenants contained in this Amendment and the Lease, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions and Recitals. Except such terms and words as are defined herein, any other capitalized terms and words used herein shall have the meaning attributed to them as set out in the Lease. The above Recitals are specifically incorporated herein by reference.

2. Lease Extension. The term of the Lease is hereby extended to [November 30, 2045]; provided, however that the Lease period from June 1, 2030 through November 30, 2045 shall continue to be considered an "Option Term" for all purposes under the Lease. Further, notwithstanding anything in Section 3.02 of the Lease to the contrary, Tenant shall have the right and option, to be exercised as hereinafter provided, and provided that no Event of Default shall have occurred and be subsisting hereunder, to extend the Term of this Agreement for one additional term ending on May 31, 2050 and one additional term thereafter, ending on May 31, 2057, which will each be considered "Option Terms" for all purposes of the Lease.

3. Status of Tenant. The first sentence of Section 11.04, Status of Tenant, of the Lease is hereby amended to read as follows:

Throughout the Term of this Agreement, Tenant will maintain its existence as a limited partnership or other appropriate legal entity organized under the laws of a state of the United States or the District of

Columbia and, if organized outside of the State of Kansas, shall be qualified to do business in the State of Kansas, in good standing and will not wind up or dispose of all or substantially all of its assets except as provided in this Agreement.

4. New Article XV. Landlord and Tenant hereby agree that the Lease is hereby amended to add the following Article XV thereto immediately following existing Article XIV of the Lease:

ARTICLE XV

FINANCING PROVISIONS

The provisions of this Article XV shall supersede any contrary or inconsistent provisions in this Lease and in the event of any inconsistency between the provisions of this Article XV and any other provision of this Lease, the provisions of this Article XV shall govern and control.

15.01. Tenant's Right to Mortgage Lease; Recognition of Lender as Leasehold Mortgagee. Tenant shall have the absolute right, without seeking the consent or approval of Landlord, to grant a first lien leasehold mortgage (as the same may be amended from time to time, the "Mortgage"), encumbering Tenant's interest in the Project and in the Lease. Landlord hereby recognizes and acknowledges that the first priority leasehold mortgage from Tenant to Societe Generale (together with its successors and assigns, "Lender") constitutes a "Mortgage" and that Lender constitutes a "Lender" as those terms are defined in this Section. "Lender" as used herein shall mean at any point in time, the holder of a Mortgage. "Mortgage" as used herein shall mean at any point in time, a first lien leasehold mortgage (as the same may be amended from time to time), encumbering Tenant's interest in the Project and the Lease. Landlord consents to the recording of Mortgage in the applicable real property records and to the filing and recording in the appropriate public records of such additional documents and instruments as Lender may deem necessary or desirable to establish, perfect and maintain a lien upon and against Tenant's leasehold estate and other rights and interests in the Project and in any fixtures and personal property of Tenant located upon, relating to, derived from or used in connection with the Project.

15.02. Right to Perform for Tenant; Right to Cure. Landlord acknowledges and agrees that Lender shall have the right to perform any term, covenant, condition or agreement to be performed by Tenant under the Lease, and Landlord shall accept such performance by Lender with the same force and effect as if furnished by Tenant. In the event of a monetary default by Tenant under the Lease and prior to any termination of the Lease by Landlord, Landlord acknowledges and agrees that Landlord shall provide Lender with notice of the same and Lender shall

have the right (but not the obligation) to remedy such monetary default by paying any past due amounts under the Lease (and without regard to any acceleration of rent) within the same period of time as Tenant has under the Lease (but calculated from Lender's and not from Tenant's receipt of notice), plus an additional thirty (30) days. In the event of a non-monetary default by Tenant hereunder and prior to any termination of the Lease by Landlord, Landlord acknowledges and agrees that Landlord shall provide Lender with notice of the same and Lender shall have the right (but not the obligation) to remedy or cause to be remedied any such non-monetary default within the same period of time as Tenant has under the Lease (but calculated from Lender's and not from Tenant's receipt of notice), plus such additional time as Lender reasonably requires to remedy or cause to be remedied such non-monetary default, not to exceed thirty (30) additional days. Landlord agrees that Landlord shall not terminate the Lease in connection with any such non-monetary default which Lender has elected to remedy or cause to be remedied so long as Lender attempts to remedy such default with diligence toward completion (and if such non-monetary default is not susceptible to cure by Lender, so long as Lender is diligently pursuing foreclosure under its Mortgage).

15.03. Lender's Consent. Tenant will not amend, modify, cancel or surrender the Lease or consent to any amendment, modification or cancellation of the Lease without Lender's prior written consent, and any such action taken without Lender's prior written consent shall not be binding on Tenant or Lender. This Section 15.03 shall in no way limit or modify Landlord's rights and powers under the Lease to take any action that does not require Tenant's consent or agreement. In addition, in any case under the Lease where Tenant is required to not unreasonably deny or to not unreasonably delay or condition its consent or is required to give its consent or to accept amendment, modification or cancellation of the Lease, Lender's consent shall be subject to the same standard, and in no event shall Lender's rights under this Section 15.03 with respect to consenting to or complying with amendments or other modifications to the Lease be greater than that of the Tenant.

15.04. Delivery of Notices. Landlord shall simultaneously deliver to Lender copies of all notices, statements, information and communications delivered or required to be delivered to Tenant pursuant to the Lease, including, without limitation, any notice of any default by Tenant and any and all notices and other correspondence under Section 3.06 of the Lease. In addition, Landlord shall promptly notify Lender in writing of any failure by Tenant to perform any of Tenant's obligations under the Lease. No notice, statement, information or communication given by Landlord to Tenant shall be binding or affect Lender unless a copy of the same shall have been delivered to Lender. All notices to Lender shall be addressed as follows: Societe Generale, 245 Park Avenue, New York, NY 10167, with a copy to: Klehr Harrison Harvey Branzburg LLP, 1835 Market Street,

Ste. 1400, Philadelphia, PA 19103, Attention: Jon S. Robins, Esq., or at such other address as Lender shall provide in writing to the other parties hereto, and shall be given in writing and shall be effective for all purposes if hand delivered or sent by (a) certified or registered United States mail, postage prepaid, return receipt requested, or (b) expedited prepaid delivery service, either commercial or United States Postal Service, with proof of attempted delivery. A notice shall be deemed to have been given: in the case of hand delivery, at the time of delivery; in the case of registered or certified mail, when delivered (as evidenced by the receipt) or the first attempted delivery on a business day; or in the case of expedited prepaid delivery, upon the first attempted delivery on a business day.

15.05. Lender Not Obligated Under Lease; Permitted Transfers. The granting of the Mortgage shall not be deemed to constitute an assignment or transfer of the Lease or the Project to Lender, nor shall Lender, as such, be deemed to be an assignee or transferee of the Lease or of the leasehold estate thereby created so as to require Lender, as such, to assume the performance of any of the terms, covenants or conditions on the part of Tenant to be performed thereunder. Notwithstanding the foregoing, the purchaser at any sale of the Lease and the leasehold estate thereby created in any proceedings for the foreclosure of the Mortgage (including, without limitation, power of sale) or the assignee or transferee of the Lease and the leasehold estate thereby created under any instrument of assignment or transfer in lieu of the foreclosure, whether Lender or any third party (any such purchaser, assignee or transferee, a "Successor Lessee") shall be deemed to be a permitted assignee or transferee under the Lease without the need to obtain Landlord's consent, provided that such Successor Lessee either is a Qualified Operator or, within sixty (60) days after obtaining leasehold title to the Project, has hired a Qualified Operator as the property manager for the Project or has subleased the Project to a Qualified Operator. Any such Successor Lessee shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of Tenant to be performed under the Lease from and after the date of such purchase and/or assignment (but not for any obligations or liabilities accruing prior to such date), but only for so long as such purchaser or assignee is the owner of the Lease and the leasehold estate thereby created, it being understood and agreed that upon a sale or transfer of the Lease by such party and written assumption of its obligations under the Lease by any new purchaser or assignee, the transferring party shall be relieved of all future liability under the Lease. As used herein, the term "Qualified Operator" shall mean a hotel operator that either: (a) satisfies the requirements of a transferee of Tenant's interest in the Project provided under Section 12.04 hereof, or (b) is reasonably approved in writing by Landlord.

15.06. Fee Mortgages Subordinate. Landlord agrees that if it elects to encumber the fee interest in the Property, Landlord will cause such lender

to enter into a subordination, non-disturbance and attornment agreement with Tenant and Lender, that is reasonably satisfactory to both Tenant and Lender, to evidence the subordination of any lien relating thereto to the lien created by the Mortgage and to Tenant's interest in the Lease.

15.07. Casualty and Insurance Proceeds. So long as the indebtedness, or any part of the indebtedness, secured by the Mortgage remains outstanding and unpaid and the Mortgage remains of record, Landlord and Tenant agree that: (a) the Lease shall not terminate or be canceled at any time upon the damage or destruction by fire or other casualty of all, substantially all, or any part of the Project, and in all events the Project shall be repaired, replaced and restored following any casualty, unless both: (i) Tenant has the right under Section 9.02 of the Lease to elect not to so repair, replace and restore the Project, and (ii) Tenant and Lender elect, in a joint writing executed by both of Tenant and Lender and provided to Landlord, to exercise such right, it being acknowledged and agreed that, notwithstanding anything to the contrary in the Lease, in no event may Tenant elect or agree not to repair, replace and restore the Project without Lender's written, specific consent to Tenant's election or agreement not to do so being furnished to Landlord by Lender; (b) the insurance policies required to be maintained pursuant to the Lease shall name Lender as an additional named insured and loss payee/mortgagee; (c) the form of such policies and amounts thereof shall at all times satisfy both the requirements of Article VIII of the lease, as amended hereby, and the requirements of the loan documents evidencing and securing such indebtedness (the "Mortgage Loan Documents"); (d) Lender shall be entitled at Lender's option to participate in any adjustment, settlement or compromise with respect to any insurance claim; and (e) all proceeds of such insurance policies (other than the proceeds of loss of income or rental interruption insurance) shall be paid to Lender to be held and disbursed by Lender for the repair, replacement and restoration of the Project and shall not be applied towards the repayment of the Loan (except under the circumstances and to the extent, if any, provided below in this Section 15.07), and the disbursement of all such proceeds for such repair, replacement and restoration shall be made by Lender in accordance with its customary construction disbursement terms and conditions. To the extent that the cost of such repair, replacement and restoration exceeds the available insurance proceeds, Tenant shall deposit the necessary additional funds with Lender for disbursement as above provided for with respect to the insurance proceeds. To the extent that there are insurance proceeds remaining after the lien free completion of such repair, replacement and restoration and the payment of all costs thereof, the amount of such remaining proceeds (or if Tenant and Lender have elected in a writing signed by each of them pursuant to Section 9.02 of this Lease and in strict accordance with the provisions of this Section 15.07 not to repair, replace or restore the Project, any insurance proceeds from the subject casualty) shall be allocated between Landlord and Tenant as provided in the

applicable of Section 9.01 or 9.02 of this Lease, but any portion thereof allocable to Tenant shall be applied by Lender in accordance with the terms of the Mortgage Loan Documents. Any proceeds of loss of income or rental interruption insurance shall be paid to Lender, and shall be held and applied by Lender to pay rent hereunder (to the extent not abated), to pay operating expenses of the Project, to pay regularly scheduled debt service payments upon the Mortgage indebtedness and to pay other costs and expenses permitted or provided for under the Mortgage Loan Documents. The provisions of this Section 15.07 shall amend and control over any inconsistent provision of Sections 8.01, 9.01 and 9.02 of this Lease.

15.08. Condemnation and Condemnation Proceeds. Notwithstanding anything to the contrary in Section 9.03 of, or elsewhere in, the Lease, so long as the indebtedness, or any part of indebtedness, secured by the Mortgage remains outstanding and unpaid and the Mortgage remains of record, Landlord and Tenant agree that: (a) the Lease shall not terminate or be canceled upon a taking or condemnation pursuant to an eminent domain proceeding of all, substantially all, or any part of the Property without Lender's consent or unless required by law; (b) any and all awards for any taking or condemnation shall be payable to Lender to be disbursed as follows: (i) first, to Lender for the value of the leasehold estate created by the Lease, all of Tenant's other rights and interests under or pursuant to the Lease, including, without limitation, all of Tenant's rights, estates and interests in the Project, including, without limitation, the Project Premises, the value of the leasehold improvements located on the Property and the amount of any separate award to Tenant for the value of any fixtures or personal property or for any moving costs or damages to Tenant's business or otherwise up to an amount equaling the outstanding amount of any and all indebtedness secured by the Mortgage, and any interest accrued thereon, and (ii) second, to Landlord and Tenant in accordance with the Lease; and (c) Lender shall have the right to apply its portion of the condemnation proceeds in accordance with the terms of the Mortgage (or other applicable loan documents) and shall be entitled at its option to participate in any compromise, settlement or adjustment with respect to the Property.

15.09. New Direct Lease.

(a) If the Lease is canceled or terminated for any reason (except in connection with bankruptcy proceedings, for which the provisions of Section 15.10 below are hereby agreed upon by Landlord and Tenant), or if Lender, its designee, successor or assign acquires Tenant's interest in the leasehold estate and the Property by foreclosure, assignment in lieu thereof, or otherwise, Landlord hereby agrees that Landlord shall, upon Lender's written election, promptly enter in a new, direct lease with Lender (or its nominee or any other person or entity

which Lender may designate, provided that such person or entity is a Qualified Operator or is Lender, an affiliate of Lender or an assignee of Lender who is itself regularly engaged in owning, operating or lending upon commercial real estate (or an affiliate thereof) and such Lender, affiliate of Lender or assignee of Lender (or affiliate thereof) retains (within not more than sixty (60) days in any case) a property manager for the Project who is, or subleases the Project to, a Qualified Operator) with respect to the Property on the same terms and conditions as this Lease (a "New Lease"), it being the intention of the parties to preserve the Lease and leasehold estate created by the Lease for the benefit of Lender without interruption for its remaining term. Said new lease shall be superior to all rights, liens and interests intervening between the date of the Lease and the granting of the new lease and shall be free of any and all rights of Tenant under the Lease; provided that such New Lease shall be subject to any and all modifications to the Lease required pursuant to and in accordance with Section 11.06 of the Lease.

(b) Tenant and Landlord acknowledge and agree that Lender shall have the right to encumber such new direct lease and the estate created thereby with a mortgage on the same terms and with the same lien priority as the Mortgage, it being the intention of the parties to preserve the priority of the Mortgage, the Lease and the leasehold estate created by the Lease for the benefit of Lender without interruption for its remaining term.

15.10. Bankruptcy. In the event of any proceeding by either Landlord or Tenant under the United States Bankruptcy Code (Title 11 U.S.C.) as now or hereafter in effect, and subject to other applicable federal statutes and FAA regulations:

(a) If this Lease is rejected in connection with a bankruptcy proceeding by Tenant or a trustee in bankruptcy (or other party to such proceeding) for Tenant, such rejection shall be deemed an assignment by Tenant to the Lender of all of Tenant's interest under this Lease, and this Lease shall not terminate and the Lender shall have all rights of the Tenant as if such bankruptcy proceeding had not occurred, unless Lender shall reject such deemed assignment by notice in writing to Landlord within thirty (30) days following rejection of this Lease by Tenant or Tenant's trustee in bankruptcy. If any court of competent jurisdiction shall determine that this Lease shall have been terminated notwithstanding the terms of the preceding sentence as a result of rejection by Tenant or the trustee in connection with any such proceeding, the rights of Lender to a New Lease from Landlord pursuant to Section 15.9 hereof shall not be affected thereby.

(b) In the event of a proceeding against Landlord under the Bankruptcy Code:

(i) In the event the bankruptcy trustee, Landlord (as debtor-in-possession) or any party to such proceeding seeks to reject the Lease pursuant to United States Bankruptcy Code §365(h)(1), Tenant shall not have the right to treat this Lease as terminated except with the prior written consent of Lender and the right to treat this Lease as terminated in such event shall be deemed assigned to Lender, whether or not specifically set forth in the Mortgage, so that the concurrence in writing of Tenant and the Lender shall be required as a condition to treating this Lease as terminated in connection with such proceeding.

(ii) Unless this Lease is treated as terminated in accordance with subsection 15.10(b)(i) above, then this Lease shall continue in effect upon all the terms and conditions set forth herein, including rent, but excluding requirements that are not then applicable or pertinent to the remainder of the term of this Lease. Thereafter, Tenant or its successors shall be entitled to any offsets against rent payable hereunder for any damages arising from such bankruptcy, to the extent Tenant's operation of business has been materially interfered with, and any such offset properly made shall not be deemed a default under this Lease. The lien of the Mortgage shall extend to the continuing possessory rights of Tenant following such rejection with the same priority as it would have enjoyed had such rejection not taken place.

15.11. Estoppel Certificates. Upon Lender's written request, Landlord shall provide Lender with an estoppel certificate which shall certify to Lender, subject to any exceptions set forth therein or as otherwise provided to the Lender in writing: (a) as to the amount and status of all rent payments and security deposits under the Lease, (b) as to the full satisfaction and compliance by Tenant of any other conditions required under the Lease, (c) that Tenant is not in default in the payment, performance or observance of any other condition or covenant to be performed or observed by Tenant thereunder, (d) that there are no offsets or counterclaims on the part of Landlord, and (e) as to such other matters related to the Lease as Lender may reasonably determine from time to time.

15.12. No Merger. There shall be no merger of the Lease or any interest in the Lease or of the leasehold estate created thereby with the fee estate in the Property, by reason of the fact that the Lease or such interest therein, or such leasehold estate may be directly or indirectly held by or for the account of any person who shall hold the fee estate in the Property, or any interest in such fee estate, nor shall there be such a merger by reason of the fact that all or any part of the leasehold estate created by the Lease may be conveyed or mortgaged in a leasehold mortgage to a mortgagee who shall hold the fee estate in the Property or any interest of Landlord under the Lease.

15.13. Reclamation Property. No response by Tenant to any notice under or pursuant to Section 3.06 of the Lease shall be binding or enforceable against Tenant or Lender unless countersigned by Lender, but Lender's rights to object to any reclamation proposed pursuant to Section 3.06 shall be no greater than Tenant's and may not be made on any basis other than any basis of objection permitted to Tenant.

5. Miscellaneous.

(a) The Lease, as modified herein, remains in full force and effect and is ratified by Landlord and Tenant. In the event of any conflict between the Lease and this Amendment, the terms and conditions of this Amendment shall control.

(b) This Amendment is binding upon and inures to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns. Except as expressly provided herein, Tenant has not assigned or transferred any interest in the Lease, as amended, and has full power and authority to execute this Amendment.

(c) This Amendment shall be governed by and construed in accordance with the laws of the State of Kansas.

(d) This document may be executed in any number of counterparts, which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment on the day and year first above written.

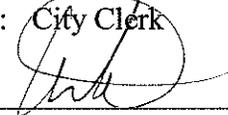
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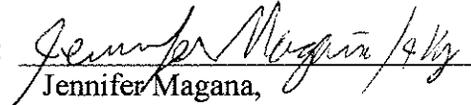
LANDLORD

THE WICHITA AIRPORT AUTHORITY

By: _____
Name: Karen Sublett, City Clerk
Title: City Clerk

By: _____
Name: Jeff Longwell
Title: President

By: 
Victor D. White, Director of Airports

APPROVED AS TO FORM:  Date: 11-10-15
Jennifer Magana,
City Attorney and Director of Law

TENANT:

2015 Wichita Investment LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____
Date: _____

STATE OF _____)
) :ss.
COUNTY OF _____)

On the ____ day of _____, in the year 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity as _____ of 2015 Wichita Investment LLC and that by his/her signature on the instrument such person executed the instrument.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires:

FIRST AMENDMENT TO LEASE

This First Amendment to Lease ("Amendment"), dated November 24, 2015, is by and between THE WICHITA AIRPORT AUTHORITY OF THE CITY OF WICHITA, KANSAS ("Landlord") and 2015 WICHITA INVESTMENT LLC, a Delaware limited liability company ("Tenant").

RECITALS

A. Landlord and Wichita Airport Hotel Associates, L.P. ("Original Tenant") entered into that certain Lease, dated June 5, 2007 ("Lease") with respect to certain real property (the "Property"), a 302 room hotel and various related amenities including the lobby, restaurants, lounges and banquet space and other related improvements commonly known as the DoubleTree by Hilton Hotel, Wichita Airport and having a general address of 2098 Airport Road, Wichita, Kansas 67209 (collectively the "Hotel").

B. With the consent of Landlord, Tenant assumed the Lease pursuant to a certain [Assignment and Assumption of Lease, dated November 24, 2015] by and between Original Tenant and Tenant.

C. Tenant is entering into a credit facility with Societe General (the "Lender"), and as part of such credit facility, Tenant and Landlord have agreed to make certain Lender required amendments to the Lease as more fully set forth herein.

NOW, THEREFORE, in consideration of the mutual obligations and covenants contained in this Amendment and the Lease, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions and Recitals. Except such terms and words as are defined herein, any other capitalized terms and words used herein shall have the meaning attributed to them as set out in the Lease. The above Recitals are specifically incorporated herein by reference.

2. Lease Extension. The term of the Lease is hereby extended to [November 30, 2045]; provided, however that the Lease period from June 1, 2030 through November 30, 2045 shall continue to be considered an "Option Term" for all purposes under the Lease. Further, notwithstanding anything in Section 3.02 of the Lease to the contrary, Tenant shall have the right and option, to be exercised as hereinafter provided, and provided that no Event of Default shall have occurred and be subsisting hereunder, to extend the Term of this Agreement for one additional term ending on May 31, 2050 and one additional term thereafter, ending on May 31, 2057, which will each be considered "Option Terms" for all purposes of the Lease.

3. Status of Tenant. The first sentence of Section 11.04, Status of Tenant, of the Lease is hereby amended to read as follows:

Throughout the Term of this Agreement, Tenant will maintain its existence as a limited partnership or other appropriate legal entity organized under the laws of a state of the United States or the District of

Columbia and, if organized outside of the State of Kansas, shall be qualified to do business in the State of Kansas, in good standing and will not wind up or dispose of all or substantially all of its assets except as provided in this Agreement.

4. New Article XV. Landlord and Tenant hereby agree that the Lease is hereby amended to add the following Article XV thereto immediately following existing Article XIV of the Lease:

ARTICLE XV

FINANCING PROVISIONS

The provisions of this Article XV shall supersede any contrary or inconsistent provisions in this Lease and in the event of any inconsistency between the provisions of this Article XV and any other provision of this Lease, the provisions of this Article XV shall govern and control.

15.01. Tenant's Right to Mortgage Lease; Recognition of Lender as Leasehold Mortgagee. Tenant shall have the absolute right, without seeking the consent or approval of Landlord, to grant a first lien leasehold mortgage (as the same may be amended from time to time, the "Mortgage"), encumbering Tenant's interest in the Project and in the Lease. Landlord hereby recognizes and acknowledges that the first priority leasehold mortgage from Tenant to Societe Generale (together with its successors and assigns, "Lender") constitutes a "Mortgage" and that Lender constitutes a "Lender" as those terms are defined in this Section. "Lender" as used herein shall mean at any point in time, the holder of a Mortgage. "Mortgage" as used herein shall mean at any point in time, a first lien leasehold mortgage (as the same may be amended from time to time), encumbering Tenant's interest in the Project and the Lease. Landlord consents to the recording of Mortgage in the applicable real property records and to the filing and recording in the appropriate public records of such additional documents and instruments as Lender may deem necessary or desirable to establish, perfect and maintain a lien upon and against Tenant's leasehold estate and other rights and interests in the Project and in any fixtures and personal property of Tenant located upon, relating to, derived from or used in connection with the Project.

15.02. Right to Perform for Tenant; Right to Cure. Landlord acknowledges and agrees that Lender shall have the right to perform any term, covenant, condition or agreement to be performed by Tenant under the Lease, and Landlord shall accept such performance by Lender with the same force and effect as if furnished by Tenant. In the event of a monetary default by Tenant under the Lease and prior to any termination of the Lease by Landlord, Landlord acknowledges and agrees that Landlord shall provide Lender with notice of the same and Lender shall

have the right (but not the obligation) to remedy such monetary default by paying any past due amounts under the Lease (and without regard to any acceleration of rent) within the same period of time as Tenant has under the Lease (but calculated from Lender's and not from Tenant's receipt of notice), plus an additional thirty (30) days. In the event of a non-monetary default by Tenant hereunder and prior to any termination of the Lease by Landlord, Landlord acknowledges and agrees that Landlord shall provide Lender with notice of the same and Lender shall have the right (but not the obligation) to remedy or cause to be remedied any such non-monetary default within the same period of time as Tenant has under the Lease (but calculated from Lender's and not from Tenant's receipt of notice), plus such additional time as Lender reasonably requires to remedy or cause to be remedied such non-monetary default, not to exceed thirty (30) additional days. Landlord agrees that Landlord shall not terminate the Lease in connection with any such non-monetary default which Lender has elected to remedy or cause to be remedied so long as Lender attempts to remedy such default with diligence toward completion (and if such non-monetary default is not susceptible to cure by Lender, so long as Lender is diligently pursuing foreclosure under its Mortgage).

15.03. Lender's Consent. Tenant will not amend, modify, cancel or surrender the Lease or consent to any amendment, modification or cancellation of the Lease without Lender's prior written consent, and any such action taken without Lender's prior written consent shall not be binding on Tenant or Lender. This Section 15.03 shall in no way limit or modify Landlord's rights and powers under the Lease to take any action that does not require Tenant's consent or agreement. In addition, in any case under the Lease where Tenant is required to not unreasonably deny or to not unreasonably delay or condition its consent or is required to give its consent or to accept amendment, modification or cancellation of the Lease, Lender's consent shall be subject to the same standard, and in no event shall Lender's rights under this Section 15.03 with respect to consenting to or complying with amendments or other modifications to the Lease be greater than that of the Tenant.

15.04. Delivery of Notices. Landlord shall simultaneously deliver to Lender copies of all notices, statements, information and communications delivered or required to be delivered to Tenant pursuant to the Lease, including, without limitation, any notice of any default by Tenant and any and all notices and other correspondence under Section 3.06 of the Lease. In addition, Landlord shall promptly notify Lender in writing of any failure by Tenant to perform any of Tenant's obligations under the Lease. No notice, statement, information or communication given by Landlord to Tenant shall be binding or affect Lender unless a copy of the same shall have been delivered to Lender. All notices to Lender shall be addressed as follows: Societe Generale, 245 Park Avenue, New York, NY 10167, with a copy to: Klehr Harrison Harvey Branzburg LLP, 1835 Market Street,

Ste. 1400, Philadelphia, PA 19103, Attention: Jon S. Robins, Esq., or at such other address as Lender shall provide in writing to the other parties hereto, and shall be given in writing and shall be effective for all purposes if hand delivered or sent by (a) certified or registered United States mail, postage prepaid, return receipt requested, or (b) expedited prepaid delivery service, either commercial or United States Postal Service, with proof of attempted delivery. A notice shall be deemed to have been given: in the case of hand delivery, at the time of delivery; in the case of registered or certified mail, when delivered (as evidenced by the receipt) or the first attempted delivery on a business day; or in the case of expedited prepaid delivery, upon the first attempted delivery on a business day.

15.05. Lender Not Obligated Under Lease; Permitted Transfers. The granting of the Mortgage shall not be deemed to constitute an assignment or transfer of the Lease or the Project to Lender, nor shall Lender, as such, be deemed to be an assignee or transferee of the Lease or of the leasehold estate thereby created so as to require Lender, as such, to assume the performance of any of the terms, covenants or conditions on the part of Tenant to be performed thereunder. Notwithstanding the foregoing, the purchaser at any sale of the Lease and the leasehold estate thereby created in any proceedings for the foreclosure of the Mortgage (including, without limitation, power of sale) or the assignee or transferee of the Lease and the leasehold estate thereby created under any instrument of assignment or transfer in lieu of the foreclosure, whether Lender or any third party (any such purchaser, assignee or transferee, a "Successor Lessee") shall be deemed to be a permitted assignee or transferee under the Lease without the need to obtain Landlord's consent, provided that such Successor Lessee either is a Qualified Operator or, within sixty (60) days after obtaining leasehold title to the Project, has hired a Qualified Operator as the property manager for the Project or has subleased the Project to a Qualified Operator. Any such Successor Lessee shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of Tenant to be performed under the Lease from and after the date of such purchase and/or assignment (but not for any obligations or liabilities accruing prior to such date), but only for so long as such purchaser or assignee is the owner of the Lease and the leasehold estate thereby created, it being understood and agreed that upon a sale or transfer of the Lease by such party and written assumption of its obligations under the Lease by any new purchaser or assignee, the transferring party shall be relieved of all future liability under the Lease. As used herein, the term "Qualified Operator" shall mean a hotel operator that either: (a) satisfies the requirements of a transferee of Tenant's interest in the Project provided under Section 12.04 hereof, or (b) is reasonably approved in writing by Landlord.

15.06. Fee Mortgages Subordinate. Landlord agrees that if it elects to encumber the fee interest in the Property, Landlord will cause such lender

to enter into a subordination, non-disturbance and attornment agreement with Tenant and Lender, that is reasonably satisfactory to both Tenant and Lender, to evidence the subordination of any lien relating thereto to the lien created by the Mortgage and to Tenant's interest in the Lease.

15.07. Casualty and Insurance Proceeds. So long as the indebtedness, or any part of the indebtedness, secured by the Mortgage remains outstanding and unpaid and the Mortgage remains of record, Landlord and Tenant agree that: (a) the Lease shall not terminate or be canceled at any time upon the damage or destruction by fire or other casualty of all, substantially all, or any part of the Project, and in all events the Project shall be repaired, replaced and restored following any casualty, unless both: (i) Tenant has the right under Section 9.02 of the Lease to elect not to so repair, replace and restore the Project, and (ii) Tenant and Lender elect, in a joint writing executed by both of Tenant and Lender and provided to Landlord, to exercise such right, it being acknowledged and agreed that, notwithstanding anything to the contrary in the Lease, in no event may Tenant elect or agree not to repair, replace and restore the Project without Lender's written, specific consent to Tenant's election or agreement not to do so being furnished to Landlord by Lender; (b) the insurance policies required to be maintained pursuant to the Lease shall name Lender as an additional named insured and loss payee/mortgagee; (c) the form of such policies and amounts thereof shall at all times satisfy both the requirements of Article VIII of the lease, as amended hereby, and the requirements of the loan documents evidencing and securing such indebtedness (the "Mortgage Loan Documents"); (d) Lender shall be entitled at Lender's option to participate in any adjustment, settlement or compromise with respect to any insurance claim; and (e) all proceeds of such insurance policies (other than the proceeds of loss of income or rental interruption insurance) shall be paid to Lender to be held and disbursed by Lender for the repair, replacement and restoration of the Project and shall not be applied towards the repayment of the Loan (except under the circumstances and to the extent, if any, provided below in this Section 15.07), and the disbursement of all such proceeds for such repair, replacement and restoration shall be made by Lender in accordance with its customary construction disbursement terms and conditions. To the extent that the cost of such repair, replacement and restoration exceeds the available insurance proceeds, Tenant shall deposit the necessary additional funds with Lender for disbursement as above provided for with respect to the insurance proceeds. To the extent that there are insurance proceeds remaining after the lien free completion of such repair, replacement and restoration and the payment of all costs thereof, the amount of such remaining proceeds (or if Tenant and Lender have elected in a writing signed by each of them pursuant to Section 9.02 of this Lease and in strict accordance with the provisions of this Section 15.07 not to repair, replace or restore the Project, any insurance proceeds from the subject casualty) shall be allocated between Landlord and Tenant as provided in the

applicable of Section 9.01 or 9.02 of this Lease, but any portion thereof allocable to Tenant shall be applied by Lender in accordance with the terms of the Mortgage Loan Documents. Any proceeds of loss of income or rental interruption insurance shall be paid to Lender, and shall be held and applied by Lender to pay rent hereunder (to the extent not abated), to pay operating expenses of the Project, to pay regularly scheduled debt service payments upon the Mortgage indebtedness and to pay other costs and expenses permitted or provided for under the Mortgage Loan Documents. The provisions of this Section 15.07 shall amend and control over any inconsistent provision of Sections 8.01, 9.01 and 9.02 of this Lease.

15.08. Condemnation and Condemnation Proceeds. Notwithstanding anything to the contrary in Section 9.03 of, or elsewhere in, the Lease, so long as the indebtedness, or any part of indebtedness, secured by the Mortgage remains outstanding and unpaid and the Mortgage remains of record, Landlord and Tenant agree that: (a) the Lease shall not terminate or be canceled upon a taking or condemnation pursuant to an eminent domain proceeding of all, substantially all, or any part of the Property without Lender's consent or unless required by law; (b) any and all awards for any taking or condemnation shall be payable to Lender to be disbursed as follows: (i) first, to Lender for the value of the leasehold estate created by the Lease, all of Tenant's other rights and interests under or pursuant to the Lease, including, without limitation, all of Tenant's rights, estates and interests in the Project, including, without limitation, the Project Premises, the value of the leasehold improvements located on the Property and the amount of any separate award to Tenant for the value of any fixtures or personal property or for any moving costs or damages to Tenant's business or otherwise up to an amount equaling the outstanding amount of any and all indebtedness secured by the Mortgage, and any interest accrued thereon, and (ii) second, to Landlord and Tenant in accordance with the Lease; and (c) Lender shall have the right to apply its portion of the condemnation proceeds in accordance with the terms of the Mortgage (or other applicable loan documents) and shall be entitled at its option to participate in any compromise, settlement or adjustment with respect to the Property.

15.09. New Direct Lease.

(a) If the Lease is canceled or terminated for any reason (except in connection with bankruptcy proceedings, for which the provisions of Section 15.10 below are hereby agreed upon by Landlord and Tenant), or if Lender, its designee, successor or assign acquires Tenant's interest in the leasehold estate and the Property by foreclosure, assignment in lieu thereof, or otherwise, Landlord hereby agrees that Landlord shall, upon Lender's written election, promptly enter in a new, direct lease with Lender (or its nominee or any other person or entity

which Lender may designate, provided that such person or entity is a Qualified Operator or is Lender, an affiliate of Lender or an assignee of Lender who is itself regularly engaged in owning, operating or lending upon commercial real estate (or an affiliate thereof) and such Lender, affiliate of Lender or assignee of Lender (or affiliate thereof) retains (within not more than sixty (60) days in any case) a property manager for the Project who is, or subleases the Project to, a Qualified Operator) with respect to the Property on the same terms and conditions as this Lease (a "New Lease"), it being the intention of the parties to preserve the Lease and leasehold estate created by the Lease for the benefit of Lender without interruption for its remaining term. Said new lease shall be superior to all rights, liens and interests intervening between the date of the Lease and the granting of the new lease and shall be free of any and all rights of Tenant under the Lease; provided that such New Lease shall be subject to any and all modifications to the Lease required pursuant to and in accordance with Section 11.06 of the Lease.

(b) Tenant and Landlord acknowledge and agree that Lender shall have the right to encumber such new direct lease and the estate created thereby with a mortgage on the same terms and with the same lien priority as the Mortgage, it being the intention of the parties to preserve the priority of the Mortgage, the Lease and the leasehold estate created by the Lease for the benefit of Lender without interruption for its remaining term.

15.10. Bankruptcy. In the event of any proceeding by either Landlord or Tenant under the United States Bankruptcy Code (Title 11 U.S.C.) as now or hereafter in effect, and subject to other applicable federal statutes and FAA regulations:

(a) If this Lease is rejected in connection with a bankruptcy proceeding by Tenant or a trustee in bankruptcy (or other party to such proceeding) for Tenant, such rejection shall be deemed an assignment by Tenant to the Lender of all of Tenant's interest under this Lease, and this Lease shall not terminate and the Lender shall have all rights of the Tenant as if such bankruptcy proceeding had not occurred, unless Lender shall reject such deemed assignment by notice in writing to Landlord within thirty (30) days following rejection of this Lease by Tenant or Tenant's trustee in bankruptcy. If any court of competent jurisdiction shall determine that this Lease shall have been terminated notwithstanding the terms of the preceding sentence as a result of rejection by Tenant or the trustee in connection with any such proceeding, the rights of Lender to a New Lease from Landlord pursuant to Section 15.9 hereof shall not be affected thereby.

(b) In the event of a proceeding against Landlord under the Bankruptcy Code:

(i) In the event the bankruptcy trustee, Landlord (as debtor-in-possession) or any party to such proceeding seeks to reject the Lease pursuant to United States Bankruptcy Code §365(h)(1), Tenant shall not have the right to treat this Lease as terminated except with the prior written consent of Lender and the right to treat this Lease as terminated in such event shall be deemed assigned to Lender, whether or not specifically set forth in the Mortgage, so that the concurrence in writing of Tenant and the Lender shall be required as a condition to treating this Lease as terminated in connection with such proceeding.

(ii) Unless this Lease is treated as terminated in accordance with subsection 15.10(b)(i) above, then this Lease shall continue in effect upon all the terms and conditions set forth herein, including rent, but excluding requirements that are not then applicable or pertinent to the remainder of the term of this Lease. Thereafter, Tenant or its successors shall be entitled to any offsets against rent payable hereunder for any damages arising from such bankruptcy, to the extent Tenant's operation of business has been materially interfered with, and any such offset properly made shall not be deemed a default under this Lease. The lien of the Mortgage shall extend to the continuing possessory rights of Tenant following such rejection with the same priority as it would have enjoyed had such rejection not taken place.

15.11. Estoppel Certificates. Upon Lender's written request, Landlord shall provide Lender with an estoppel certificate which shall certify to Lender, subject to any exceptions set forth therein or as otherwise provided to the Lender in writing: (a) as to the amount and status of all rent payments and security deposits under the Lease, (b) as to the full satisfaction and compliance by Tenant of any other conditions required under the Lease, (c) that Tenant is not in default in the payment, performance or observance of any other condition or covenant to be performed or observed by Tenant thereunder, (d) that there are no offsets or counterclaims on the part of Landlord, and (e) as to such other matters related to the Lease as Lender may reasonably determine from time to time.

15.12. No Merger. There shall be no merger of the Lease or any interest in the Lease or of the leasehold estate created thereby with the fee estate in the Property, by reason of the fact that the Lease or such interest therein, or such leasehold estate may be directly or indirectly held by or for the account of any person who shall hold the fee estate in the Property, or any interest in such fee estate, nor shall there be such a merger by reason of the fact that all or any part of the leasehold estate created by the Lease may be conveyed or mortgaged in a leasehold mortgage to a mortgagee who shall hold the fee estate in the Property or any interest of Landlord under the Lease.

15.13. Reclamation Property. No response by Tenant to any notice under or pursuant to Section 3.06 of the Lease shall be binding or enforceable against Tenant or Lender unless countersigned by Lender, but Lender's rights to object to any reclamation proposed pursuant to Section 3.06 shall be no greater than Tenant's and may not be made on any basis other than any basis of objection permitted to Tenant.

5. Miscellaneous.

(a) The Lease, as modified herein, remains in full force and effect and is ratified by Landlord and Tenant. In the event of any conflict between the Lease and this Amendment, the terms and conditions of this Amendment shall control.

(b) This Amendment is binding upon and inures to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns. Except as expressly provided herein, Tenant has not assigned or transferred any interest in the Lease, as amended, and has full power and authority to execute this Amendment.

(c) This Amendment shall be governed by and construed in accordance with the laws of the State of Kansas.

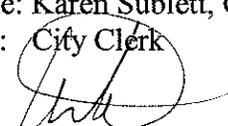
(d) This document may be executed in any number of counterparts, which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment on the day and year first above written.

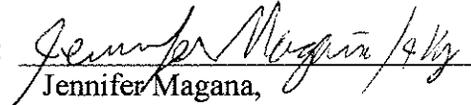
ATTEST:

LANDLORD

THE WICHITA AIRPORT AUTHORITY

By: _____
Name: Karen Sublett, City Clerk
Title: City Clerk
By: 
Victor D. White, Director of Airports

By: _____
Name: Jeff Longwell
Title: President

APPROVED AS TO FORM:  Date: 11-10-15
Jennifer Magana,
City Attorney and Director of Law

TENANT:

2015 Wichita Investment LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____
Date: _____

STATE OF _____)
) :ss.
COUNTY OF _____)

On the ____ day of _____, in the year 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity as _____ of 2015 Wichita Investment LLC and that by his/her signature on the instrument such person executed the instrument.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires:

ASSIGNMENT & ASSUMPTION AGREEMENT

THIS ASSIGNMENT & ASSUMPTION AGREEMENT ("AGREEMENT") is a tri-party agreement made and entered into by and between Wichita Airport Hotel Associates, L.P., a Kansas limited partnership ("Assignor"), 2015 Wichita Investment LLC, a Delaware limited liability company ("Assignee"), and The Wichita Airport Authority Wichita, Kansas ("Lessor") with reference to the following facts:

WHEREAS, Assignor is the tenant under that certain Lease between Assignor and Lessor, dated June 5, 2007 (the "Lease") notice of which is given by instrument denominated "Memorandum of Lease" recorded with the Sedgwick County Register of Deeds on November 10, 2008 at Doc.#/FIm-Pg: 29019674, for the property located at 2098 S. Airport Road, Wichita, Kansas and legally described on Exhibit "A" attached hereto; and

WHEREAS, Assignor desires to assign to Assignee all of Assignor's right, title and interest in and to the Lease, and Assignee desires to accept the assignment of such right, title and interest in and to the Lease and to assume all of Assignor's rights and obligations under the Lease that may arise or are to be performed from and after the effective date of this Agreement; and

WHEREAS, Assignor has requested that the Lessor approve the assignment of Assignor's rights and obligations under the Lease to Assignee; and

WHEREAS, the Lessor is willing to grant this request of Assignor to assign its rights and obligations under the Lease to Assignee;

NOW THEREFORE: in consideration of the terms, covenants and promises, agreements and demises herein contained, and for other good and valuable consideration, each to the other given the receipt and sufficiency of which is hereby acknowledged, Assignor, Assignee and Lessor agree as follows:

- A. The Assignor hereby transfers, assigns, and sets over to the Assignee all right, title and interest of the Assignor in and to the Lease.
- B. In consideration therefore, the Assignee hereby accepts, assumes, takes over and succeeds to all of the Assignor's rights, duties, interests, liabilities and obligations under the Lease that arise or accrue from and after the effective date of this Agreement. Assignee agrees to all of the terms, conditions, provisions, covenants and obligations contained in the Lease which the Assignor is obligated to keep or perform to the extent such arise or accrue on or after the effective date of this Agreement and pursuant to the terms of the Lease, Assignee shall Indemnify and hold harmless the Lessor with respect to any and all such assumed duties, liabilities, or obligations.
- C. In consideration therefore, the Assignor hereby remains liable for all of Assignor's rights, duties, interests, liabilities and obligations under the Lease which arose or accrued before the effective date of this Agreement. Assignor shall indemnify and hold harmless the Lessor with respect to any and all such duties, liabilities, or obligations.
- D. This Agreement shall be effective following the execution of this Agreement by the Lessor.
- E. This Agreement can be executed in multiple counterparts each of which contains all required original signatures and shall be considered an original on its own.

IN WITNESS WHEREOF, the undersigned have duly executed this Assignment & Assumption Agreement as of the dates set forth below.

ASSIGNOR:

Wichita Airport Hotel Associates, L.P., a Kansas limited partnership

By: _____

Title: _____

Date: _____

ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on this ____ day of _____, 2015, by _____, the _____ of Wichita Airport Hotel Associates, L.P., a Kansas limited partnership, on behalf of said limited partnership.

Notary Public Signature

ASSIGNEE:

2015 Wichita Investment LLC, a Delaware limited liability company

By: _____

Title: _____

Date: _____

ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on this ____ day of _____, 2015, by _____, the _____ of 2015 Wichita Investment LLC, a Delaware limited liability company, on behalf of said limited liability company.

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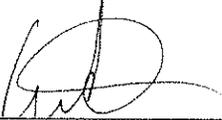
Notary Public Signature

LESSOR:

The Wichita Airport Authority Wichita, Kansas ATTEST:

By: _____
Jeff Longwell, Mayor

Karen Sublett, City Clerk



Victor D. White, Director of Airports

Date: _____

Approved as to form:



Jennifer Magana
City Attorney and Director of Law

Exhibit "A"
Legal Description

Parcel 1:

That portion of Reserve F, in Wichita Municipal Airport Addition to Wichita, Kansas, Sedgwick County, Kansas, described as: Beginning at a point 30 feet right of STA.56+11.18 of the proposed Midfield Road, said point being 2727.21 feet south and 565.77 feet west (Grid System) of the Southeast corner of Section 28, Township 27 South, Range 1 West of the Sixth Principal Meridian, Sedgwick County, Kansas; thence bearing S 19°20'14" W along the South right-of-way line of said Midfield Road, a distance of 330 feet; thence bearing S 70°39'46" E, a distance of 582.97 feet to a point on a curve to the right having a radius of 894.13 feet; thence along said curve to the right, through a central angle of 27°09'55", with a chord bearing of S 47°57'57.5" W, an arc distance of 423.93 feet to the point of compound curvature of a curve to the right having a radius of 308.43 feet; thence along said curve to the right, through a central angle of 47°48'25", an arc distance of 257.35 feet; thence bearing N 70°38'40" W, a distance of 320.40 feet to the point of curvature of a curve to the right having a radius of 374.0 feet; thence along said curve to the right, through a central angle of 64°44'39", an arc distance of 422.62 feet to an intersection of said curve and a line bearing N 19°21'20" E; thence bearing N 19°21'20" E, a distance of 277.14 feet; thence bearing N 32°29'22" E, a distance of 316.34 feet; thence bearing S 70°39'46" E, a distance of 433.31 feet to the point of beginning.

Parcel 2:

That portion of Reserve F, in Wichita Municipal Airport Addition to Wichita, Kansas, Sedgwick County, Kansas, described as: Commencing at a point 30 feet right of STA.56+11.18 of the proposed Midfield Road, said point being 2727.21 feet south and 565.77 feet west (Grid System) of the Southeast corner of Section 28, Township 27 South, Range 1 West of the Sixth Principal Meridian, Sedgwick County, Kansas; thence bearing S 19°20'14" W along the South right-of-way line of said Midfield Road, a distance of 330 feet; thence bearing S 70°39'46" E, a distance of 582.97 feet to a point on a curve to the right having a radius of 894.13 feet; thence along said curve to the right, through a central angle of 27°09'55", with a chord bearing S 47°57'57.5" W, an arc distance of 423.93 feet to the point of compound curvature of a curve to the right having a radius of 308.43 feet; thence along said curve to the right, through a central angle of 47°48'25", an arc distance of 257.35 feet; thence bearing N 70°38'40" W, a distance of 320.40 feet to the point of curvature of a curve to the right having a radius of 374.0 feet; thence along said curve to the right, through a central angle of 20°55'24", an arc distance of 136.58 feet to the point of beginning; thence bearing N 70°32'54" W, a distance of 21.11 feet; thence bearing N 18°15'32" E, a distance of 8.86 feet to the point on a curve to the left having a radius of 374.0 feet; thence along said curve, an arc distance of 23.06 feet and a chord the bears S 47°57'34" E to the point of beginning.

Parcel 3:

That portion of Reserve F, in Wichita Municipal Airport Addition to Wichita, Kansas, Sedgwick County, Kansas, described as: Commencing at a point 30 feet right of STA.56+11.18 of the proposed Midfield Road, said point being 2727.21 feet south and 565.77 feet west (Grid System) of the Southeast corner of Section 28, Township 27 South, Range 1 West of the Sixth Principal Meridian, Sedgwick County, Kansas; thence bearing S 19°20'14" W along the South right-of-way line of said Midfield Road, a distance of 330 feet; thence bearing S 70°39'46" E, a distance of 582.97 feet to a point on a curve to the right having a radius of 894.13 feet; thence along said curve to the right, through a central angle of 27°09'55", with a chord bearing S 47°57'57.5" W, an arc distance of 423.93 feet to the point of compound curvature of a curve to the right having a radius of 308.43 feet; thence along said curve to the right, through a central angle of 47°48'25", an arc distance of 257.35 feet; thence bearing N 70°38'40" W, a distance of 320.40 feet to the point of curvature of a curve to the right having a radius of 374.0 feet; thence along said curve to the right, through a central angle of 57°08'31", an arc distance of 372.00 feet to the point of beginning; thence bearing N 67°45'39" W, a distance of 10.30 feet; thence bearing N 19°15'39" E, a distance of 16.30 feet to the point on a curve to the left having a radius of 374.0 feet; thence along said curve, an arc distance of 17.73 feet and a chord that bears S 12°08'58" E to the point of beginning.

Approved / Accepted by City Council:

Date 5-6-07

LEASE

between

THE WICHITA AIRPORT AUTHORITY OF
THE CITY OF WICHITA, KANSAS

and

WICHITA AIRPORT HOTEL ASSOCIATES, L.P.

Relating to

The Hotel Facility (the "Project")

DATED AS OF June 5, 2007

RECEIVED

JUN 21 2007

W.A.A.

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LEASE

THIS LEASE is made and entered into as of June 5, 2007, by and between THE WICHITA AIRPORT AUTHORITY OF THE CITY OF WICHITA, KANSAS, a governmental or quasi-governmental entity organized and existing under the laws of the State of Kansas (the "Landlord"), and WICHITA AIRPORT HOTEL ASSOCIATES, L.P., a Kansas limited partnership (the "Tenant").

WITNESSETH

WHEREAS, the Project has been leased by Landlord to Tenant pursuant to a certain Lease dated as of June 1, 1980 as supplemented by that certain Supplemental Lease dated as of December 1, 1983, the Second Supplemental Lease dated as of September 1, 1987, the Third Supplemental Lease dated as of March 1, 1988, and the Restated and Amended Lease dated as of February 1, 1992, which collectively are referred to herein as the "Prior Lease", and hereafter shall be leased to Tenant pursuant to this Lease hereinafter referred to as the "Lease" or as this "Agreement";

WHEREAS, Landlord and Tenant desire that, by execution of this Agreement, the Prior Lease shall be terminated in its entirety and be of no further force and effect and, concurrently, this Agreement shall completely replace the Prior Lease in all respects as set forth herein; and

WHEREAS, the execution and delivery of this Agreement has been in all respects duly and validly authorized by Landlord.

NOW THEREFORE, the Landlord and the Tenant, each in consideration of the representations, covenants and agreements of the other as set forth herein, mutually represent, covenant and agree as follows:

ARTICLE I

DEFINITIONS, EXHIBITS AND MISCELLANEOUS

Section 1.01. Definitions.

In this Agreement, the following terms have the following meanings, unless the context clearly requires otherwise.

Act: the laws of the State of Kansas including K.S.A. 3-153, et seq., as amended;

Act of Bankruptcy: voluntary or involuntary bankruptcy or insolvency of a party which is not vacated or dismissed within sixty (60) days of the institution of such proceedings;

Additions: additional sleeping room units or other improvements to the Project, including, but not limited to, construction of a separate additional hotel facility located on the Project Premises.

Agreement: this Lease by and between the Landlord and Tenant, as the same may from time to time be amended or supplemented as provided herein;

Airport: the real property making up Wichita Mid-Continent Airport together with the improvements located thereon owned and operated by the Landlord as a public airport facility in accordance with the laws of the State of Kansas, including the Act, and applicable rules and regulations of the FAA;

Commercial Activity: any new material and substantial revenue producing commercial transactions that are entered into after the Date of this Agreement that are not in the ordinary course of hotel business as set forth in Section 10.02 and 10.03 and are not addressed in the definitions of Food and Beverage Sales and Guest Room Sales;

Condemnation: the word "Condemnation" or phrase "eminent domain" as used herein shall include the taking or requisition by governmental authority or by a person, firm or corporation acting under governmental authority and a conveyance made under threat of Condemnation, provided such conveyance is made with the approval of the Landlord, which approval shall not be unreasonably withheld, and "Condemnation Award" shall mean payment for property condemned or conveyed under threat of Condemnation;

Date of this Agreement: June 5, 2007;

Director of Airports: the Director of Airports employed at any time during this Agreement by the Wichita Airport Authority or City of Wichita;

Event of Default: any of the events set forth in Section 13.01 hereof;

FAA: the Federal Aviation Administration;

Food and Beverage Sales: the gross revenues received by the Project from the sale of food and beverage items in the Project's restaurant, lounge, meeting/conference/banquet facilities, sleeping rooms (room service), and the rental of meeting/conference/banquet rooms. Said gross revenues shall exclude all sales and use taxes and other charges levied or imposed by governmental agencies. Such gross revenues shall further exclude all tips and gratuities added to customers' charges and collected by the Project and all miscellaneous charges for audio/visual equipment rental, music and entertainment charges, off-site catering and other charges not directly relating to the sale of food and beverage items at the Project.

Ground Rental: the Ground Rentals in the amounts and payable at the times set forth in Part I of the Schedule of Rentals attached hereto as Exhibit C.

Guest Room Sales: the gross revenues received by the Project from the overnight rental of sleeping rooms to guests of the Project. Said gross revenues shall exclude all sales and use taxes and other charges levied or imposed by governmental agencies. Such gross revenues shall further exclude all guest charges posted to the guest's account for telephone charges, laundry valet, movie rental, room damage and smoking charges, no-show charges and other similar charges that do not specifically relate solely to the rental of the sleeping room.

Hotel: the hotel facility described herein as a component of the Project.

Improvements: The Hotel, together with other facilities and appurtenances necessary for the customary operation of such Hotel.

Landlord: The Wichita Airport Authority of the City of Wichita, Kansas, and any successor to its functions;

Mortgage: any mortgage and/or security agreement against the Project that is granted in connection with Tenant's financing efforts with respect to the Project, including, but not limited to, the construction of additional buildings, recapitalization of Tenant, expansion of the Hotel, major improvements to the Project, or a sale of the Project, as the same may from time to time be amended or supplemented;

Mortgaged Property: the Tenant's leasehold estate in and to the properties, real, personal or mixed, described in any Mortgage, as it may at any time exist;

Option Period Ground Rent: the Option Period Ground Rental in the amounts, and subject to adjustment, and payable at the times set forth in Part I of the Schedule of Rentals attached hereto as Exhibit C;

Parking Rental: the Parking Rentals in the amounts, and subject to adjustment, and payable at the times set forth in Part II of the Schedule of Rentals attached hereto as Exhibit C;

Percentage Rental: the Percentage Rental in the amounts, and subject to adjustment, and payable at the times set forth in Part III of the Schedule of Rentals attached hereto as Exhibit C;

Prior Lease: the Lease dated as of June 1, 1980 as supplemented and amended by that certain Supplemental Lease dated as of December 1, 1983, the Second Supplemental Lease dated as of September 1, 1987, the Third Supplemental Lease dated as of March 1, 1988, and the Restated and Amended Lease dated as of February 1, 1992, each by and between Landlord, as Lessor, and the Tenant (or its predecessors in interest), as Lessee, which such Lease, as amended, shall be terminated in its entirety and concurrently completely replaced in all respects upon the execution of this Agreement;

Project: the hotel facility and any Additions consisting of a leasehold estate created hereby on and to the real property described as Tracts A, B and C of Exhibit B to this Lease together with the improvements and other tangible property, real, personal and mixed;

Project Premises: the property and interests in real property described in Exhibits A and B to the Lease;

Reclamation Property: that certain portion of real property described in Section 3.06 that may be reclaimed in whole or in part by Landlord from Tenant pursuant to Section 3.06 in order to support and enhance the infrastructure of the Airport;

Term of this Agreement: the period of time commencing on the Date of this Agreement and terminating on the date set forth in Section 3.01, subject to any renewal options set forth herein;

- (1) Basic Term is as described in Section 3.01; and
- (2) Option Term is as described in Section 3.02.

Section 1.02. Exhibits.

The following Exhibits are attached to and, by reference, made a part of this Agreement:

- (1) Exhibit A: Project Site Survey;
- (2) Exhibit B: Project Description; and
- (3) Exhibit C: Schedule of Rentals.

Section 1.03. Rules of Interpretation.

(1) This Agreement shall be interpreted in accordance with and governed by the laws of the State of Kansas.

(2) The words “herein”, “hereof” and “hereunder” and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than to any particular section or subdivision of this Agreement.

(3) References in this Agreement to any particular article, section or subdivision hereof are to the designated article, section or subdivision of this Agreement as originally executed.

(4) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles; and all computations provided for herein shall be made in accordance with generally accepted accounting principles consistently applied and applied on the same basis as in prior years.

(5) The Table of Contents and titles of articles and sections herein are for convenience of reference only and are not a part of this Agreement, and shall not define or limit the provisions hereof.

(6) Unless the context hereof clearly requires otherwise, the singular shall include the plural and vice versa and the masculine shall include the feminine and vice versa.

(7) Articles, sections, subsections and clauses mentioned by number only are those so numbered which are contained in this Agreement.

(8) Any opinion of counsel required hereunder shall be a written opinion of such counsel.

(9) In the event that additional general partners are admitted to the Tenant, references herein to the general partner shall be deemed to refer to, and be binding upon, each general partner of the Tenant.

(10) The parties mutually understand and agree that nothing herein contained is intended or shall be construed as creating or establishing the relationship of co-partners or joint-venturers between the parties hereto or as constituting the Tenant as the agent or representative of Landlord for any purpose or any matter whatsoever.

ARTICLE II

REPRESENTATIONS OF LANDLORD AND TENANT

Section 2.01. Representations of the Landlord.

The Landlord makes the following representations and warranties as the basis for its covenants herein:

(1) The Landlord is a governmental or quasi-governmental entity duly organized and existing under the laws of the State of Kansas, including particularly the Act.

(2) The Landlord has lawful power and authority under the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action of its governing body, the Landlord has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers.

(3) To its knowledge, no member of the governing body of the Landlord or any other officer of the Landlord has any significant or conflicting interest, financial, employment or otherwise, in the Tenant, the Project or in the transactions contemplated hereby including violations of the Kansas Conflict of Interest statutes for local government officials.

(4) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the Landlord's knowledge, threatened against or affecting it (or, to its knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or the validity or the enforceability of this Agreement or any agreement or instrument to which the Landlord is a party and which is used or contemplated for use in the consummation of the transactions contemplated thereby.

Section 2.02. Representations of the Tenant.

The Tenant makes the following representations and warranties as the basis for its covenants herein:

(1) The Tenant is a limited partnership duly formed and existing under the laws of the State of Kansas, and is duly authorized to conduct its business in the State of Kansas and all other states where its activities require such authorization, has power to enter into this Agreement, and the other documents or instruments necessary to carry out the intention of this Agreement ("Related Documents") to which Tenant is a party and to use the Project for the purpose set forth in this Agreement, and by proper partnership action

has authorized the execution and delivery of this Agreement, and the other Related Documents to which Tenant is a party.

(2) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and thereby, and the fulfillment of the terms and conditions thereof do not and will not conflict with or result in a breach of any of the terms or conditions of the partnership agreement, any restriction or any agreement or instrument to which the Tenant (or any of its general partners) is now a party or by which it or any of its general partners is bound or to which any property of the Tenant or any of its general partners is subject, and do not and will not constitute a default under any of the foregoing, or to the best of the Tenant's knowledge, cause the Tenant or any of its general partners to be in violation of any order, decree, statute, rule or regulation of any court or any state or federal regulatory body having jurisdiction over the Tenant or any of its general partners or their properties, including the Project, and do not and will not result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Tenant or any of its general partners contrary to the terms of any instrument or agreement to which the Tenant or any of its general partners is a party or by which they are bound.

(3) The use of the Project, as it is proposed to be operated, complies, in all material respects, with all presently applicable zoning, development, pollution control, water conservation, environmental and other laws, regulations, rules and ordinances of the federal government and the State of Kansas and the respective agencies thereof and the political subdivisions in which the Project is located; the Tenant has obtained all necessary and material approvals of and licenses, permits, consents and franchises from federal, state, county, municipal or other governmental authorities having jurisdiction over the Project to acquire and operate the Project and to enter into, execute and perform its obligations under this Agreement.

(4) There are no actions, suits, proceedings or inquiries or investigations at law or in equity pending or, to the knowledge of the Tenant, threatened against the Tenant or any property of the Tenant in any court or before any federal, state, municipal or other governmental agency, which, if decided adversely to the Tenant, would have a material adverse effect upon the Tenant or upon the business or properties of the Tenant or upon its power, authority and right to enter into this Agreement; and the Tenant is not in default with respect to any order of any court or governmental agency.

(5) Neither the Tenant nor any of its general partners: (a) is in default in the payment of the principal of or interest on any indebtedness for borrowed money; or (b) is in default under any instrument or agreement under and subject to which any indebtedness for borrowed money has been issued.

(6) The Tenant has filed all federal and state income tax returns which, to the knowledge of any of the general partners of the Tenant, are required to be filed and has paid all taxes shown on said returns and all assessments and governmental charges received by it to the extent that they have become due.

(7) To the best of the Tenant's knowledge, no member of the governing body of the Landlord or any other officer of the Landlord has any significant or conflicting interest, financial, employment or otherwise, in the Tenant, the Project or in the transactions contemplated hereby.

(8) The Tenant is not in the trade or business of selling properties such as the Project and operates the Project for investment purposes only or otherwise for use by the Tenant in its trade or business.

(9) There has been no material adverse change in the financial condition, prospects or business affairs of the Tenant or the feasibility or physical condition of the Project since December 31, 2005.

Section 2.03. Environmental Representations.

(1) Tenant hereby covenants that it will not cause or knowingly permit any Hazardous Substances to be placed, held, located or disposed of, on, under or at the Project Premises, other than in the ordinary course of business and in compliance with all applicable laws. For purposes of this Section, "Hazardous Substances" means and includes: (i) any hazardous wastes, hazardous substances, toxic materials, pollutants, contaminants, or industrial solid waste (as those terms are defined in any federal, state, or local statute, law, ordinance or regulation); (ii) waste oil or petroleum products; and (iii) any formaldehyde.

(2) In furtherance and not in limitation of any indemnity elsewhere provided to Landlord hereunder, Tenant hereby agrees to indemnify and hold harmless Landlord and the City of Wichita from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees, costs of any settlement or judgment and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, Landlord or the City of Wichita by any person or entity for or arising out of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Project Premises during the Term of this Agreement of any Hazardous Substance including, without limitation, any losses, liabilities, reasonable attorneys' fees, costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, any federal, state or local so-called "Superfund" or "Super lien" laws, or any other applicable statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability, including strict liability, or standards of conduct concerning, any Hazardous Substance if such presence, escape, seepage, leakage, spillage, discharge, emission was caused by the Tenant, or persons within the control of Tenant, its officers, employees, agents, and/or licensees, or if such Hazardous Substance was owned by, or located on the premises by, Tenant (without regard to the actual cause of any escape, seepage, leakage, spillage, discharge, emission or release).

(3) If, during the Term of this Agreement, Tenant receives any notice of (i) the happening of any event involving the use (other than in the ordinary course of business and in compliance with all applicable laws), spill, release, leak, seepage, discharge or cleanup of any Hazardous Substance on the Project Premises or in connection with Tenant's operations thereon or (ii) any complaint, order, citation or notice with regard to air emissions, water discharges, or any other environmental, health, or safety matter affecting Tenant (an "Environmental Complaint") from any persons or entity (including, without limitation), the United States Environmental Protection Agency (the "EPA") or the Kansas Department of Health and Environment ("KDHE"), Tenant shall immediately notify Landlord in writing of said notice.

(4) Landlord shall have the right, but not the obligation, and without limitation of Landlord's other rights under this Agreement, to enter the Project Premises or to take such other actions as deemed reasonably necessary or advisable to inspect, clean up, remove, resolve or minimize the impact of, or to otherwise deal with, any Hazardous Substance or environmental complaint following receipt of any notice from any person, including, without limitation, the EPA or KDHE, asserting the existence of any Hazardous Substance or an environmental complaint pertaining to the Project Premises or any part thereof which, if true, could result in an order, suit or other action against Tenant and/or which, in the reasonable judgment of Landlord, could jeopardize Landlord's interests under this Agreement. If such conditions are caused by circumstances within the control of Tenant or if such circumstances result from a Hazardous Substance owned by, or located on the premises by, the Tenant (without regard to the actual cause of any escape, seepage, leakage, spillage, discharge, emission or release) all reasonable costs and expenses incurred by the Landlord in the exercise of any such rights shall be payable by the Tenant upon demand.

(5) If an Event of Default within 15 days of written demand by Landlord shall have occurred and be continuing, Tenant at the reasonable written request of Landlord shall periodically perform (at Tenant's expense) an environmental audit and, if reasonably deemed necessary by Landlord, an environmental risk assessment (each of which must be reasonably satisfactory to Landlord) of the Project Premises, or the hazardous waste management practices and/or hazardous waste disposal sites used by Tenant with respect to the Project Premises. Such audit and/or risk assessment shall be conducted by an environmental consultant satisfactory to Landlord. Should Tenant fail to perform any such environmental audit or risk assessment within ninety (90) days of the written request of Landlord, Landlord shall have the right, but not the obligation, to retain an environmental consultant to perform any such environmental audit or risk assessment. All costs and expenses incurred by Landlord in the exercise of such rights shall be payable by Tenant upon receipt of documentation of such expenses from Landlord.

(6) Neither Tenant nor Landlord shall install or permit to be installed on the Project Premises friable asbestos, electrical equipment containing polychlorinated biphenyls (PCBs), or any substance containing asbestos and deemed hazardous by federal or state regulations applicable to the Project Premises and respecting such material. Tenant shall defend, indemnify, and save Landlord and the City of Wichita harmless from all costs and expenses (including consequential damages) asserted or proven against Tenant by any person, as a result of the presence of the substances described in this subsection (6), and any removal or compliance with such regulations, if said substance was installed by Tenant, or persons within its control. Landlord shall defend, indemnify, and save Tenant harmless from all costs and expenses (including consequential damages) asserted or proven by any person, as a result of the presence of the substances described in this subsection (6), and any removal or compliance with such regulations, if said substance was installed by Landlord, or persons within its control.

(7) Subject to any limitations or restrictions imposed by the Kansas Budget Law or Cash Basis Law, Landlord hereby agrees to indemnify and hold harmless Tenant from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees, costs of any settlement or judgment and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, Tenant by any person or entity for, arising out of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from or onto the Project Premises during the Term of this Agreement and the period prior to the Term of this Agreement of any Hazardous Substance (including, without limitation, any losses, liabilities, reasonable

attorneys fees, costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, any federal, state or local so-called "Superfund" or "Super lien" laws, or any other applicable statute, law, ordinance, code, rule, regulation, order of decree regulating, relating to or imposing liability, including strict liability, or standards of conduct concerning any Hazardous Substance) unless such presence, escape, seepage, leakage, spillage, discharge, emission or release was caused by Tenant, or persons within the control of the Tenant, its officers, employees, agents, business invitees and/or licensees., or if such hazardous substance was owned by, or placed upon the premises by, the Tenant (without regard to the actual cause of any escape, seepage, leakage, spillage, discharge, emission or release except to the extent such was caused by the Landlord).

- (8) The provisions of this Section shall survive the termination of this Agreement.

ARTICLE III

LEASE OF THE PROJECT, RENT PAYMENTS, AND TERM OF AGREEMENT

Section 3.01. Grant of Leasehold.

Subject to the Reserved Rights set forth in Section 3.03, Landlord by these presents hereby rents, leases and lets unto Tenant and Tenant hereby rents, leases and hires from Landlord, for the rentals and upon and subject to the terms and conditions hereinafter set forth, the Project described and set forth in Tract A, B, and C of Exhibit B attached hereto and made a part hereof, and certain attendant privileges, uses and rights as hereinafter specifically provided, for the Basic Term commencing on the Date of this Agreement and ending on May 31, 2030 (the "Basic Term"). Landlord and Tenant agree and acknowledge that this Agreement hereby concurrently terminates the Prior Lease in its entirety and completely replaces the Prior Lease in all respects.

Section 3.02 Option to Extend.

Tenant shall have the right and option, to be exercised as hereinafter provided, and provided that no Event of Default shall have occurred and be subsisting hereunder, to extend the Term of this Agreement for two (2) successive terms of ten (10) years each from and after May 31, 2030 and one (1) additional term of seven (7) years from and after June 1, 2050 to May 31, 2057 ("Option Term"). Rent for such extended term shall be as described in Part III of Exhibit C attached hereto. Such rent shall be payable directly to the Landlord as set forth herein. All other terms and conditions of this Lease shall be fully applicable to such extended term, except only the provisions hereof with reference to the Ground Rent and Parking Rent, which shall not be applicable. The options to extend the Term of this Agreement set forth in this Section shall be automatically exercised at the expiration of the immediately preceding term without any action required by Tenant, unless Tenant provides written notice to Landlord of its intention not to renew this Agreement no less than nine (9) months prior to the expiration of the then-current term and no more than twelve (12) months prior to the expiration of the then-current term.

Section 3.03 Reserved Rights.

Landlord hereby expressly reserves from the grant of leasehold pursuant to this Agreement: (a) all oil, gas and mineral rights in and under the soil; (b) the right to install or permit others to install navigational aids in, on or about the Project; (c) the right to install, maintain or modify utility lines and to grant utility rights of way to others over, under, through and across the Project; (d) the rights reserved to Landlord for enforcement of the covenants and obligations of Tenant as set forth herein; and (e) its rights to indemnification hereunder. Landlord's exercise of any Reserved Rights (a) through (c) shall be without expense to Tenant, shall not unreasonably or materially interfere with Tenant's use of the Project and shall not delay Tenant in the exercise of its rights or the performance of its duties hereunder or increase Tenant's cost of such performance. However, Landlord shall have no responsibility to continue to provide a source of water supply to the pond included within the Project Premises.

Section 3.04 Rental Payments.

(1) During the Basic Term of this Agreement, Landlord reserves and Tenant hereby covenants and agrees to pay directly to Landlord the Ground Rental and Parking Rental set forth herein in the amounts and at the times and in the manner provided in Part I and Part II of the Schedule of Rentals attached hereto as Exhibit C and incorporated herein by reference. Landlord's rights to timely payment of the Parking Rental is hereby expressly subordinated to Tenant's obligation to pay any bond or mortgage financing payments, and other amounts payable hereunder or under any other related financing security documents; and, so long as any of the bonds or mortgage financing remain outstanding, default in the payment of said Parking Rentals shall not constitute an Event of Default hereunder or under any related financing security documents. In the event that all or a portion of the Parking Rentals are subordinated to bond or mortgaging financing payments during the Basic Term, payments to Landlord shall include the Ground Rental payments incorporated in Part I of the Schedule of Rentals attached as Exhibit C and any Parking Rentals remaining after the required bond payment or mortgage financing payments.

(2) During the Option Term of this Agreement as set forth in Section 3.02 herein, the payment of Ground Rental and Parking Rental by Tenant shall cease and Landlord reserves and Tenant hereby covenants and agrees to pay directly to Landlord the Percentage Rental or Option Period Ground Rent set forth herein in the amounts and at the times and in the manner provided in Part III of the Schedule of Rentals attached hereto as Exhibit C and incorporated herein by reference. Landlord's rights to timely payment of the Percentage Rental is hereby expressly subordinated to Tenant's obligation to pay any bond or mortgage financing payments, and other amounts payable hereunder or under any other related financing security documents; and, so long as any of the bonds or mortgage financing remain outstanding, default in the payment of said Percentage Rentals shall not constitute an Event of Default hereunder or under any related financing security documents. In the event that all or a portion of the Percentage Rentals are subordinated to bond or mortgaging financing payments during any Option Term, payments to Landlord shall be the greater of the Option Term Ground Rental payments incorporated in Part III of the Schedule of Rentals attached as Exhibit C or any Percentage Rentals remaining after the required bond or mortgage financing payments; provided, however, that such payments will not be less than the amount of the Option Term Ground Rental for such period.

(3) During any Option Term of this Agreement, if any Commercial Activity is in effect or is undertaken, Tenant shall compensate the Landlord for revenue derived from the Commercial Activity, as is mutually agreed upon between the Landlord and Tenant. For purposes of this subsection, for any Commercial Activity that is undertaken during any Option Term and not carried over from the Basic Term, Tenant shall be required to first obtain the approval of Landlord, which approval shall not be unreasonably withheld or delayed. Notwithstanding the provisions of this subsection, the parties understand and acknowledge that casino gaming and/or slot machine gaming during both the Basic Term and the Option Term shall be considered "Commercial Activity" and that Tenant shall compensate Landlord for revenue derived from such activities in a manner mutually agreed upon between Landlord and Tenant.

Section 3.05 Access to Project.

Landlord grants to Tenant, its subtenants, licensees, concessionaires, invitees and permittees full, complete and free ingress to and egress from the Project Premises to a publicly dedicated thoroughfare. Such access shall be by means of existing private roadways located on Landlord's adjoining property, the general location and layout of such access roadways being identified on Exhibit A attached hereto. Landlord covenants to maintain such roadways in good repair and to provide for appropriate snow removal so as to allow for the access contemplated hereby.

Section 3.06 Reclamation Property.

During the Term of this Agreement, in the event that Landlord reasonably determines that all or any portion of the real property referred to as the "Reclamation Property", situated on the eastern section of Tracts 1 and 3, is needed to enhance, support, or accommodate reasonably necessary infrastructure improvements for future Airport development purposes and Landlord wishes to reclaim such portion of the Reclamation Property for such purposes, Landlord shall deliver written notice of such desire to Tenant, which notice shall include (i) a property survey and legal description specifically identifying the portion of the Reclamation Property Landlord wishes to reclaim from Tenant; and (ii) the reason or reasons Landlord desires to reclaim such property. Within thirty (30) days of receipt of such notice from Landlord, Tenant shall provide Landlord with a written response to such notice stating (a) whether Tenant is using such portion of the Reclamation Property at such time or has plans to initiate a use or uses of such portion of the Reclamation Property within six (6) months from the receipt of Landlord's notice; and (b) specifically explaining such existing and/or proposed use or uses of such portion of the Reclamation Property. If Tenant is not using such portion of the Reclamation Property at that time, or does not plan to use the same within such 6-month period, the parties acknowledge and agree that Landlord may reclaim such portion of the Reclamation Property specifically identified in Landlord's written notice to Tenant only for the infrastructure improvements set forth in this Section and specifically identified in Landlord's written notice to Tenant. Pursuant to such transfer described in the previous sentence, the right, title, interest in and possession of such portion of the Reclamation Property shall revert from Tenant to Landlord, Tenant shall have no further rights, obligations, or liabilities with respect to such portion of the Reclamation Property except as set forth in Section 2.03 hereof, and any applicable land rental payments for the reclaimed land, including, but not limited to, maintenance and other forms of additional rent, paid by Tenant under this Agreement shall be reduced accordingly to reflect the reduction of the Project Premises due to the reclamation of such portion of the Reclamation Property by Landlord. Additionally, Landlord shall promptly repair any damage or alteration to the Project Premises occurring in connection with such reclamation in order to restore the Project Premises to its normal working condition immediately prior to

such reclamation, which such repairs may include, but not be limited to, landscaping and relocation and modification of roadways, curbing, and sidewalks. Landlord shall indemnify and defend Tenant, and hold Tenant harmless from any and all loss, cost, liability, claim, damage, or expense (including, without limitation, reasonable legal fees and costs) that Tenant may sustain or incur by reason of or in connection with any construction, alteration, or improvements to any portion of the Reclamation Property reclaimed by Landlord from Tenant, except to the extent that such loss, cost, liability, claim, damage, or expense is caused by Tenant or persons within the control of Tenant.

ARTICLE IV

IMPROVEMENTS AND ALTERATIONS

Section 4.01 Improvements.

Tenant has designed and constructed on the Project Premises a first-class three hundred two (302) guest room hotel facility, together with other facilities and appurtenances necessary for the customary operation of such Hotel. Tenant agrees to furnish fixtures, furnishings, equipment and other items which shall be deemed to be personal property, consistent with the type and character of the interior design of the Hotel. Furniture, furnishings and equipment, not including central heating and air conditioning equipment, will be held as personal property of Tenant.

Tenant shall have the right at any time to construct the Additions on the Project Premises pursuant to the procedure set forth in this Section. Tenant shall have, subject to the prior written approval of Landlord, which approval shall not be unreasonably withheld or delayed, the right, at Tenant's sole cost and expense, to construct on the Project Premises, or in airspace above the same, such additional buildings and improvements as Tenant from time to time may deem necessary or advisable, for the purposes of expanding the existing Hotel to a maximum capacity of four hundred two (402) guest rooms and/or the construction and development of a limited service hotel facility up to a maximum of one hundred sixty (160) guest rooms on the Project Premises. Tenant covenants and agrees (a) to make all repairs and restorations, if any, required to be made to the Project because of the construction of, addition to, alteration or removal of additional buildings or improvements, (b) to keep and maintain said additional buildings and improvements in good condition and repair, ordinary wear and tear and damages by fire or other casualty excepted, (c) to promptly and with due diligence either raze and remove from the Project Premises in a good, workmanlike manner, or repair, replace or restore such additional buildings or improvements as may from time to time be damaged by fire or other casualty, and (d) that all additional buildings and improvements constructed by Tenant pursuant to this Section shall at all times remain the separate and absolute property of Landlord.

Section 4.02 Scheduling of Construction.

Tenant agrees to, and shall construct the Additions on the Project Premises subject to the terms and conditions herein set forth. Tenant shall cause the construction of the Additions to be coordinated with time schedules established by the Landlord for other construction at the Airport. Further, Tenant's plans and specifications shall cause any contractor engaged for such construction to establish advance scheduling or a critical path network in accordance with instructions and provisions to be furnished by the Director of Airports. Tenant shall have the right to enter upon the Project Premises for construction of the Additions

once the permits are obtained, the Director of Airports has approved the Improvements, and has provided notice that the subject portion of the Project Premises is available.

Landlord shall have the right at any reasonable time prior to the completion of the Project or the Addition, to enter upon the Project Premises for the purpose of inspecting the construction thereof, to determine whether or not the project is being constructed substantially in accordance with the plans and specifications. If at any time during the progress of such construction, it is determined that the Project is not being constructed substantially in accordance with the plans and specifications, upon receipt of written notice from the Landlord, the Tenant shall make or cause to be made such reasonable alterations as may be required to cause the project to substantially conform to the plans and specifications.

Section 4.03 Design Control.

Prior to commencement of working drawings and specifications for the Improvements or Additions, Tenant shall submit to the Director of Airports for review, in accordance with design submission requirements and any required review by Landlord, all proposed design concepts, including architectural renderings showing appearance, types of materials and colors proposed for all facilities to be constructed, including, but not limited to buildings, parking, landscaping, approaches, gates, fences, lamps, signs, marquees, works of art and other structures to be erected upon the Project Premises. Tenant agrees to cause Additions for Tenant's use to be constructed on the Project Premises in accordance with plans and specifications to be prepared by Tenant and approved by Landlord, which approval shall not be unreasonably withheld or delayed. Plans and specification review submittals shall follow accepted practice for such deliverables; and the Landlord shall provide comments, as applicable, on each submittal. Landlord retains the right to ask for special submittals, as needed, to fully understand the proposed improvements. Facility floors and slabs shall follow nationally-recognized standards for design and construction such as the American Concrete Institute (ACI) 360R-2 and 302.1R-04, respectively. No above ground utility service lines shall be installed.

Tenant shall make displays and presentations as needed to boards, design councils, and other applicable bodies to explain the Additions and respond accordingly.

Tenant agrees (1) construction shall be administered, documented and observed on-site by professional architects and/or engineers to ensure compliance with the approved plans and specifications; (2) proposed exterior construction changes to the approved plans and specifications shall be submitted to Landlord for approval; (3) quality control testing shall be by an independent testing laboratory certified to provide such services; (4) to provide Landlord, within 60 days following occupancy of the Additions, a complete reproducible set of record drawings and an electronic file in a format usable by Landlord. Upon completion of the Additions, Tenant shall furnish a Certificate of Completion to Landlord which states that (1) the Additions have been completed in accordance with the plans and specifications; (2) the Additions have been completed in a good and skilled manner; (3) no liens have been filed, nor is there any basis for the filing of such liens, with respect to the Additions; and (4) all improvements constituting a part of the Additions are located or installed upon the Project Premises.

Section 4.04 Federal Aviation Administration Review.

Any and all construction of the Additions shall undergo a review and approval process by the FAA. It shall also be the responsibility of Tenant to file all necessary drawings and forms with the Director of Airports for submission to the FAA for approval, as may be required.

Section 4.05 Landscaping and Screening.

Tenant shall provide and install appropriate landscaping and screening, including lawn, shrubbery, trees, bushes, vines and other plantings and screening on the Project Premises as a part of the construction of the Project. All proposed landscaping plans and screening designs shall be submitted to the Director of Airports for review and approval, which approval shall not be unreasonably withheld or delayed. Tenant further agrees to provide any further landscaping and fencing that may be required, during the Term hereof, by the Director of Airports for the purpose of screening from view any area of the Project.

Section 4.06 Personal Property Purchased by Tenant.

Any fixtures, furnishings, equipment and other personal property the entire purchase price of which is paid for by Tenant with Tenant's own funds under Section 4.01 hereof shall be the property of Tenant, and shall not be included within the term "Improvements," "Additions," or "Project" as used in this Agreement.

Section 4.07 Property of Landlord.

Title to the Project Premises, all Improvements, the Additions, and work constituting a part of the Project, all work and materials on the Project Premises as such work progresses, and the Project as fully completed, anything under this Agreement which becomes, is deemed to be, or constitutes a part of the Project, as expanded, repaired, rebuilt, rearranged, restored or replaced by Tenant under the provisions of this Agreement, except as otherwise specifically provided herein, shall immediately when erected or installed be in and shall at all times remain in the Landlord.

Section 4.08 Alteration of the Project.

Tenant shall have and is hereby given the right, at its sole cost and expense, to make such additions, changes and alterations in and to any part of the Project as Tenant from time to time may deem necessary or advisable; provided, however, Tenant shall not make any major addition, change or alteration which will adversely affect the intended use or structural strength of any part of the Project without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. All additions, changes and alterations made by Tenant pursuant to the authority of this Section shall comply with the requirements included in Section 4.02 through 4.05, and shall (a) be made in a workmanlike manner and in compliance with all laws and ordinances applicable thereto, (b) when commenced, be prosecuted to completion with due diligence, and (c) when completed, shall be deemed a part of the Project; provided, however, that purchases of machinery, equipment and/or personal property by Tenant do not constitute a part of the Project and shall remain the property of Tenant and may be removed by Tenant prior to the termination of this Agreement; provided further, however, that all such additional machinery, equipment and/or personal

property which remain on the Project after the termination of this Agreement shall, upon and in the event of such termination, become the separate and absolute property of Landlord.

Section 4.09 Additional Financing.

If, in connection with the construction of additional buildings and/or the Additions, expansion of the Project, the recapitalization of the Tenant, or a sale of Tenant's interest in the Project, Tenant may secure financing, including, but not limited to, mortgage financing, to finance all or part of the cost thereof. Tenant agrees that such financing shall be at market rates prevalent for financing of the facilities described in this Section and that the amount of financing approved shall not exceed 75% of the appraised value of the Project as of a date that is within six (6) months of the proposed financing. If Landlord approval of such financing is required by any lender, mortgage company, or other entity, Tenant shall obtain the approval of Landlord, which approval shall not be unreasonably withheld, conditioned, or delayed and Landlord shall execute and deliver any certificates and instruments required to be executed on behalf of Landlord that are necessary for Tenant to obtain such financing.

Section 4.10 Additional Antennas.

During the Term of this Agreement, Tenant may enter into agreements with third parties to install and maintain antennas and other related communications equipment on the Project Premises, provided such equipment complies with all applicable federal, state, and local rules and regulations, including the rules and regulations of the FAA and, provided, further, that such antennas and other related equipment are disguised or screened in such a manner as to be reasonably inconspicuous in a manner reasonably determined by Landlord. The parties agree and acknowledge that the net revenues (after deduction of expenses of Tenant incurred pursuant to the terms of such agreements) generated in connection with any agreements between Tenant and third parties described in this Section shall be split equally between Tenant and Landlord; provided, however, that this sentence shall not apply to agreements for roof antennas and other related communications equipment already in effect prior to the Date of this Agreement.

Section 4.11 Reinvestment.

During the Term of this Agreement, Tenant agrees to set aside an amount equal to three percent (3%) of the sum of the annual Guest Room Sales and the annual Food and Beverage Sales for the exclusive use of making ongoing capital improvements, renovation expenditures, and furniture, fixtures and equipment replacement necessary to maintain the Hotel and to meet the requirements and standards set forth in Tenant's franchise or license agreement. The funds described in this Section shall be expended annually for such purposes and any unused funds in a given year will be carried forward and used in future years as may sometimes be necessary to meet the requirements of major planned capital expenditures.

ARTICLE V

RIGHT OF FIRST REFUSAL

Section 5.01. Right of First Refusal

Landlord shall notify Tenant in writing if during the Term hereof Landlord proposes to construct or engage a third party to construct, own, lease, or operate another hotel of similar quality to the Hilton franchise or licensee of a national hotel organization or a budget or limited service motel of extended stay lodging facility on the Airport as the Airport exists at the time of the execution of this Agreement. In such event, Tenant shall have the first right to develop, lease and operate such other facilities on such terms as the Landlord may specify. Tenant shall, within twelve (12) months after receipt of Landlord's written notice, advise Landlord in writing of its exercise or refusal of such proposal; provided, however, if, during any Option Term of this Agreement as set forth in Section 3.02 herein, Landlord proposes to construct or engage a third party to construct, own, lease, or operate a national franchise first class full service hotel facility comparable to the Hilton franchise on the Airport premises or proposes to construct a budget or limited service or an extended stay lodging facility, Tenant shall have four (4) months following the receipt of Landlord's written notice to provide such written notification to Landlord of its intent to exercise or refuse such proposal within. If Tenant shall refuse such proposal or shall fail to advise Landlord in writing within the time period set forth in this Section 5.01, then Landlord shall have the right to contract with any other person for the development, leasing and operation of such facilities; provided, however, that if such contract shall contain any terms materially different than those contained in its proposal to Tenant, then Tenant shall again be offered the first right to enter into such contract with Landlord and Tenant shall, within thirty (30) days, accept or refuse such proposal.

ARTICLE VI

PROJECT COVENANTS

Section 6.01. Project Operation and Maintenance.

- (1) The Tenant shall pay all expenses related to the operation and maintenance of the Project.
- (2) Tenant shall, during the life of this Agreement, pay and discharge, before the delinquency thereof, all taxes and assessments, general and special, if any, which may be lawfully taxed, charged, levied, assessed or imposed upon or against or be payable for or in respect of the Project or any part thereof, or any Improvements at any time thereon or Tenant's interest therein, including any new lawful taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against real property, and further including all water and sewer charges, assessments and other governmental charges and impositions whatsoever, foreseen or unforeseen, which if not paid when due would encumber Landlord's title to the Project (all of the foregoing being herein referred to as "Impositions"). In the event any special assessment taxes are lawfully levied and assessed which may be paid in installments, Tenant shall be required to pay only such installments thereof as become due and payable during the life of this Agreement as and when the same become due and payable. Landlord covenants that without Tenant's written consent it will not, unless required by law, take any action which may reasonably be construed as tending to cause or induce the levying or assessment of any Impositions (other than special assessments levied on account of special

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benefits) which Tenant would be required to pay under this Article and that should any such levy or assessment be threatened or occur Landlord shall, at Tenant's request, fully cooperate with Tenant in all reasonable ways to prevent any such levy or assessment. Landlord further covenants that any special assessments levied against Landlord's property on account of special benefits to Landlord shall not be assessed separately against the Project or in any manner to create or result in a separate lien or encumbrance on the Project, and shall be paid when due by Landlord in accordance with law.

(3) In the event the Tenant shall fail to maintain, or cause to be maintained, the full insurance coverage required by Article VIII of this Agreement or shall fail to keep the Project in as reasonably safe condition as its operating conditions will permit, or shall fail to keep the Project in good repair and good operating condition and make all necessary repairs and replacements to the Project, the Landlord may (but shall be under no obligation to) contract for the required policies of insurance and pay the premiums on the same or make any required repairs, renewals and replacements; and the Tenant agrees to reimburse the Landlord to the extent of the amounts so advanced, with interest thereon from the date such amount was due until paid by the Tenant at the Prime Rate published in the Wall Street Journal on the date Landlord took such action, whether or not such amount has actually been advanced by the Landlord.

(4) The Tenant shall obtain or cause to be obtained all necessary permits and approvals for the operation and maintenance of the Project and shall comply with all lawful requirements of any governmental body regarding the use or condition of the Project, whether existing or later enacted or foreseen or unforeseen or whether involving any change in governmental policy or requiring structural or other changes to part or all of the Project and irrespective of the cost of making the same.

(5) Notwithstanding the provisions of this Section 6.01, the Tenant may in good faith contest the validity or the applicability of any law, ordinance, rule or regulation provided that during the period of such contest and any appeal therefrom, such failure to comply with such requirement or requirements will not adversely affect the lien of any Mortgage, materially endanger such lien or the Project or any part thereof.

(6) The Tenant agrees not to permit or suffer others to commit a nuisance in or about the Project or themselves commit a nuisance in connection with its use or occupancy of the Project.

(7) Tenant, its agents and employees, shall be subject to any and all applicable rules, regulations, orders and restrictions which are now in force or which may hereafter be reasonably adopted by Landlord and shall also be subject to any and all applicable laws, statutes, rules, regulations or orders of any governmental authority, federal, state, or local, lawfully exercising authority over the Airport or Tenant's operations conducted hereunder. Landlord shall not be liable to Tenant for any diminution or deprivation of its rights hereunder on account of the exercise of any such authority as provided for in this Section 6.01.

(8) Tenant shall not, without the prior written approval of the Landlord (i) grant easements, licenses and other rights or privileges in the nature of easements with respect to the land, or (ii) release existing easements, licenses, rights-of-way and other rights or privileges, and Tenant agrees, to the extent that it may legally do so, that it will execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or any such agreement or other arrangement, upon receipt by Tenant of (a) a copy of the instrument of grant or release or of the agreement or other arrangement, and (b) a written application signed by the Landlord

requesting execution and delivery of such instrument, provided that, such grant or release is not detrimental to the proper conduct of the business of Tenant, and such grant or release will not unreasonably or materially interfere with the effective use or the efficient and economical operation of the Project. Any payments or other consideration received by Landlord for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of Landlord.

ARTICLE VII

REPAIRS AND MAINTENANCE

Section 7.01 Repairs and Maintenance.

Tenant covenants and agrees that it will, during the Term of this Lease, at its sole expense, keep, maintain, and repair the Project, keeping all parts thereof in good condition and repair, ordinary wear and tear excepted, including, without limitation, (i) all alterations (including without limitation, all engines, boilers, machinery, the roof, foundation, footings and all structural and non-structural components thereof) and all other Improvements located in, or about the Project, (ii) all heating, plumbing, electrical, air-conditioning, fire suppression systems, mechanical and other systems, fixtures and equipment with respect to the Project and all other Improvements located in, on or about the Project Premises, (iii) utilities, and (iv) all other areas including, without limitation, lawns and planted areas, walks, parking lots, and driveways, except as provided in Section 4.10.

In the event the Tenant shall fail to keep the Project in good repair and good operating condition and make all necessary repairs and replacements to the Project, the Landlord may after a 30-day written notice to Tenant (but shall be under no obligation to) make any repairs and replacements. Any costs for such maintenance or replacement shall be paid by Tenant no later than thirty (30) days following demand by Landlord for such payment at Landlord's cost plus twelve percent (12%). Any disputes between the parties with respect to the condition of the Project shall be submitted to a mutually agreed upon third party possessing expertise relating to the portion of the Project at issue for determination as to the status of the condition of such portion of the Project and, for purposes of this Section, the parties agree to consider such determination in resolving such dispute; provided, however, that the parties acknowledge that they are not bound by such determination.

Tenant, at its sole expense, during said Term it will keep the Project and all parts thereof free from filth, nuisance or conditions unreasonably increasing the danger of fire.

Tenant covenants and agrees without cost or expense to Landlord during the Term hereof:

- (1) Good Condition. To keep the Project in good and safe order and condition.
- (2) Furnishings and Equipment Maintenance. To maintain all furnishings and equipment used in the Project, whether or not constituting a part of the Project, in a first-class condition comparable to the furnishings and equipment in other first-class hotels in the Wichita, Kansas area, or to replace the same with furnishings and equipment meeting said standard.

(3) Obstruction Lights. To provide, maintain, and replace obstruction lights and all similar equipment or devices now or at any time required by an applicable law or ordinance, or any municipal, state or federal regulation.

(4) Housekeeping of Project Premises. To reasonably provide for complete, proper and adequate sanitary handling and disposal, away from the Airport, of all trash, garbage, and other refuse caused as a result of the operation of the Project not otherwise disposed of by approved methods such as garbage disposals and incinerators; to provide and use suitable, covered metal receptacles, to be approved by the Director of Airports, for all garbage, trash and other refuse on or about the Project Premises; and not to pile boxes, cartons, crates, drums or the like on the outside of the buildings, or dump any waste matter of any nature, in liquid state or otherwise, on the Project Premises nor to contaminate any sewers or drainage control reservoirs. Tenant agrees promptly to install, without cost or expense to the Landlord, any other device or devices for the handling and disposition of refuse and all manner of waste (liquid or otherwise), as may be reasonably required by the Director of Airports from time to time, of all airport tenants, including Tenant.

(5) Policing of Project Premises. To reasonably keep all papers and debris picked up from the Project Premises and to sweep the pavements thereon and remove snow and ice as often as necessary to keep them clean, and to keep all grass mowed, and shrubbery and other plantings pruned, trimmed and maintained.

(6) Drainage Facilities. To establish a system of periodic inspection, cleaning, and maintenance to keep watercourses, catch basins and other drainage structures controlled by Tenant functioning at full design capacity. Tenant shall see that special care is taken to pile removed snow in a location that will permit the water generated by the melting of such snow piles to flow into the drainage system of the Project.

Section 7.02 Removal, Disposition and Substitution of Machinery and Equipment.

(1) Tenant shall have the right, provided Tenant is not in default hereunder, to remove and sell or otherwise dispose of any machinery and equipment which constitutes a part of the Project and which are no longer used by the Tenant or, in the opinion of Tenant, are no longer useful to Tenant in its operations.

(2) Tenant may remove any machinery and equipment constituting a part of the Project that is used by Tenant in the operation of the Project; provided, however, that Tenant shall promptly replace any such machinery and equipment so removed with machinery and equipment of the same or a different kind but which are capable of performing the same function, efficiently, as the machinery and equipment so removed, and the machinery and equipment so acquired by Tenant to replace such machinery and equipment shall be deemed a part of the Project.

(3) All machinery and equipment constituting a part of the Project and removed by Tenant pursuant to subparagraphs (1) or (2) above shall become the absolute property of Tenant and may be sold or otherwise disposed of by Tenant without accounting to the Landlord with respect thereto, and Landlord shall execute and deliver to Tenant all documents or releases necessary to release such property from any and all liens hereunder. In all cases, Tenant shall pay all the costs and expenses of any such removal and shall immediately repair at its expense all damage caused thereby. Tenant's right under this Section to remove machinery and equipment constituting a part of the Project is intended only to permit Tenant to

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maintain an efficient operation by the removal of such machinery and equipment no longer suitable to Tenant's use for any of the reasons set forth in this Section and such right is not to be construed to permit a removal under any other circumstances and specifically is not to be construed to permit Tenant to make a wholesale removal of such machinery and equipment.

ARTICLE VIII

INSURANCE

Section 8.01. Insurance.

Tenant covenants and agrees that:

(1) Tenant will, throughout the Term of this Lease, at its sole cost and expense, keep the Project constantly insured against loss or damage by fire, lightning and all other risks by securing full replacement cost insurance, provided by an insurance company or companies authorized to do business in the State of Kansas, on all of the Improvements on the Project Premises (now or hereafter existing) or used in connection therewith against any loss or damage by fire, lightning and all other casualties or peril, and all other perils as are included within what is commonly known as "all risk coverage" with full replacement costs in an amount sufficient to prevent Landlord from being or becoming a co-insurer within the terms of the policy or policies in question and in no event less than the full replacement value thereof, exclusive of the cost of foundations, excavations, and footings below the lowest basement floor, and without any deduction being made for depreciation. The amount of such insurance required hereunder shall be determined from time to time at the reasonable request of Landlord or Tenant (but not more frequently than once in every twenty-four (24) months by an architect, appraiser, appraisal company, the Marshall & Swift replacement cost evaluation, or one of the insurers, to be selected by Tenant, subject to Landlord's reasonable written approval, and paid by Tenant). At a date not less than thirty (30) days prior to the expiration dates of the expiring policies, originals or certificates or acceptable binders of the policies provided for in this Article VIII, each bearing notations evidencing payment of the premiums or other evidence of such payment satisfactory to Landlord, shall be delivered by Tenant to Landlord. All policies of such insurance and all renewals thereof shall name Landlord, the City of Wichita, and Tenant as insureds as their respective interests may appear, shall contain a provision that such insurance may not be cancelled or amended by the issuer thereof without at least thirty (30) days' written notice to Landlord and Tenant.

(2) Tenant will, throughout the life of this Lease, at its sole cost and expense, maintain, with respect to the Project, general accident and comprehensive general public liability insurance against loss or liability in connection with bodily injury, death, or property damage or destruction, occurring on or about the Project Premises under one or more policies of commercial general liability insurance. Each policy shall be written on an occurrence basis. The insurance coverage shall be in an initial amount of not less than \$1 million per occurrence limit, \$5 million general aggregate limit. Landlord and the City of Wichita shall be named as additional insureds under said policies, and such policies shall properly protect and indemnify Landlord and the City of Wichita in amounts not less than aforesaid. The policies of said insurance shall contain a provision that such insurance shall not be cancelled by the issuer thereof without at least thirty (30) days' advance written notice to Landlord and Tenant. Such policies or copies or certificates thereof shall be furnished to Landlord.

(3) Tenant will, throughout the life of this Lease, at its sole cost and expense, maintain workers' compensation insurance in an amount as required by law and employer's liability coverage of \$500,000 per occurrence and covering all persons employed, directly or indirectly, in connection with Tenant's business or the initial improvements or any future alterations.

(4) Before any substantial alterations are undertaken by or on behalf of Tenant, Tenant shall obtain and maintain, at its expense, or Tenant shall require any contractor performing work on the Project Premises to obtain and maintain, at no expense to Landlord, in addition to workers' compensation insurance as required by state law in which the Project Premises are located, all-risk builder's risk insurance in the amount of the replacement cost of the applicable alterations (or such other amount reasonably required by Landlord), automobile and commercial general liability insurance (including contractor's liability coverage, contractual liability coverage, completed operations coverage, broad form property damage coverage, and contractor's protective liability) written on an occurrence basis with a minimum limit of \$1 million per occurrence limit, which coverage limits may be effected with umbrella coverage.

(5) Tenant will, throughout the life of this Lease, at its sole cost and expense, maintain commercial automobile liability insurance with a limit of \$1 million per occurrence, covering owned, hired and non-owned automobiles. Coverage shall be on an "any auto" basis and written on an "occurrence" basis. This insurance will protect against claims arising out of the operation of motor vehicles, as to acts done in connection with this Agreement.

(6) Each policy of insurance hereinabove referred to may be adjusted in the event of future changes in the law and upon notice by the Landlord, the minimum levels of insurance required may be increased within the bounds of commercial reasonableness, in relation to Tenant's specific business operations, to the amount that may be required to provide coverage of the events described herein.

ARTICLE IX

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 9.01. Damage and Destruction.

In the event that the Project is damaged or destroyed in whole or in part by fire, lightning or any other peril or other casualty during the Term of this Agreement, this Agreement shall remain in full force and effect and Tenant shall proceed with due diligence to repair, restore, rebuild or replace said damaged or destroyed Project or parts thereof to as good condition as the same were in immediately prior to such damage or destruction, subject to such alterations as Tenant may elect to make as permitted in Article 4.08. All proceeds from the insurance policies described in Article VIII, above, related to such damage or destruction shall be applied to cover the cost of such repairs or restoration. Any proceeds not required for such costs shall be distributed to the parties in pro-rata distributions as their interests may appear based upon the fair market value of each party's interest at the time the proceeds are received. If Tenant and the Landlord mutually agree, Tenant may use the insurance proceeds to construct other facilities equal to those facilities not restored.

Section 9.02. Tenant's Election Not to Restore Damaged Property.

In the event that the Project is damaged or destroyed in whole or in part by fire, lightning or any other peril or other casualty during the Term of this Agreement, and such damage, destruction or loss is not capable of being repaired within one hundred eighty (180) days, Tenant shall have the election, indicated by written notice given to Landlord within one hundred eighty (180) days after the occurrence of such event, not to repair, restore, rebuild or replace the Project, such election to be effective as of the date of such damage, destruction or loss. All of the insurance proceeds shall be paid to Tenant and Landlord in pro-rata distributions as their interests may appear based upon the fair market value of each party's interest at the time the proceeds are received; provided, that in the event the renewal options are taken into account in the award, then Tenant's leasehold shall be valued for such purpose for the entire unexpired term of the Lease, including renewal options.

Section 9.03. Condemnation.

If, during the Term of this Agreement, title to substantially all of the Project is Condemned, this Agreement shall (subject to the following provisions of this Article), terminate on the date possession of substantially all of the Project is required to be surrendered to the condemning authority. A Condemnation which in Tenant's judgment renders the Project untenable or impairs the efficient utilization of the Project by Tenant shall be deemed a Condemnation of substantially all of the Project; provided, however, that Tenant agrees to be reasonable in exercising such judgment.

(1) Disposition of Awards Received – Full Condemnation.

In the event this Agreement shall terminate pursuant to Section 9.03 hereof, all awards received from the Condemnation of the Project during the Term of this Agreement shall be applied as follows: (a) Landlord and Tenant shall first receive an amount equal to all legal fees and other expenses and costs incurred by Landlord and Tenant in connection with such Condemnation and any other sums of money then due and owing by Tenant to Landlord under the terms of this Agreement, and (b) the balance shall belong and be paid to Landlord and Tenant, in pro-rata distributions as their interests may appear based upon the fair market value of each party's interest at the time the awards are received, provided that in the event the renewal options set forth herein are taken into account in the award, then Tenant's leasehold shall be valued for such purpose for the entire unexpired term of this Agreement, including all renewal options; and provided further that Tenant shall have the right to claim and recover, from the Condemning authority, compensation (including, but not limited to, damages awarded as compensation for diminution in value of the leasehold or to the fee of the Project) as may be separately awarded or recoverable by Tenant, in Tenant's own right, on account of any and all damage to Tenant's business by reason of the Condemnation, and for or on account of any cost or loss which Tenant might incur in removing Tenant's merchandise, furniture, fixtures, leasehold improvements and equipment.

(2) Condemnation Not Resulting in Termination. Except as provided in Section 9.03(1) hereof, a Condemnation of the Project or any part thereof shall not cause a termination of this Agreement or give Landlord or Tenant any right to terminate this Agreement, and neither the Term of this Agreement nor any of the obligations (including the payment of rentals) of either party under this Agreement shall be reduced or affected in any way.

(3) Disposition of Awards Received – Partial Condemnation. If the Project is Condemned in accordance with Section 9.03 (2) above, all awards received from such Condemnation of the Project, after any Mortgage and interest thereon have been paid in full, shall be applied in the same manner as provided in Section 9.03(1) hereof.

Section 9.04. Parties to Give Notice.

In the case of material damage to or destruction of all or any part of the Project, the Tenant shall give prompt notice thereof pursuant to Section 14.01 hereof. In the case of a taking or proposed taking of all or any part of the Project by Condemnation, the party hereto upon which notice of such taking or proposed taking is served shall also give prompt notice to the Landlord pursuant to Section 14.01 hereof. Any such notice shall describe generally the nature and extent of such damage, destruction, taking or proposed taking.

ARTICLE X

USE OF THE PROJECT

Section 10.01 Use of the Project; Compliance with Laws.

Subject to the provisions of this Article, Tenant shall have the right to use the Project for any and all purposes allowed by law and this Lease. Tenant shall comply with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities, now or hereafter applicable to the Project or to any adjoining public ways, as to the manner of use or the condition of the same or of adjoining public ways. Tenant shall maintain continuously all necessary licenses and certifications as required by law. Tenant shall comply with the mandatory requirements, rules and regulations of all insurers under the policies required to be carried under the provisions of Article VIII.

Section 10.02 Hotel Services.

Tenant shall, in the Hotel, have the right to and shall rent rooms, suites, conference suites and convention and other facilities and may provide other services incidental to and normally provided by a first-class hotel, including recreational facilities (such as a swimming pool or pools), gift and specialty shops, cigar and newsstands, barber and beauty shops, valet and laundry services, and any additional services which are now or may hereafter become incidental to the operation of first-class hotels.

Section 10.03 Food and Beverage Services.

Tenant shall, in the Hotel, have the right to and shall install and operate a coffee shop, a dining room, a bar/lounge facility and other facilities without limitation as to the number of facilities in which this is done, for the preparation, sale and service of food and beverages of all kinds for consumption in the Hotel as such service is incidental to the operation of a first-class hotel. Tenant agrees that each and all of such facilities shall be first-class.

Section 10.04 Pick-Up Service.

Tenant may operate automotive vehicles on the roads and streets of the Airport for courtesy pick-up and delivery service of its patrons to and from the Hotel, subject to the written rules and regulations developed for ground transportation vehicles operating on the Airport

Section 10.05 Hotel Telephone and Advertisement.

It is understood and agreed that telephone and advertisement privileges in the Airport terminal are provided pursuant to a separate agreement between Tenant and Landlord. If these services are provided in the Airport terminal, and space is available, Tenant shall be entitled to enter into an agreement with Landlord to provide these services pursuant to the terms included in the written agreement between Landlord and Tenant.

Section 10.06 Depository and Solicitation.

Tenant shall not act as an agent, custodian, or depository for anyone engaged in the business of renting cars, taxicabs, limousines or in any other similar activity or service whatsoever, nor permit the Hotel to be used for solicitation of such business except as provided for herein or authorized by the Director of Airports.

Section 10.07 Motor Vehicles; Parking.

Subject to rules and regulations promulgated by the Landlord and in compliance with Airport standards and regulations, Tenant is granted the right to operate administrative offices related to the Project, and park, load and unload service vehicles and automobiles belonging to Tenant, its employees physically working on the Project and others having business with Tenant, including guests and visitors. Parking and standing of such vehicles shall not be permitted on highways, roadways, or service areas adjacent to the Project Premises. Tenant shall not offer or permit, either for consideration or without charge, motor vehicle parking space to any person or business operation other than those provided above. Tenant and Landlord shall cooperate to prevent unauthorized parking of automobiles on the Project Premises.

Section 10.08 Hours of Operation.

Tenant shall offer its available sleeping accommodations in the Project not less than twenty-four (24) hours a day, seven (7) days a week. All other facilities and services shall be operated in the manner and during such hours and days as are customarily offered in first-class hotels in the Wichita, Kansas area.

Section 10.09 Personnel.

Tenant shall at all times retain an active, qualified, competent, and experienced manager, authorized to represent and act for Tenant, to supervise the Project. Tenant shall maintain a close check over attendants and employees to ensure the maintenance of a high standard of service to the public.

Section 10.10 Sanitary Condition of Project Premises and Equipment.

The Project and all equipment and materials used by Tenant in the operation of the Project shall at all times be clean and sanitary, in accordance with conditions of sanitation applicable to first-class hotels.

Section 10.11 Franchise.

Tenant covenants and agrees to use reasonable commercial efforts to keep in force at all times during the Term hereof the right and franchise to operate the Project as a Hilton hotel or other similar quality franchisee or licensee of a national hotel organization, subject to the reasonable approval of Landlord, pursuant to a written franchise or license agreement which shall be filed with the Director of Airports.

ARTICLE XI

TENANT'S COVENANTS

Section 11.01. Inspection and Access.

Tenant agrees that Landlord, upon delivery of at least twenty-four (24) hours' prior written notice to Tenant, except as may be provided otherwise in this Agreement, shall have the right to examine and inspect, and for that purpose to enter upon, the Project Premises, and shall also have such right of access thereto as may be reasonably necessary to cause the Project to be properly maintained in accordance with the terms and conditions of this Agreement.

Section 11.02. Annual Statement, Certificate of Compliance and Other Reports.

The Tenant covenants and agrees with Landlord, at Tenant's sole cost and expense, to furnish to Landlord the annual audited financial statements of Tenant within one hundred twenty (120) days after the end of each calendar year. In addition, during the Basic Term of this Agreement, Tenant shall, within fifteen (15) days from the end of each month, provide Landlord with monthly statements of Hotel occupancy and a report showing the monthly calculation of Parking Rentals. During any Option Term of this Agreement, Tenant shall, within fifteen (15) days from the end of each month, provide Landlord with a monthly report showing the Guest Room Sales and the Food and Beverage Sales for the respective month and a report showing the monthly calculation of Percentage Rentals, if applicable. Such statements and reports shall be in a form and contain information as may be reasonably agreed to by the parties.

Section 11.03. Indemnity by Tenant.

(1) Tenant will, to the fullest extent permitted by law, protect, indemnify and save Landlord and the City of Wichita, their respective officers, agents, and employees harmless from and against all liabilities, losses, damages, costs, expenses (including legal fees), taxes, causes of action, suits, claims, demands and judgments of any nature arising from:

(a) any injury to or death of any person or damage to property in or upon the Project Premises or growing out of or connected with the use, non-use, condition or occupancy of the Project or any part thereof, including any and all acts or operations relating to the construction or installation of property or improvements; provided, however, that such injury, death, or damage is not caused by or related to the gross negligence, recklessness, or willful misconduct of Landlord. The foregoing indemnification obligations shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Tenant, customers, suppliers or affiliated organizations under any workers' compensation acts, disability benefit acts or other employee benefit acts;

(b) violation of any agreement, provision or condition of this Agreement by the Tenant;

(c) violation of any contract, agreement or restriction relating to the Project which shall have existed at the Date of this Agreement, and has been disclosed to the Tenant, and which shall have been approved in writing by the Tenant;

(d) violation of any law, ordinance, court order or regulation affecting the Project or any part thereof or the ownership, occupancy or use thereof;

(2) Promptly after receipt by Landlord or any other person indemnified hereunder, as the case may be, of notice of the commencement of any action with respect to which indemnity may be sought against Tenant under this Section, such person will notify Tenant in writing of the commencement thereof, and, subject to the provisions hereinafter stated, Tenant shall assume the defense of such action (including the employment of counsel, who shall be counsel satisfactory to Landlord or such other person as the case may be, and the payment of expenses). Insofar as such action shall relate to any alleged liability with respect to which indemnity may be sought against Tenant, Landlord or any such other indemnified person shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of Tenant unless the employment of such counsel has been specifically authorized by Tenant. Tenant shall not be liable to indemnify any person for any settlement of any such action effected without its written consent.

(3) The provisions of this Section shall survive the termination of this Agreement for any reason.

Section 11.04. Status of Tenant.

Throughout the Term of this Agreement, Tenant will maintain its existence as a limited partnership or other appropriate legal entity organized under the laws of the State of Kansas in good standing and will not wind up or otherwise dispose of all or substantially all of its assets except as provided in this Agreement. In addition, if Tenant sells or otherwise transfers all or substantially all of its assets to another person, as provided in this Agreement, such person, by written instrument delivered to Landlord, must assume all of the obligations of Tenant under this Agreement. Every such transferee person or entity shall be bound by all of the covenants and agreements of the Tenant herein with respect to any further sale or transfer and shall continue to operate the Project as a Hilton hotel or other similar quality franchisee or licensee of a national hotel organization.

Section 11.05. FAA Requirements.

Landlord and Tenant further agree that the requirements of the FAA set out below are approved by both parties, and, if applicable, Tenant agrees to comply with all FAA requirements with respect to its operations, the use of the Airport and this Agreement.

(1) The Tenant, for itself and its representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the Project Premises that, in the event facilities are constructed, maintained or otherwise operated on the Project Premises for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, as said regulations may be amended.

(2) The Tenant, for itself and its representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the Project Premises that: (a) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (b) that in the construction of any improvements on, over, or under such Project Premises and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (c) that the Tenant shall use the Project Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, as said regulations may be amended.

(3) It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of 49 U.S.C. Section 40103(c), as amended (formerly Section 308 of the Federal Aviation Act of 1958, as amended).

(4) Tenant agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, however, that Tenant may make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

(5) Landlord reserves the right (but shall not be obligated to Tenant) to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Tenant in this regard.

(6) Landlord reserves the right to develop or improve the landing area and all publicly-owned air navigation facilities of the Airport as it sees fit, regardless of the desires or views of Tenant, and without interference or hindrance.

(7) Landlord reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent Tenant from erecting, or

permitting to be erected, any building or other structure on the Airport which, in the opinion of Landlord would limit the usefulness of the Airport or constitute a hazard to aircraft.

(8) During times of war or national emergency, Landlord shall have the right to enter into an agreement with the United States Government for military or naval use of part or all of the landing area, the publicly-owned air navigation facilities and/or other areas or facilities of the Airport. If any such agreement is executed, the provisions of this Agreement, insofar as they are inconsistent with the provisions of the agreement with the United States Government, shall be suspended.

(9) It is understood and agreed that the rights granted by this Agreement will not be exercised in such a way as to interfere with or adversely affect the use, operation, maintenance or development of the Airport.

(10) There is hereby reserved to Landlord, its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Project Premises, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft now known or hereafter used for navigation of or flight in the air, using said airspace or landing at, taking off from or operating on or about the Airport.

Section 11.06. Modifications to Comply with FAA Requirements.

In the event that the FAA requires modifications to this Agreement as a condition precedent to granting of funds for the improvement of the Airport or to otherwise comply with the rules and regulations of the FAA, the Tenant agrees to consent to such reasonable amendments, modifications, revisions, supplements or deletions of any of the terms, conditions, or requirements of this Agreement as may be reasonably required to enable Landlord to obtain said FAA funds or to comply with the rules and regulations of the FAA. Unless required by law or by applicable FAA rules or regulations, Landlord shall not adopt rules, regulations, orders or restrictions which will unreasonably interfere with Tenant's use of the Project in the manner contemplated by this Agreement. Rules, regulations, orders or restrictions shall be deemed to unreasonably interfere with Tenant's use of the Project if, for example, they materially impair the rights of Tenant hereunder or materially increase its obligations hereunder or otherwise materially impair its ability to derive income from its primary business in connection with operation of the Project.

Section 11.07. Equal Employment Opportunity.

Tenant covenants and agrees for itself, its principals, if any, successors and assigns that it shall not discriminate against any person or group thereof upon the basis of race, color, religion, sex or national origin in its use or occupancy of the Project, and Tenant further agrees that, without limitation, it shall be bound by, among others, the following duties and obligations in its use or occupancy of the Project:

(1) The Tenant will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. Tenant will take affirmative action to insure that the applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, disability, and age except where age is a bona fide occupational qualification, ancestry or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or terminations; rates of pay or other

forms of compensation; and selection for training, including apprenticeship. The Tenant agrees to post in conspicuous places available to employees and applicants for employment notice setting forth the provisions of this nondiscrimination clause.

(2) Tenant will, in all solicitation or advertisements for employees placed by or on behalf of Tenant, state that all qualified applicants shall receive consideration for employment without regard to race, color, religion, sex or national origin.

(3) Tenant will send to each labor union or representative of workers with which they have a collective bargaining agreement or other contract of understanding a notice to be provided advising the labor union or worker's representative of Tenant's commitments to equal employment opportunity and nondiscriminatory treatment of persons or groups of persons as above defined, and Tenant shall post copies in conspicuous places available to employees and applicants for employment.

(4) Tenant will comply with all provisions of the Civil Rights Act of 1964, as amended, 42 United States Code 2000, et seq.; Executive Order 11246, as amended, as well as the rules and regulations issued pursuant thereto; the Kansas Act against Discrimination, K.S.A. 44-1001, et seq., as amended; and any resolutions of the City of Wichita, Kansas presently existing or to be hereinafter enacted providing for equal employment opportunity and nondiscrimination for all persons.

(5) Tenant will furnish all information and reports required by the federal, state and municipal laws last above mentioned, and by the rules, regulations and orders issued pursuant thereto, and will permit access to its books, records and accounts by Landlord for the purpose of investigation to ascertain compliance with such laws.

(6) In the event of noncompliance with any of the requirements of this Section or with any of the said rules, regulations or orders, Tenant acknowledges that it may be declared ineligible for use of industrial revenue bonds as may be issued by Landlord from time to time. Landlord shall in such case be also entitled to the use of such other sanctions as may be imposed or remedies provided by law, including equitable relief in the nature of injunction or other appropriate remedies, provided that in no event shall breach or violation of any of the requirements of this Section, or any of said rules, regulations or orders be deemed an Event of Default under this Agreement. In the event Tenant is found to have breached or violated any of the requirements of this Section, any costs or expenses incurred by Landlord in the course of enforcing the same shall be reimbursed by Tenant as a payment of indemnity pursuant to Section 11.03.

Section 11.08. Surrender of Possession.

(1) Tenant covenants and agrees that, at the expiration of the term or earlier termination hereof, it will surrender possession of the Project peaceably and in good condition, wear and tear accepted, and Landlord shall have the right to take possession thereof at such time with or without due process of law.

(2) Unless Landlord shall have consented in writing to Tenant's holding over, Tenant shall be liable to Landlord for all damages, including any consequential damages, that Landlord may suffer by reason of any holding over by Tenant, and Tenant shall indemnify, defend, and save Landlord harmless against all costs, claims, loss, or liability resulting from delay by Tenant in so surrendering the Project Premises, including any claims made by any succeeding Tenant founded on any delay. No holding over by Tenant or payments of money by Tenant to Landlord after the expiration of the Term of this Agreement

shall be construed to extend the Term of this Agreement or prevent Landlord from immediate recovery of possession of the Project Premises. Tenant shall also repair any damage to the Project Premises caused by removal of its personal property. On fifteen (15) days written notice, any items of Tenant's property that shall remain in the Project Premises after the expiration or sooner termination of the Term of this Agreement, may, at the option of Landlord, be deemed to have been abandoned, and in that case, those items may be retained by Landlord as its property to be disposed of by Landlord, without accountability to Tenant or any other party, in the manner Landlord shall determine, at Tenant's expense.

ARTICLE XII

SUBLEASE AND ASSIGNMENT

Section 12.01 Sublease by Tenant.

Tenant may sublease the Project, or any part thereof, with the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. In the event of such subleasing, Tenant shall remain fully liable for the performance of its duties and obligations hereunder, and no such subleasing and no dealings or transactions between Landlord and any such subtenant shall relieve Tenant of any of its duties and obligations hereunder. Notwithstanding the provisions of the foregoing sentence, Tenant may, without Landlord's consent, let rooms for temporary occupancy by guests in the normal course of Tenant's hotel business, and sublease areas not greater than 2,000 square feet per unit to shopkeepers, merchants, vendors or concessionaires, subject to the other provisions of this Agreement.

Section 12.02 Assignment by Tenant.

Tenant may assign its interest in this Agreement with the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. In the event of any such assignment, Tenant shall remain fully liable for the performance of its duties and obligations hereunder, except to the extent hereinafter provided, and no such assignment and no dealings or transactions between Landlord and any such assignee shall relieve Tenant of any of its duties and obligations hereunder, except as may be otherwise provided in Section 12.03 hereof.

Section 12.03. Release of Tenant.

If, in connection with an assignment by Tenant of its interests in this Agreement, (1) the Landlord and the holders of any Mortgage shall consent in writing to such assignment, and (2) the proposed assignee shall expressly assume and agree to perform all of the obligations of Tenant under this Agreement and any Mortgage, then Tenant shall be fully released from all obligations, duties and responsibilities accruing hereunder and under any said Mortgage after the date of such assignment.

Section 12.04. Sale by Tenant.

Tenant shall have the right to sell, transfer or otherwise dispose of its interest in the Project to a purchaser provided that such purchaser (or its employees and/or managers) (i) is experienced in the operation of similar properties and has financial capability equal to or greater than that of Tenant; (ii) has not been convicted of a crime involving fraud; or (iii) has not filed for bankruptcy within the three (3) years immediately preceding such purchase or been the subject of a receivership or other proceeding for

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the benefit of creditors.

ARTICLE XIII

EVENTS OF DEFAULT AND REMEDIES

Section 13.01. Events of Default.

Any one or more of the following events is an Event of Default under this Agreement, and the term “Event of Default,” wherever used herein, means any one of the following events, whatever the reason for such default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body:

(1) if Tenant shall fail to pay any Ground Rentals, Parking Rentals, and Percentage Rentals or Option Period Ground Rent due as set forth in Section 3.04 and such failure shall not be cured within the period permitted in Section 13.13;

(2) if Tenant shall fail in any respect to observe and perform or shall breach in any respect any other covenant, condition or agreement on its part under this Agreement and shall fail to remedy such default or breach within thirty (30) days after confirmed delivery of a written notice to it by Landlord, specifying such default or breach and requesting that it be remedied, or such longer period of time (up to an additional thirty (30) days) as may be necessary to remedy such default or breach provided that (a) the default or breach in question is able to be remedied; (b) Tenant has commenced action during the thirty (30) days necessary to remedy such default or breach; and (c) Tenant is proceeding with reasonable diligence to remedy the default or breach;

(3) if an Act of Bankruptcy shall occur with respect to Tenant or any of its general partners (for purposes of this Agreement, a petition in bankruptcy shall be deemed dismissed only if the petition is dismissed by order of a court of competent jurisdiction and no further appeal rights exist from such order);

(4) if the partnership agreement of Tenant or any general partner thereof shall expire or be annulled; or if Tenant shall be dissolved or liquidated (other than when a new entity assumes the obligations of Tenant under the conditions permitting such action as set forth herein), or when dissolution occurs as a result of the death or disability of the sole general partner (other than under circumstances where action is taken in accordance with the partnership agreement to reconstitute the partnership);

(5) if any representation or warranty made by Tenant herein, or by the general partners or by any general partner or shareholder thereof or by any other representatives of Tenant in any document or certificate furnished Landlord, in connection herewith or therewith or pursuant hereto or thereto shall prove at any time to be, in any material respect, adversely incorrect or misleading as of the date made.

Section 13.02. Remedies.

(1) Whenever any Event of Default shall have occurred and be continuing, any one or more of the following remedial steps may also be taken to the extent permitted by law:

(a) the Landlord may take whatever action at law or in equity may appear necessary or appropriate to collect all sums then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement, covenant, representation or warranty of Tenant under this Agreement, any Mortgage or other Related Document, or to otherwise compensate Landlord for any damages on account of such Event of Default; and

(b) the Landlord may take whatever action at law or in equity may appear necessary or appropriate to enforce its rights of indemnification under Section 11.03 and to collect all sums then due and thereafter to become due to Landlord under this Agreement; provided that Landlord will not take any action which would prejudice the rights of the holder of any Mortgage.

Section 13.03. Nonexclusive Remedies.

No remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Landlord to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required or as may be required by law.

Section 13.04. Legal Fees and Expenses.

If an Event of Default shall exist under this Agreement, subject to the final conclusion of any legal or other proceeding to determine whether such Event of Default exists or to resolve such issue, and the Landlord employs attorneys or incurs other expenses for the collection of any amounts due hereunder, or for the enforcement of performance of any obligation or agreement on the part of Tenant, Tenant shall upon demand pay to Landlord the reasonable fees of such attorneys and such other expenses so incurred.

Section 13.05. Effect of Waiver.

No failure by either party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach or any other covenant, duty, agreement, or condition. One or more waivers of any covenant or condition of this Agreement by either party shall not be construed as a waiver of a further breach of the same covenant or condition.

Section 13.06. Waiver of Stay or Extension.

Tenant covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any appraisal, valuation, stay, or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants in, or the performance of, this Agreement; and Tenant (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder,

delay or impede the execution of any power herein granted to Landlord, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 13.07. Landlord May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to Tenant or the property of Tenant, Landlord shall be entitled and empowered, by intervention in such proceeding or otherwise:

(1) to file and prove a claim and to file such other papers or documents as may be necessary or advisable in order to have the claims of Landlord (including any claim for the reasonable compensation, expenses, disbursements and advances of Landlord and its agents and counsel) allowed in such judicial proceeding, and

(2) to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute the same.

Section 13.08. Restoration of Positions.

If Landlord has instituted any proceeding to enforce any right or remedy under this Agreement, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to Landlord, then and in every such case Tenant and Landlord shall, subject to any determination in the proceeding, be restored to the positions they held prior to commencement of such proceedings, and thereafter all rights and remedies of Tenant and Landlord shall continue as though no such proceeding had been instituted.

Section 13.09. Suits to Protect the Project.

In the event that Tenant commits any acts which may be unlawful or in violation of this Agreement and thereafter fails to cure such breach within thirty (30) days' prior written notice of such breach from Landlord, Landlord shall have the power to institute and to maintain such proceedings as it may deem reasonably expedient to prevent any impairment of the Project or any portion thereof, and such suits and proceedings as Landlord may deem reasonably expedient to protect its interests in the Project or any portion thereof, including power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order, if the enforcement of, or compliance with such enactment, rule or order would impair or adversely affect the Project.

Section 13.10. Performance by Third Parties.

Landlord may permit third parties to perform any and all acts or take such action as may be necessary for and on behalf of the Tenant to cure any Event of Default hereunder. The acceptance by Landlord of any such performance by third parties shall not in any way diminish or absolve Tenant of primary liability hereunder.

Section 13.11. Third Party Rights.

It is specifically agreed between the parties that it is not intended by any of the provisions of any part of this Agreement to create the public or any member thereof a third-party beneficiary hereunder, or to authorize anyone not a party to this Agreement to maintain a suit for damages pursuant to the terms or provisions of this Agreement.

Section 13.12. Non-Recourse Obligation.

The personal liability of Tenant and the partners of Tenant for non-payment of Rental Payments shall be limited to the Project and any other collateral securing performance of Tenant's obligations under this Agreement. Notwithstanding the foregoing, Tenant and its general partners and any general partners or shareholders of such general partners shall not be exonerated or exculpated for any loss or deficiency suffered or sustained by Landlord as a result of:

(1) any fraud by Tenant, any of its general partners or any general partner or shareholder of a general partner with regard to any matter relating to the financing evidenced and secured by any Mortgage; or

(2) Misapplication of insurance or Condemnation proceeds.

Section 13.13. Notice of Tenant's Failure to Pay Rentals.

Should Tenant fail to pay Ground Rentals, Parking Rentals, and Percentage Rentals or Option Period Ground Rent to Landlord in the amounts and at the times specified pursuant to Section 3.04 hereof, Landlord shall give written notice to Tenant of such failure within five (5) business days of the date such payment was due and Tenant shall have thirty (30) days following receipt of such notice to cure such defect. Landlord shall not terminate this Agreement due to Tenant's failure to pay such rentals until the expiration of such 30-day cure period.

Notwithstanding anything to the contrary in this Agreement or in any Mortgage, until such time as any outstanding mortgage debt has been paid in full or otherwise discharged, and all obligations of Tenant to the holders of any Mortgage have been fully satisfied, Landlord shall have no right to accelerate any payments due hereunder, to terminate this Agreement or otherwise limit or restrict the rights of Tenant, its successors or assigns (including without limitation the holders of any Mortgage or any other purchaser at a foreclosure sale under any Mortgage) to the use, enjoyment and benefit of the Project except as pursuant to the terms and conditions of this Agreement.

ARTICLE XIV

GENERAL PROVISIONS

Section 14.01. Notices.

All notices, certificates or other communications hereunder shall be in writing and shall be deemed effective: (i) upon delivery, if delivered in person; (ii) one (1) day after delivery to Federal Express or other similar courier service, marked for next day delivery, addressed as set forth below; (iii) three (3) days after deposit in the United States mail if sent by registered or certified mail, return receipt requested, addressed as set forth below; or (iv) upon being sent by facsimile transmission, provided an original is mailed the same day by registered or certified mail, return receipt requested, addressed as set forth below. By executing this Agreement, the parties are consenting to all of the foregoing methods of delivery of notice. All parties listed below may, by written notice given to the others, designate any address or addresses to which notices, certificates or other communications to them shall be sent when required as contemplated by this Agreement. Any notice, certificate, report, financial statement or other communication properly provided by legal counsel on behalf of any party hereunder shall be deemed properly provided by the party represented by such counsel. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

| | |
|------------------|--|
| To the Landlord: | The Wichita Airport Authority of the City of Wichita, Kansas 2173 Air Cargo Road P.O. Box 9130 Wichita, Kansas 67277-0130 Attention: Director of Airports Telephone: (316) 946-4700 Facsimile: (316) 946-4793 |
| To the Tenant: | Wichita Airport Hotel Associates, L.P. c/o Innco Investment Company 7300 West 110 th Street Suite 990 Overland Park, Kansas 66210 Telephone: (913) 451-1300 Facsimile: (913) 451-6072 |
| w/a copy to: | Hinkle Elkouri Law Firm L.L.C. 301 North Main, Suite 2000 Wichita, Kansas 67202 Attention: David S. Elkouri Telephone: (316) 267-2000 Facsimile: (316) 264-1518 |

w/a copy to: Hilton Wichita Airport Hotel
2098 Airport Road
Wichita, Kansas 67209
Attention: General Manager
Telephone: (316) 945-5272
Facsimile: (316) 945-7620

Section 1.02. Binding Effect.

This Agreement shall inure to the benefit of and shall be binding upon the Landlord and Tenant and their respective successors and assigns.

Section 14.03. Complete Agreement.

The Landlord and the Tenant understand that oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect Landlord and Tenant from misunderstanding or disappointment, any agreements Landlord and Tenant reach covering such matters are contained in this Agreement and the Related Documents, which are the complete and exclusive statement of the agreement between Landlord and Tenant, except as Landlord and Tenant may later agree in writing to modify this Agreement.

Section 14.04. Severability.

In the event any provisions of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.05. Amendments, Changes, and Modifications.

Except as otherwise provided in this Agreement, this Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of Landlord and Tenant.

Section 14.06. Execution in Counterparts.

This Agreement may be executed in any number of counterparts (including execution by facsimile), each of which shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument, but only one of which need be produced.

Section 14.07. Required Approvals.

Consents and approvals required by this Agreement to be obtained from Tenant or Landlord shall be in writing and shall not be unreasonably withheld or delayed.

Section 14.08. Limitation on Landlord's Liability.

No agreements or provisions contained in this Agreement nor any agreement, covenant or undertaking by Landlord contained in any document executed by Landlord in connection with the Project shall give rise to any pecuniary liability of Landlord or a charge against its general credit or taxing powers, or shall obligate Landlord financially in any way. No failure of Landlord to comply with any term, condition, covenant or agreement herein shall subject Landlord to liability for any claim for damages, costs or other financial or pecuniary charge except to the extent that the same can be paid or recovered from the Project or revenues therefrom; and no execution of any claim, demand, cause of action or judgment shall be levied upon or collected from the general credit, general funds or taxing powers of Landlord. Nothing herein shall preclude a proper party in interest from seeking and obtaining specific performance against Landlord for any failure to comply with any term, condition, covenant or agreement herein; provided, that no costs, expenses or other monetary-relief shall be recoverable from Landlord except as may be payable from the Project or its revenues.

Section 14.09. Representations of Tenant.

All representations made in this Agreement by Tenant are based on Tenant's independent investigation of the facts and law, and accordingly no such representations are made in reliance upon any representations made or legal advice given by Landlord or any of its agents, officers or employees.

[Signature pages follow.]

IN WITNESS WHEREOF, the Landlord and the Tenant have caused this Agreement to be executed by their duly authorized officers.

THE WICHITA AIRPORT AUTHORITY OF THE CITY OF WICHITA, KANSAS

(SEAL)

By: 
Carl Brewer, Mayor

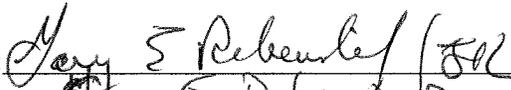
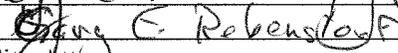
By: 
Victor White, Director of Airports

ATTEST:


Karen Schubert, CMC
Clerk



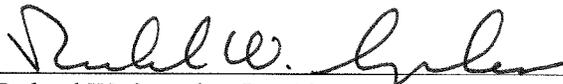
APPROVED AS TO FORM BY CITY ATTORNEY:

By: 
Name: 
Title: City Attorney

WICHITA AIRPORT HOTEL ASSOCIATES,
L.P., a Kansas Limited Partnership

By: Innco Properties, L.P., a Kansas Limited Partnership,
General Partner

By: Innco Investment Company, a Kansas corporation, its
General Partner

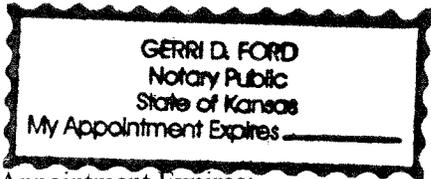
By: 
Roland W. Samples, President

ACKNOWLEDGMENTS

STATE OF KANSAS)
) SS:
COUNTY OF SEDGWICK)

BE IT REMEMBERED that on this 5th day of June, 2007, before me a Notary Public in and for said County and State, came Carl Brewer Mayor, _____ and Karen Sublett, Clerk of the Wichita Airport Authority of the City of Wichita, Kansas, a quasi-governmental entity and the Landlord hereunder, who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said entity and such persons duly acknowledged the execution of the same to be the act and deed of said entity.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



By: [Signature]
Notary Public

My Appointment Expires:

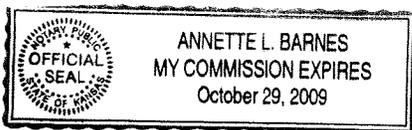
7-29-2007

ACKNOWLEDGMENTS

STATE OF KANSAS)
)
COUNTY OF JOHNSON) SS:

BE IT REMEMBERED that on this 18th day of June, 2007, before me a Notary Public in and for said County and State, came Roland W. Samples, President of Innco Investment Company, a Kansas corporation, which corporation is the managing General Partner of Innco Properties, L.P., a Kansas limited partnership, which limited partnership is the managing General Partner of Wichita Airport Hotel Associates, L.P., a Kansas limited partnership and the Tenant hereunder, who is personally known to me to be such person, and who is personally known to me to be the same person who executed the within instrument on behalf of said limited partnership, and such person duly acknowledged the execution of the same to be the act and deed of said partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

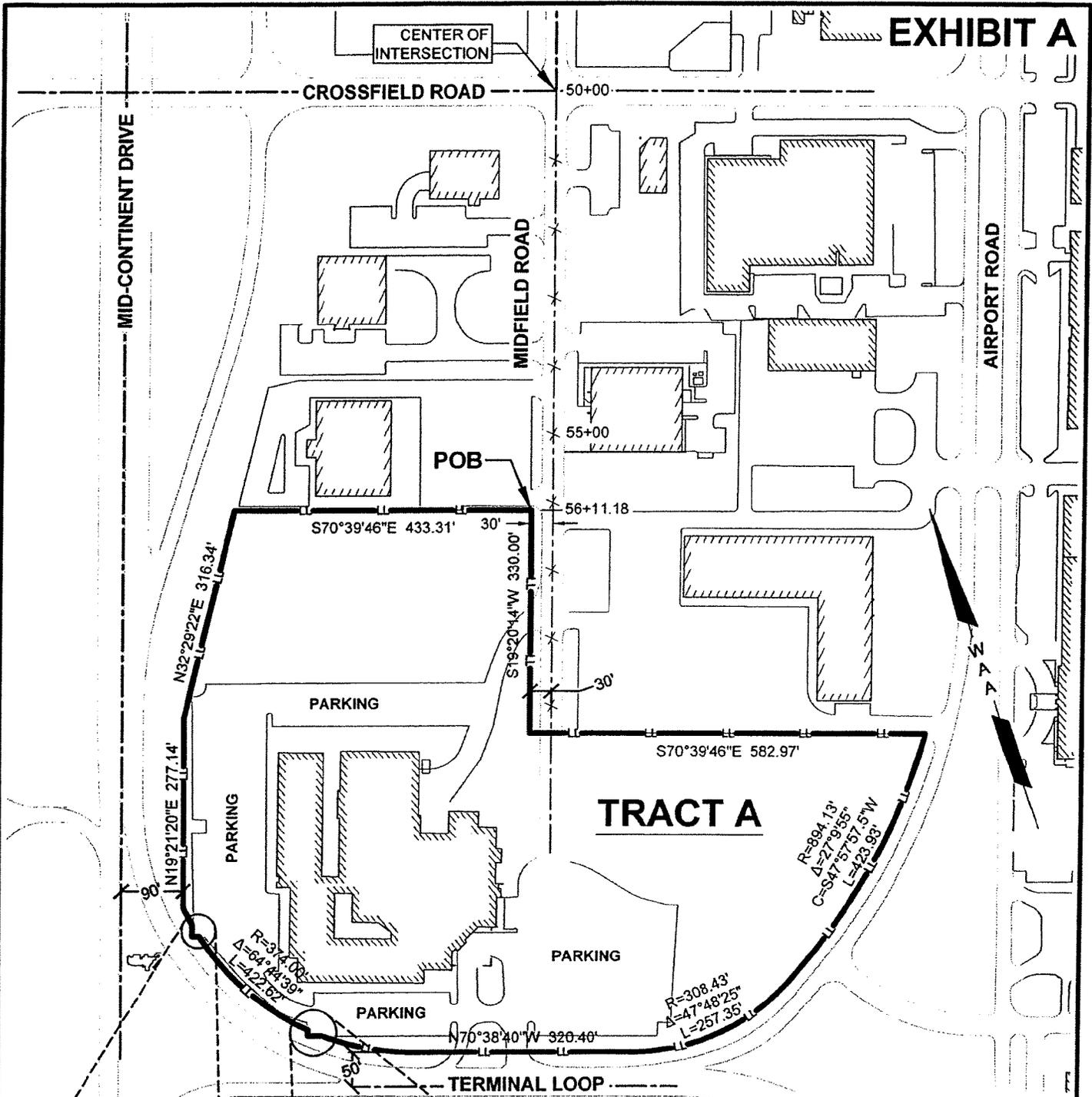


Annette L Barnes
Notary Public

My Appointment Expires:

10-29-09

EXHIBIT A



CENTER OF INTERSECTION

CROSSFIELD ROAD

MID-CONTINENT DRIVE

MIDFIELD ROAD

AIRPORT ROAD

POB

PARKING

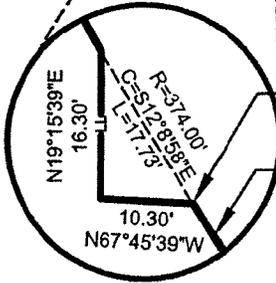
PARKING

PARKING

TRACT A

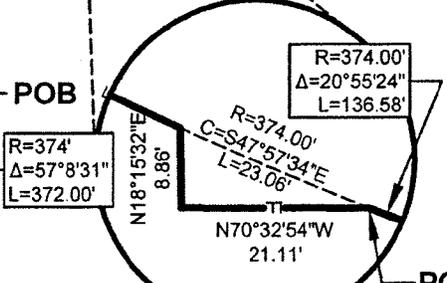
TERMINAL LOOP

NOTE:
REFERENCE "EXHIBIT B" FOR
BOUNDARY DESCRIPTION



TRACT C

SCALE 1" = 20'



TRACT B

SCALE 1" = 20'

| | | | |
|-------------------------------|--------|-----------|--------|
| 2098 AIRPORT ROAD | | | |
| HILTON INN LEASE | | | |
| WICHITA MID-CONTINENT AIRPORT | | | |
| THE WICHITA AIRPORT AUTHORITY | | | |
| WICHITA, KANSAS | | | |
| DATE | DR. BY | SCALE | SHEET |
| 5/23/07 | H.G.O. | 1" = 200' | 1 of 2 |

D:\Drawings\216-Buildings\Airport Road\2098 AIR-RDILLease2007.dwg, B.5x11\Portrait\Lenier Lease, 5/23/2007 10:41:42 AM

Project Description

EXHIBIT B

Tract A:

That portion of Reserve F, in Wichita Municipal Airport Addition to Wichita, Kansas, Sedgwick County, Kansas, described as: **Beginning** at a point 30 feet right of STA. 56+11.18 of the proposed Midfield Road, Said point being 2727.71 feet South and 565.77 feet West (Grid System) of the Southeast corner of Section 28, T27S, R1W, of the Sixth Principal Meridian, Sedgwick County, Kansas; Thence bearing S19°20'14"W along the West right-of-way line of said Midfield Road a distance of 330.0 feet; Thence bearing S70°39'46"E a distance of 582.97 feet to a point on a curve to the Right having a radius of 894.13 feet; Thence along said curve to the Right, through a central angle of 27°09'55", with a chord bearing S47°57'57.5"W, an arc distance of 423.93 feet to the point of compound curvature of a curve to the Right having a radius of 308.43 feet; Thence along said curve to the Right, through a central angle of 47°48'25", an arc distance of 257.35 feet; Thence bearing N70°38'40"W a distance of 320.40 feet to the point of curvature of a curve to the Right having a radius of 374.0 feet; Thence along said curve to the Right, through a central angle of 64°44'39", an arc distance of 422.62 feet to an intersection of said curve to the Right and a line bearing N19°21'20"E; Thence bearing N19°21'20"E a distance of 277.14 feet; Thence bearing N32°29'22"E a distance of 316.34 feet; Thence bearing S70°39'46"E a distance of 433.31 feet to the **Point of Beginning**.

Tract B:

That portion of Reserve F, in Wichita Municipal Airport Addition to Wichita, Kansas, Sedgwick County, Kansas, described as: Commencing at a point 30 feet right of STA. 56+11.18 of the proposed Midfield Road, said point being 2727.71 feet South and 565.77 feet West (Grid System) of the Southeast corner of Section 28, T27S, R1W, of the Sixth Principal Meridian, Sedgwick County, Kansas; Thence bearing S19°20'14"W along the West right-of-way line of said Midfield Road a distance of 330.0 feet; Thence bearing S70°39'46"E a distance of 582.97 feet to a point on a curve to the Right having a radius of 894.13 feet; Thence along said curve to the Right, through a central angle of 27°09'55", with a chord bearing S47°57'57.5"W, an arc distance of 423.93 feet to the point of compound curvature of a curve to the Right having a radius of 308.43 feet; Thence along said curve to the Right, through a central angle of 47°48'25", an arc distance of 257.35 feet; Thence bearing N70°38'40"W a distance of 320.40 feet to the point of curvature of a curve to the Right having a radius of 374.0 feet; Thence along said curve to the Right, through a central angle of 20°55'24", an arc distance of 136.58 feet to the **Point of Beginning**; Thence bearing N70°32'54"W a distance of 21.11 feet; Thence bearing N18°15'32"E a distance of 8.86 feet to the point on a curve to the Left having a radius of 374.0 feet; Thence along said curve an arc distance of 23.06 feet and a chord that bears S47°57'34"E to the **Point of Beginning**.

Tract C:

That portion of Reserve F, in Wichita Municipal Airport Addition to Wichita, Kansas, Sedgwick County, Kansas, described as: Commencing at a point 30 feet right of STA. 56+11.18 of the proposed Midfield Road, said point being 2727.71 feet South and 565.77 feet West (Grid System) of the Southeast corner of Section 28, T27S, R1W, of the Sixth Principal Meridian, Sedgwick County, Kansas; Thence bearing S19°20'14"W along the West right-of-way line of said Midfield Road a distance of 330.0 feet; Thence bearing S70°39'46"E a distance of 582.97 feet to a point on a curve to the Right having a radius of 894.13 feet; Thence along said curve to the Right, through a central angle of 27°09'55", with a chord bearing S47°57'57.5"W, an arc distance of 423.93 feet to the point of compound curvature of a curve to the Right having a radius of 308.43 feet; Thence along said curve to the Right, through a central angle of 47°48'25", an arc distance of 257.35 feet; Thence bearing N70°38'40"W a distance of 320.40 feet to the point of curvature of a curve to the Right having a radius of 374.0 feet; Thence along said curve to the Right, through a central angle of 57°08'31", an arc distance of 372.00 feet to the **Point of Beginning**; Thence bearing N67°45'39"W a distance of 10.30 feet; Thence bearing N19°15'39"E a distance of 16.30 feet to the point on a curve to the Left having a radius of 374.0 feet; Thence along said curve an arc distance of 17.73 feet and a chord that bears S12°08'58"E to the **Point of Beginning**.

| | | | |
|--|--------|-------|--------|
| 2098 AIRPORT ROAD | | | |
| HILTON INN LEASE | | | |
| WICHITA MID-CONTINENT AIRPORT | | | |
| THE WICHITA AIRPORT AUTHORITY WICHITA, KANSAS | | | |
| DATE | DR. BY | SCALE | SHEET |
| 5/23/07 | H.G.O. | N/A | 2 of 2 |

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EXHIBIT C

SCHEDULE OF RENTALS
(Wichita Airport Hotel Associates, L.P. Project)

PART I
GROUND RENTALS

Tenant shall pay to Landlord, as and for the Ground Rentals due and payable pursuant to Section 3.04 of this Agreement, the aggregate of the sums set forth below (and subject to adjustment as described herein) computed on the basis of the areas of Parcels 1, 2 and 3 of Tract A of Exhibit B as follows:

| | | |
|-----------|--|--------------------|
| Parcel 1: | 248,373 square feet at \$.065/sq.ft. | \$16,144.25 |
| Parcel 2: | 86,565 square feet at \$.065/sq.ft. | \$5,626.73 |
| Parcel 3: | 253,993 square feet at \$.035/sq.ft. | \$8,889.76 |
| | <u>Aggregate Annual Ground Rentals</u> | <u>\$30,660.74</u> |

No Ground Rentals shall be payable with respect to Tracts B and C described in Exhibit B.

Tenant shall pay the aggregate annual Ground Rentals directly to Landlord for its own account on or before June 1, 2007 and on or before June 1 in each year during the term of the Agreement including all extensions thereof.

The respective rates for computation of the Ground Rentals set forth above shall be adjusted and increased by \$.005 per square foot effective for the Ground Rental Payment due June 1, 2010 and by a like additional amount on June 1, 2015, 2020 and 2025. In the event additional guest rooms or Additions are constructed in the future upon a portion of Parcel 3, the rate per square foot for the portion of Parcel 3 so occupied shall be increased to a rate equal to the rate applicable to Parcels 1 and 2 for purposes of computing the annual Ground Rental due on the June 1 subsequent to completion of such additional units and on each June 1 thereafter so long as this Agreement remains in effect.

In the event that all or a portion of the Percentage Rentals set forth in Part III of Exhibit C are subordinated to bond or mortgaging financing payments during any Option Term, rental payments to Landlord shall be the greater of the Option Period Ground Rental payments or any Percentage Rentals remaining after the required bond or mortgage financing payments. Option Period Ground Rental payments commencing June 1, 2030, if implemented, shall be the sums as set forth below (and subject to adjustments as described herein) computed on the basis of the areas of Parcel 1, 2 and 3 of Tract A of Exhibit B as follows:

| PERIOD | Rates Per Sq Ft | | Parcel 1 | Parcel 2 | Parcel 3 | Total |
|-------------------------|-----------------|-----------|---------------|--------------|---------------|-------------|
| | Parcel 1 & 2 | Parcel 3 | 248,373 sq ft | 86,565 sq ft | 253,993 sq ft | Annual Rent |
| 06-1-2030 to 11-30-2033 | \$ 0.2409 | \$ 0.1205 | \$ 59,833 | \$ 20,854 | \$ 30,606 | \$ 111,293 |
| 12-1-2033 to 11-30-2038 | \$ 0.2529 | \$ 0.1265 | \$ 62,814 | \$ 21,892 | \$ 32,130 | \$ 116,836 |
| 12-1-2038 to 11-30-2043 | \$ 0.2655 | \$ 0.1328 | \$ 65,943 | \$ 22,983 | \$ 33,730 | \$ 122,656 |
| 12-1-2043 to 11-30-2048 | \$ 0.2788 | \$ 0.1394 | \$ 69,246 | \$ 24,134 | \$ 35,407 | \$ 128,787 |
| 12-1-2048 to 11-30-2053 | \$ 0.2927 | \$ 0.1464 | \$ 72,699 | \$ 25,338 | \$ 37,185 | \$ 135,222 |
| 12-1-2053 to 05-31-2057 | \$ 0.3074 | \$ 0.1537 | \$ 76,350 | \$ 26,610 | \$ 39,039 | \$ 141,999 |

Said Option Period Ground Rental, if any due herein, shall be paid annually on June 1 of each year during the Option Term of this Agreement, including all extensions thereof. No Option Period Ground Rentals shall be payable with respect to Tract B and C described in Exhibit B. In the event additional guest rooms or Additions are constructed in the future upon a portion of Parcel 3, the rate per square foot for that portion of Parcel 3 so occupied shall be increased to a rate equal to the rate applicable to Parcels 1 and 2 for purposes of computing the Option Period Ground Rental due on June 1 subsequent to completion of such additional units or Additions on each June 1 thereafter so long as this Agreement remains in effect.

PART II

PARKING RENTALS

Landlord and Tenant acknowledge and agree that Tenant is entitled to the use of 402 parking spaces located on the Project Premises and, in consideration thereof, Tenant shall pay Parking Rentals directly to Landlord for Landlord's account the amounts computed as set forth below, said parking Rentals to be paid monthly in arrears commencing 7/15/07 and on the 15th day of each month thereafter so long as the Lease remains in effect. Said monthly installments of the Parking Rentals shall be computed using the Basic Rate per Parking Space set forth below and adjusted as provided herein.

| <u>Period</u> | <u>Basic Rent per Parking Space</u> |
|---------------------------|-------------------------------------|
| 01/01/07 through 12/31/09 | \$37.20 |
| 01/01/10 through 12/31/14 | \$39.15 |
| 01/01/15 through 12/31/19 | \$41.15 |
| 01/01/20 through 12/31/24 | \$43.15 |
| 01/01/25 through 05/31/30 | \$45.20 |

Said Parking Rental shall be subject to proportionate increase or reduction in the event Landlord shall increase or reduce the total number of such parking spaces pursuant to the construction of any Additions, except that there shall be no reduction by reason of a reduction in parking spaces caused by construction of additional improvements by Tenant. Installments of Parking Rentals due in accordance with this Schedule shall also be subject to reductions hereinafter provided to the extent that, during the preceding twelve (12) month period, the average percentage of occupancy of the Project guest rooms was less than 100% for such period. Such reduced Parking Rental shall be calculated by multiplying the number of available parking spaces by the applicable Rate per Parking Space and multiplying the product thereof by the actual average occupancy of the Project guest rooms for the preceding 12-month period, as certified in writing by a financial officer of Tenant. Landlord and Tenant agree that the foregoing method of calculation is a reasonable basis for estimating the actual usage of the parking facilities provided to Tenant.

Landlord and Tenant acknowledge and agree that the parties entered into the Parking Rental component with the understanding that the Project is exempt from ad valorem property taxation in accordance with the laws of the State of Kansas including the Act, as amended, and that the terms of this Agreement have been agreed upon in reliance upon such exemption. Landlord and Tenant hereby further agree that in the event the Project or any part thereof shall, in the future, be finally determined to be subject to the levy and collection of ad valorem taxes, whether directly or indirectly, that the Parking Rentals payable by Tenant hereunder shall be reduced in an amount equal to the aggregate amount of any such ad valorem taxes Tenant may be required to pay with respect to the Project, or the operation and use thereof, without regard to whether such payments are required to be paid by Tenant to the Landlord or to a taxing political subdivision for the account of Landlord or Tenant. In the event the ad valorem property taxes

levied exceed the Parking Rentals paid by Tenant during any given year in which the ad valorem property taxes are levied, Tenant shall be required to pay the additional amount required for the aggregate amount of any such ad valorem taxes due.

124781.47

PART III

PERCENTAGE RENTALS

In the event the terms of this Agreement are extended beyond May 31, 2030, as provided in Section 3.02 herein, the Ground Rentals and Parking Rentals as set forth in Part I and Part II of Exhibit C will cease, and Tenant shall pay rent to Landlord as set forth below and adjusted as provided herein. Tenant shall pay the greater of Option Period Ground Rent as set forth in Part I of Exhibit C or Percentage Rentals as set forth below in this Part III of Exhibit C.

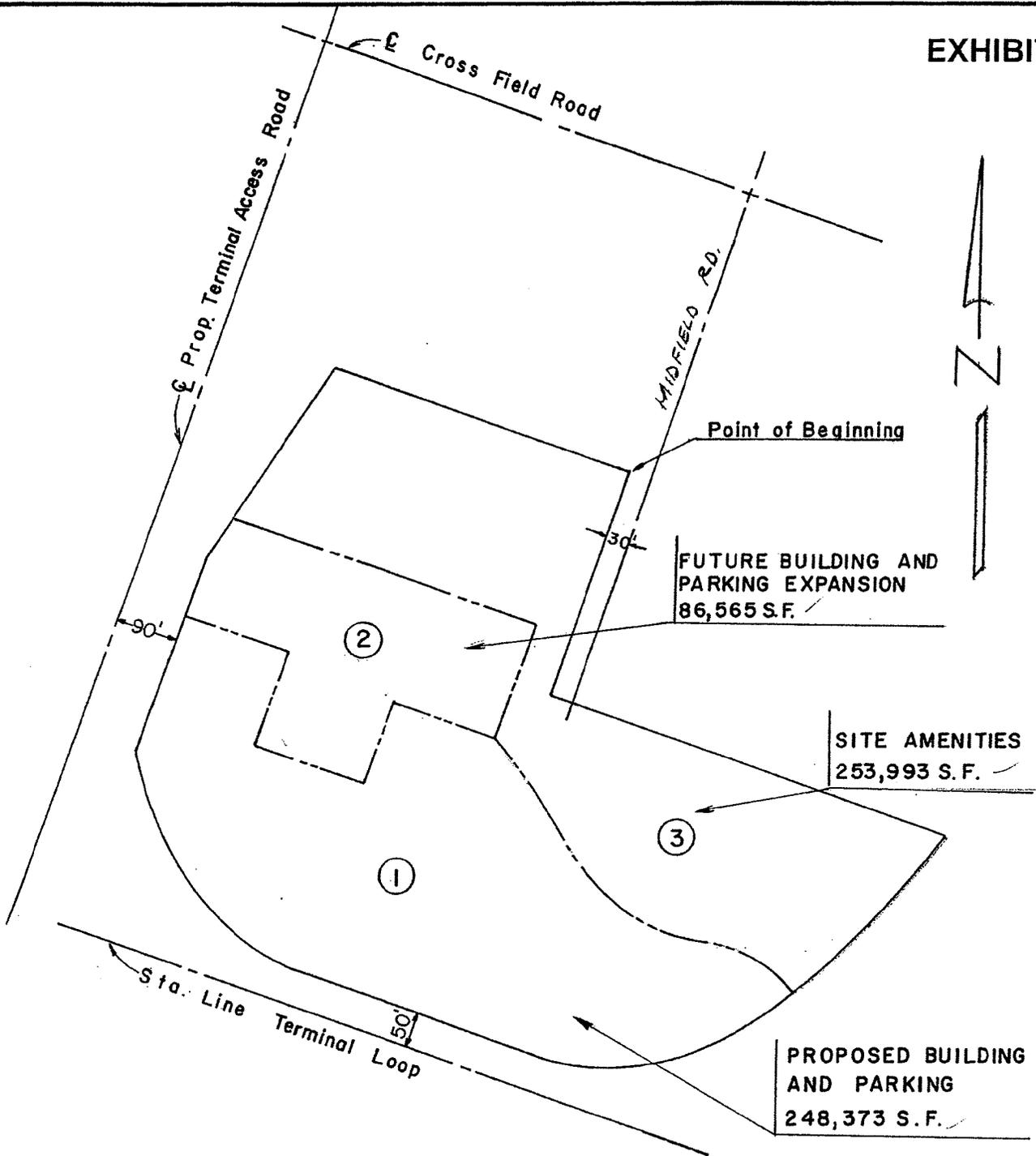
Percentage Rentals

Percentage Rentals equal to 3% Guest Room Sales plus 2% of Food and Beverage Sales, all as defined in the Agreement. Said Percentage Rentals to be paid monthly in arrears on the 15th of each month thereafter so long as the Lease remains in effect. Said rent shall be adjusted annually if required to reflect the final calculation of Percentage Rentals based upon the audited revenue numbers for Guest Room Sales and the Food and Beverage Sales. Any amounts due or overpaid shall be paid within 30 days after receipt by Tenant and Landlord of the year-end audited financial statement of the hotel operations. The parties agree and acknowledge that, for purposes of determining the annual Percentage Rentals payable herein by Tenant to Landlord hereunder for a given year, that said Percentage Rentals shall be the greater of the actual Percentage Rentals or a minimum of \$206,000 on June 1, 2031, which minimum amount shall be adjusted and increased by five percent (5%) on the five (5) year anniversary of June 1, 2031 and for every five (5) year anniversary thereafter until the expiration or termination of this Agreement.

Landlord and Tenant acknowledge and agree that the parties entered into the Percentage Rental component with the understanding that the Project is exempt from ad valorem property taxation in accordance with the laws of the State of Kansas including the Act, as amended, and that the terms of this Agreement have been agreed upon in reliance upon such exemption. Landlord and Tenant hereby further agree that in the event the Project or any part thereof shall, in the future, be finally determined to be subject to the levy and collection of ad valorem taxes, whether directly or indirectly, that the Percentage Rentals payable by Tenant hereunder shall be reduced in an amount equal to the aggregate amount of any such ad valorem taxes Tenant may be required to pay with respect to the Project, or the operation and use thereof, without regard to whether such payments are required to be paid by Tenant to the Landlord or to a taxing political subdivision for the account of Landlord or Tenant. In the event the ad valorem property taxes levied exceed the Percentage Rentals paid by Tenant during any given year in which the ad valorem property taxes are levied, Tenant shall be required to pay the additional amount required for the aggregate amount of any such ad valorem taxes due.

[EXHIBIT C-1 SITE PLAN ON THE FOLLOWING PAGE]

EXHIBIT C



SITE KEY PLAN

No Scale

SITE AREA TOTAL 13.52 Ac.
588,931 S.F.

NOTE: Reference Exhibits A and B for the lease boundary.

| | | |
|--|--------|---------|
| 2098 AIRPORT ROAD | | |
| WICHITA MID-CONTINENT AIRPORT | | |
| THE WICHITA AIRPORT AUTHORITY WICHITA, KANSAS | | |
| DATE | DR. BY | REVISED |
| 6-2-80 | O.L. | |

FIRST AMENDMENT TO LEASE

This First Amendment to Lease ("Amendment"), dated November 24, 2015, is by and between THE WICHITA AIRPORT AUTHORITY OF THE CITY OF WICHITA, KANSAS ("Landlord") and 2015 WICHITA INVESTMENT LLC, a Delaware limited liability company ("Tenant").

RECITALS

A. Landlord and Wichita Airport Hotel Associates, L.P. ("Original Tenant") entered into that certain Lease, dated June 5, 2007 ("Lease") with respect to certain real property (the "Property"), a 302 room hotel and various related amenities including the lobby, restaurants, lounges and banquet space and other related improvements commonly known as the DoubleTree by Hilton Hotel, Wichita Airport and having a general address of 2098 Airport Road, Wichita, Kansas 67209 (collectively the "Hotel").

B. With the consent of Landlord, Tenant assumed the Lease pursuant to a certain [Assignment and Assumption of Lease, dated November 24, 2015] by and between Original Tenant and Tenant.

C. Tenant is entering into a credit facility with Societe General (the "Lender"), and as part of such credit facility, Tenant and Landlord have agreed to make certain Lender required amendments to the Lease as more fully set forth herein.

NOW, THEREFORE, in consideration of the mutual obligations and covenants contained in this Amendment and the Lease, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions and Recitals. Except such terms and words as are defined herein, any other capitalized terms and words used herein shall have the meaning attributed to them as set out in the Lease. The above Recitals are specifically incorporated herein by reference.

2. Lease Extension. The term of the Lease is hereby extended to [November 30, 2045]; provided, however that the Lease period from June 1, 2030 through November 30, 2045 shall continue to be considered an "Option Term" for all purposes under the Lease. Further, notwithstanding anything in Section 3.02 of the Lease to the contrary, Tenant shall have the right and option, to be exercised as hereinafter provided, and provided that no Event of Default shall have occurred and be subsisting hereunder, to extend the Term of this Agreement for one additional term ending on May 31, 2050 and one additional term thereafter, ending on May 31, 2057, which will each be considered "Option Terms" for all purposes of the Lease.

3. Status of Tenant. The first sentence of Section 11.04, Status of Tenant, of the Lease is hereby amended to read as follows:

Throughout the Term of this Agreement, Tenant will maintain its existence as a limited partnership or other appropriate legal entity organized under the laws of a state of the United States or the District of

Columbia and, if organized outside of the State of Kansas, shall be qualified to do business in the State of Kansas, in good standing and will not wind up or dispose of all or substantially all of its assets except as provided in this Agreement.

4. New Article XV. Landlord and Tenant hereby agree that the Lease is hereby amended to add the following Article XV thereto immediately following existing Article XIV of the Lease:

ARTICLE XV

FINANCING PROVISIONS

The provisions of this Article XV shall supersede any contrary or inconsistent provisions in this Lease and in the event of any inconsistency between the provisions of this Article XV and any other provision of this Lease, the provisions of this Article XV shall govern and control.

15.01. Tenant's Right to Mortgage Lease; Recognition of Lender as Leasehold Mortgagee. Tenant shall have the absolute right, without seeking the consent or approval of Landlord, to grant a first lien leasehold mortgage (as the same may be amended from time to time, the "Mortgage"), encumbering Tenant's interest in the Project and in the Lease. Landlord hereby recognizes and acknowledges that the first priority leasehold mortgage from Tenant to Societe Generale (together with its successors and assigns, "Lender") constitutes a "Mortgage" and that Lender constitutes a "Lender" as those terms are defined in this Section. "Lender" as used herein shall mean at any point in time, the holder of a Mortgage. "Mortgage" as used herein shall mean at any point in time, a first lien leasehold mortgage (as the same may be amended from time to time), encumbering Tenant's interest in the Project and the Lease. Landlord consents to the recording of Mortgage in the applicable real property records and to the filing and recording in the appropriate public records of such additional documents and instruments as Lender may deem necessary or desirable to establish, perfect and maintain a lien upon and against Tenant's leasehold estate and other rights and interests in the Project and in any fixtures and personal property of Tenant located upon, relating to, derived from or used in connection with the Project.

15.02. Right to Perform for Tenant; Right to Cure. Landlord acknowledges and agrees that Lender shall have the right to perform any term, covenant, condition or agreement to be performed by Tenant under the Lease, and Landlord shall accept such performance by Lender with the same force and effect as if furnished by Tenant. In the event of a monetary default by Tenant under the Lease and prior to any termination of the Lease by Landlord, Landlord acknowledges and agrees that Landlord shall provide Lender with notice of the same and Lender shall

have the right (but not the obligation) to remedy such monetary default by paying any past due amounts under the Lease (and without regard to any acceleration of rent) within the same period of time as Tenant has under the Lease (but calculated from Lender's and not from Tenant's receipt of notice), plus an additional thirty (30) days. In the event of a non-monetary default by Tenant hereunder and prior to any termination of the Lease by Landlord, Landlord acknowledges and agrees that Landlord shall provide Lender with notice of the same and Lender shall have the right (but not the obligation) to remedy or cause to be remedied any such non-monetary default within the same period of time as Tenant has under the Lease (but calculated from Lender's and not from Tenant's receipt of notice), plus such additional time as Lender reasonably requires to remedy or cause to be remedied such non-monetary default, not to exceed thirty (30) additional days. Landlord agrees that Landlord shall not terminate the Lease in connection with any such non-monetary default which Lender has elected to remedy or cause to be remedied so long as Lender attempts to remedy such default with diligence toward completion (and if such non-monetary default is not susceptible to cure by Lender, so long as Lender is diligently pursuing foreclosure under its Mortgage).

15.03. Lender's Consent. Tenant will not amend, modify, cancel or surrender the Lease or consent to any amendment, modification or cancellation of the Lease without Lender's prior written consent, and any such action taken without Lender's prior written consent shall not be binding on Tenant or Lender. This Section 15.03 shall in no way limit or modify Landlord's rights and powers under the Lease to take any action that does not require Tenant's consent or agreement. In addition, in any case under the Lease where Tenant is required to not unreasonably deny or to not unreasonably delay or condition its consent or is required to give its consent or to accept amendment, modification or cancellation of the Lease, Lender's consent shall be subject to the same standard, and in no event shall Lender's rights under this Section 15.03 with respect to consenting to or complying with amendments or other modifications to the Lease be greater than that of the Tenant.

15.04. Delivery of Notices. Landlord shall simultaneously deliver to Lender copies of all notices, statements, information and communications delivered or required to be delivered to Tenant pursuant to the Lease, including, without limitation, any notice of any default by Tenant and any and all notices and other correspondence under Section 3.06 of the Lease. In addition, Landlord shall promptly notify Lender in writing of any failure by Tenant to perform any of Tenant's obligations under the Lease. No notice, statement, information or communication given by Landlord to Tenant shall be binding or affect Lender unless a copy of the same shall have been delivered to Lender. All notices to Lender shall be addressed as follows: Societe Generale, 245 Park Avenue, New York, NY 10167, with a copy to: Klehr Harrison Harvey Branzburg LLP, 1835 Market Street,

Ste. 1400, Philadelphia, PA 19103, Attention: Jon S. Robins, Esq., or at such other address as Lender shall provide in writing to the other parties hereto, and shall be given in writing and shall be effective for all purposes if hand delivered or sent by (a) certified or registered United States mail, postage prepaid, return receipt requested, or (b) expedited prepaid delivery service, either commercial or United States Postal Service, with proof of attempted delivery. A notice shall be deemed to have been given: in the case of hand delivery, at the time of delivery; in the case of registered or certified mail, when delivered (as evidenced by the receipt) or the first attempted delivery on a business day; or in the case of expedited prepaid delivery, upon the first attempted delivery on a business day.

15.05. Lender Not Obligated Under Lease; Permitted Transfers. The granting of the Mortgage shall not be deemed to constitute an assignment or transfer of the Lease or the Project to Lender, nor shall Lender, as such, be deemed to be an assignee or transferee of the Lease or of the leasehold estate thereby created so as to require Lender, as such, to assume the performance of any of the terms, covenants or conditions on the part of Tenant to be performed thereunder. Notwithstanding the foregoing, the purchaser at any sale of the Lease and the leasehold estate thereby created in any proceedings for the foreclosure of the Mortgage (including, without limitation, power of sale) or the assignee or transferee of the Lease and the leasehold estate thereby created under any instrument of assignment or transfer in lieu of the foreclosure, whether Lender or any third party (any such purchaser, assignee or transferee, a "Successor Lessee") shall be deemed to be a permitted assignee or transferee under the Lease without the need to obtain Landlord's consent, provided that such Successor Lessee either is a Qualified Operator or, within sixty (60) days after obtaining leasehold title to the Project, has hired a Qualified Operator as the property manager for the Project or has subleased the Project to a Qualified Operator. Any such Successor Lessee shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of Tenant to be performed under the Lease from and after the date of such purchase and/or assignment (but not for any obligations or liabilities accruing prior to such date), but only for so long as such purchaser or assignee is the owner of the Lease and the leasehold estate thereby created, it being understood and agreed that upon a sale or transfer of the Lease by such party and written assumption of its obligations under the Lease by any new purchaser or assignee, the transferring party shall be relieved of all future liability under the Lease. As used herein, the term "Qualified Operator" shall mean a hotel operator that either: (a) satisfies the requirements of a transferee of Tenant's interest in the Project provided under Section 12.04 hereof, or (b) is reasonably approved in writing by Landlord.

15.06. Fee Mortgages Subordinate. Landlord agrees that if it elects to encumber the fee interest in the Property, Landlord will cause such lender

to enter into a subordination, non-disturbance and attornment agreement with Tenant and Lender, that is reasonably satisfactory to both Tenant and Lender, to evidence the subordination of any lien relating thereto to the lien created by the Mortgage and to Tenant's interest in the Lease.

15.07. Casualty and Insurance Proceeds. So long as the indebtedness, or any part of the indebtedness, secured by the Mortgage remains outstanding and unpaid and the Mortgage remains of record, Landlord and Tenant agree that: (a) the Lease shall not terminate or be canceled at any time upon the damage or destruction by fire or other casualty of all, substantially all, or any part of the Project, and in all events the Project shall be repaired, replaced and restored following any casualty, unless both: (i) Tenant has the right under Section 9.02 of the Lease to elect not to so repair, replace and restore the Project, and (ii) Tenant and Lender elect, in a joint writing executed by both of Tenant and Lender and provided to Landlord, to exercise such right, it being acknowledged and agreed that, notwithstanding anything to the contrary in the Lease, in no event may Tenant elect or agree not to repair, replace and restore the Project without Lender's written, specific consent to Tenant's election or agreement not to do so being furnished to Landlord by Lender; (b) the insurance policies required to be maintained pursuant to the Lease shall name Lender as an additional named insured and loss payee/mortgagee; (c) the form of such policies and amounts thereof shall at all times satisfy both the requirements of Article VIII of the lease, as amended hereby, and the requirements of the loan documents evidencing and securing such indebtedness (the "Mortgage Loan Documents"); (d) Lender shall be entitled at Lender's option to participate in any adjustment, settlement or compromise with respect to any insurance claim; and (e) all proceeds of such insurance policies (other than the proceeds of loss of income or rental interruption insurance) shall be paid to Lender to be held and disbursed by Lender for the repair, replacement and restoration of the Project and shall not be applied towards the repayment of the Loan (except under the circumstances and to the extent, if any, provided below in this Section 15.07), and the disbursement of all such proceeds for such repair, replacement and restoration shall be made by Lender in accordance with its customary construction disbursement terms and conditions. To the extent that the cost of such repair, replacement and restoration exceeds the available insurance proceeds, Tenant shall deposit the necessary additional funds with Lender for disbursement as above provided for with respect to the insurance proceeds. To the extent that there are insurance proceeds remaining after the lien free completion of such repair, replacement and restoration and the payment of all costs thereof, the amount of such remaining proceeds (or if Tenant and Lender have elected in a writing signed by each of them pursuant to Section 9.02 of this Lease and in strict accordance with the provisions of this Section 15.07 not to repair, replace or restore the Project, any insurance proceeds from the subject casualty) shall be allocated between Landlord and Tenant as provided in the

applicable of Section 9.01 or 9.02 of this Lease, but any portion thereof allocable to Tenant shall be applied by Lender in accordance with the terms of the Mortgage Loan Documents. Any proceeds of loss of income or rental interruption insurance shall be paid to Lender, and shall be held and applied by Lender to pay rent hereunder (to the extent not abated), to pay operating expenses of the Project, to pay regularly scheduled debt service payments upon the Mortgage indebtedness and to pay other costs and expenses permitted or provided for under the Mortgage Loan Documents. The provisions of this Section 15.07 shall amend and control over any inconsistent provision of Sections 8.01, 9.01 and 9.02 of this Lease.

15.08. Condemnation and Condemnation Proceeds. Notwithstanding anything to the contrary in Section 9.03 of, or elsewhere in, the Lease, so long as the indebtedness, or any part of indebtedness, secured by the Mortgage remains outstanding and unpaid and the Mortgage remains of record, Landlord and Tenant agree that: (a) the Lease shall not terminate or be canceled upon a taking or condemnation pursuant to an eminent domain proceeding of all, substantially all, or any part of the Property without Lender's consent or unless required by law; (b) any and all awards for any taking or condemnation shall be payable to Lender to be disbursed as follows: (i) first, to Lender for the value of the leasehold estate created by the Lease, all of Tenant's other rights and interests under or pursuant to the Lease, including, without limitation, all of Tenant's rights, estates and interests in the Project, including, without limitation, the Project Premises, the value of the leasehold improvements located on the Property and the amount of any separate award to Tenant for the value of any fixtures or personal property or for any moving costs or damages to Tenant's business or otherwise up to an amount equaling the outstanding amount of any and all indebtedness secured by the Mortgage, and any interest accrued thereon, and (ii) second, to Landlord and Tenant in accordance with the Lease; and (c) Lender shall have the right to apply its portion of the condemnation proceeds in accordance with the terms of the Mortgage (or other applicable loan documents) and shall be entitled at its option to participate in any compromise, settlement or adjustment with respect to the Property.

15.09. New Direct Lease.

(a) If the Lease is canceled or terminated for any reason (except in connection with bankruptcy proceedings, for which the provisions of Section 15.10 below are hereby agreed upon by Landlord and Tenant), or if Lender, its designee, successor or assign acquires Tenant's interest in the leasehold estate and the Property by foreclosure, assignment in lieu thereof, or otherwise, Landlord hereby agrees that Landlord shall, upon Lender's written election, promptly enter in a new, direct lease with Lender (or its nominee or any other person or entity

which Lender may designate, provided that such person or entity is a Qualified Operator or is Lender, an affiliate of Lender or an assignee of Lender who is itself regularly engaged in owning, operating or lending upon commercial real estate (or an affiliate thereof) and such Lender, affiliate of Lender or assignee of Lender (or affiliate thereof) retains (within not more than sixty (60) days in any case) a property manager for the Project who is, or subleases the Project to, a Qualified Operator) with respect to the Property on the same terms and conditions as this Lease (a "New Lease"), it being the intention of the parties to preserve the Lease and leasehold estate created by the Lease for the benefit of Lender without interruption for its remaining term. Said new lease shall be superior to all rights, liens and interests intervening between the date of the Lease and the granting of the new lease and shall be free of any and all rights of Tenant under the Lease; provided that such New Lease shall be subject to any and all modifications to the Lease required pursuant to and in accordance with Section 11.06 of the Lease.

(b) Tenant and Landlord acknowledge and agree that Lender shall have the right to encumber such new direct lease and the estate created thereby with a mortgage on the same terms and with the same lien priority as the Mortgage, it being the intention of the parties to preserve the priority of the Mortgage, the Lease and the leasehold estate created by the Lease for the benefit of Lender without interruption for its remaining term.

15.10. Bankruptcy. In the event of any proceeding by either Landlord or Tenant under the United States Bankruptcy Code (Title 11 U.S.C.) as now or hereafter in effect, and subject to other applicable federal statutes and FAA regulations:

(a) If this Lease is rejected in connection with a bankruptcy proceeding by Tenant or a trustee in bankruptcy (or other party to such proceeding) for Tenant, such rejection shall be deemed an assignment by Tenant to the Lender of all of Tenant's interest under this Lease, and this Lease shall not terminate and the Lender shall have all rights of the Tenant as if such bankruptcy proceeding had not occurred, unless Lender shall reject such deemed assignment by notice in writing to Landlord within thirty (30) days following rejection of this Lease by Tenant or Tenant's trustee in bankruptcy. If any court of competent jurisdiction shall determine that this Lease shall have been terminated notwithstanding the terms of the preceding sentence as a result of rejection by Tenant or the trustee in connection with any such proceeding, the rights of Lender to a New Lease from Landlord pursuant to Section 15.9 hereof shall not be affected thereby.

(b) In the event of a proceeding against Landlord under the Bankruptcy Code:

(i) In the event the bankruptcy trustee, Landlord (as debtor-in-possession) or any party to such proceeding seeks to reject the Lease pursuant to United States Bankruptcy Code §365(h)(1), Tenant shall not have the right to treat this Lease as terminated except with the prior written consent of Lender and the right to treat this Lease as terminated in such event shall be deemed assigned to Lender, whether or not specifically set forth in the Mortgage, so that the concurrence in writing of Tenant and the Lender shall be required as a condition to treating this Lease as terminated in connection with such proceeding.

(ii) Unless this Lease is treated as terminated in accordance with subsection 15.10(b)(i) above, then this Lease shall continue in effect upon all the terms and conditions set forth herein, including rent, but excluding requirements that are not then applicable or pertinent to the remainder of the term of this Lease. Thereafter, Tenant or its successors shall be entitled to any offsets against rent payable hereunder for any damages arising from such bankruptcy, to the extent Tenant's operation of business has been materially interfered with, and any such offset properly made shall not be deemed a default under this Lease. The lien of the Mortgage shall extend to the continuing possessory rights of Tenant following such rejection with the same priority as it would have enjoyed had such rejection not taken place.

15.11. Estoppel Certificates. Upon Lender's written request, Landlord shall provide Lender with an estoppel certificate which shall certify to Lender, subject to any exceptions set forth therein or as otherwise provided to the Lender in writing: (a) as to the amount and status of all rent payments and security deposits under the Lease, (b) as to the full satisfaction and compliance by Tenant of any other conditions required under the Lease, (c) that Tenant is not in default in the payment, performance or observance of any other condition or covenant to be performed or observed by Tenant thereunder, (d) that there are no offsets or counterclaims on the part of Landlord, and (e) as to such other matters related to the Lease as Lender may reasonably determine from time to time.

15.12. No Merger. There shall be no merger of the Lease or any interest in the Lease or of the leasehold estate created thereby with the fee estate in the Property, by reason of the fact that the Lease or such interest therein, or such leasehold estate may be directly or indirectly held by or for the account of any person who shall hold the fee estate in the Property, or any interest in such fee estate, nor shall there be such a merger by reason of the fact that all or any part of the leasehold estate created by the Lease may be conveyed or mortgaged in a leasehold mortgage to a mortgagee who shall hold the fee estate in the Property or any interest of Landlord under the Lease.

15.13. Reclamation Property. No response by Tenant to any notice under or pursuant to Section 3.06 of the Lease shall be binding or enforceable against Tenant or Lender unless countersigned by Lender, but Lender's rights to object to any reclamation proposed pursuant to Section 3.06 shall be no greater than Tenant's and may not be made on any basis other than any basis of objection permitted to Tenant.

5. Miscellaneous.

(a) The Lease, as modified herein, remains in full force and effect and is ratified by Landlord and Tenant. In the event of any conflict between the Lease and this Amendment, the terms and conditions of this Amendment shall control.

(b) This Amendment is binding upon and inures to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns. Except as expressly provided herein, Tenant has not assigned or transferred any interest in the Lease, as amended, and has full power and authority to execute this Amendment.

(c) This Amendment shall be governed by and construed in accordance with the laws of the State of Kansas.

(d) This document may be executed in any number of counterparts, which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment on the day and year first above written.

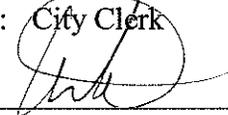
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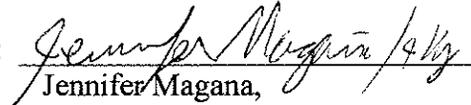
LANDLORD

THE WICHITA AIRPORT AUTHORITY

By: _____
Name: Karen Sublett, City Clerk
Title: City Clerk

By: _____
Name: Jeff Longwell
Title: President

By: 
Victor D. White, Director of Airports

APPROVED AS TO FORM:  Date: 11-10-15
Jennifer Magana,
City Attorney and Director of Law

TENANT:

2015 Wichita Investment LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____
Date: _____

STATE OF _____)
) :ss.
COUNTY OF _____)

On the ____ day of _____, in the year 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as _____ of The Wichita Airport Authority, and that by his signature on the instrument such person executed the instrument.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires:

STATE OF _____)
) :ss.
COUNTY OF _____)

On the ____ day of _____, in the year 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity as _____ of 2015 Wichita Investment LLC and that by his/her signature on the instrument such person executed the instrument.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires: