



**Economic Development and Finance**  
**Committee**  
**Standing Committee Meeting Agenda**  
**Monday, April 29, 2013**  
**5:30 PM**

**Location:**

Municipal Office Building  
701 N 7th Street  
Kansas City, Kansas 66101  
6th Floor Training Room

<u>Name</u>	<u>Absent</u>
Vacant	<input type="checkbox"/>
Commissioner Brian McKiernan, Chair	<input type="checkbox"/>
Commissioner Gayle Townsend	<input type="checkbox"/>
Commissioner Ann Brandau-Murguia	<input type="checkbox"/>
Commissioner James Walters	<input type="checkbox"/>
David Alvey - BPU	<input type="checkbox"/>

**I.**      **Call to Order / Roll Call**

**II.**      **Approval of standing committee minutes from March 25, 2013.**

**III.**      **Committee Agenda**

**Item No. 1 - RESOLUTION: WICHITA'S HEALTH CARE FACILITY REVENUE BONDS**

**Synopsis:**

Set a date for a public hearing for May 16, 2013, to consider a resolution authorizing an amendment to the interlocal cooperation agreement with the City of Wichita, Kansas, and the issuance of health care facilities revenue bonds (Presbyterian Manor, LLC) by the City of Wichita in an amount not to exceed \$110M, submitted by Marlon Goff, Economic Development.

**Tracking #: 130158**

**IV.      Goals and Objectives**

**Item No. 1 - GOALS & OBJECTIVES**

**Synopsis:**

The Unified Government Commission conducted a strategic planning process resulting in specific goals and objectives adopted by the commission on May 17, 2012. Commission has directed that the goals and objectives appear monthly on respective standing committee agendas to assure follow-up and action toward implementation.

Economic Development. Foster an environment in which small and large businesses thrive, jobs are created, redevelopment continues, tourism continues to grow, and businesses locate in the community.

**Tracking #: 120137**

**V.      Adjourn**

**ECONOMIC DEVELOPMENT AND FINANCE  
STANDING COMMITTEE MINUTES**

**Monday, March 25, 2013**

The meeting of the Economic Development and Finance Standing Committee was held on Monday, March 25, 2013, at 5:10 p.m., in the 6<sup>th</sup> Floor Human Resources Training Room of the Municipal Office Building. The following members were present: Commissioner Holland, Chairman; Commissioners McKiernan, Barnes, Kane, and Maddox, and BPU Board Member David Alvey.

**Chairman Holland** called the meeting to order. Roll call was taken and members were present as shown above.

II. Approval of standing committee minutes from March 4, 2013. **On motion of BPU Board Member Alvey, seconded by Commissioner McKiernan**, the minutes were approved. Motion carried unanimously.

III. Committee Agenda:

**Item No. 1 – 130124...** **An ordinance authorizing the issuance of Taxable Special Obligation Tax Increment Revenue Bonds (39th & Rainbow South Project), Series 2013 in the maximum principal amount of \$4.5M, submitted by Lew Levin, Chief Financial Officer.**

**Lew Levin, Chief Financial Officer**, stated the first item on the agenda relates to the financing for 39<sup>th</sup> & Rainbow. You might remember two years ago when this project moved forward, the government issued a temporary note in the amount of \$4.5M and that was part of the financing associated with the project. I believe the total project costs, and correct me if I'm wrong, was somewhere around \$40M. The developer made a personal pledge to back that temporary note. The temporary note is due May 1<sup>st</sup> of this year. We we're hoping to go into the private market for a final long-term financing. This is the phase of the project where the hotel, the Holiday Inn,

has been built plus there's a Five-Guys restaurant and then there are a couple of other retail spaces including 7-11 that is going to open in the near future but there is additional retail space that they are working on leasing. That project is near completion. What the developer would like to do at this time is enter into a financing to take out that obligation and it would be a private/placement financing. There would be no government credit enhancement on that financing. It gives us the authority to issue the notes. The TIF revenue stream will be pledged to the developer where the lender in this instance on that financing. We'll be able to call those notes at a point in time when we believe we can go into a long-term financing based on the TIF revenues. This allows us to remove I'll say, or take out that temporary note that is due May 1<sup>st</sup> of this year.

**Commissioner Barnes** asked does that exclude them for any – while economic development policy is in place. **Doug Bach, Deputy County Administrator**, stated they're still subject to the development agreement. **Commissioner Barnes** asked that's on both construction and operations. **Mr. Bach** stated I know it's on construction. I don't know if we have any operating on them because as the developer, I don't think they have any ongoing operations.

**Mr. Levin** stated so the action as described in the RFA is an ordinance authorizing the issuance of taxable special obligation tax increment revenue bonds in the amount of \$4.5M for that project.

**Commissioner Barnes** asked so you are saying the developer has no involvement in the operations of the project. **Mr. Bach** stated typically, I mean, if you're talking about on-site, what they'll have on-site on the project during and going forward. Like the hotel, they hire a separate hotel operator to come in take over that. The Five-Guys Burgers & Fries, that operator takes that on. **Commissioner Barnes** asked the tenants don't pay the developer for what they call a common area, maintenance, lighting and all of that. **Mr. Bach** stated yes, I would assume that Lane Four would continue to oversee that. I mean Lane Four is going to probably manage all that from there. I don't think we have anything on operating on one in that agreement. I believe it all stayed with the construction side.

**March 25, 2013**

**Action:** BPU Board Member Alvey made a motion, seconded by Commissioner McKiernan, to approve.

Commissioner Barnes asked why didn't we have an operation with them. Mr. Bach stated I think it was because we probably looked at that they didn't have any – that they weren't going to operate anything themselves on the site so there wouldn't be a lot of opportunity there. Unless you were going to go back to Lane Four, I guess, their property management unit where they operate today and put something on how they hire their personnel.

Commissioner Holland stated like Sara Lee; Sara Lee operates so when we put it in for their incentives do we put in a residency requirement to get their incentives ramped up. Lane 4 is not going to hire anybody. They just have their own management team. They are going to have under five employees probably running/overseeing the maintenance of that operation. Mr. Bach stated and I can look. We may have something on there. Like something as far as services that are provided back to the area as far as what they do for overall site maintenance, clearing snow, stuff like that. I'll pull it back out and see. I can't remember, Commissioner. We may have that.

Commissioner Barnes stated going forward, we need to look at that because to me it's a loophole that allows them to say, all I have to do is get a management agreement with somebody and I don't have to answer to anybody. Mr. Bach stated what Lew is doing tonight doesn't change anything that we put in place in the development. I'll look it up.

Roll call was taken and there were six "Ayes," Alvey, Kane, Maddox, McKiernan, Barnes, Holland.

**Item No. 2 – 130126...** An ordinance and a resolution relative to improvements to the Hilton Garden Inn located at 520 Minnesota Avenue, submitted by Lew Levin, Chief Financial Officer. The refinancing has a net present value benefit of \$303,000 or 2.7%.

March 25, 2013

- **An ordinance to finance \$2M in necessary hotel lobby, meeting room, and guest room renovations.**
- **A resolution authorizing the offering for sale of GOBs, Series 2013-C, and Taxable General Obligation Refunding and Improvement Bonds, Series 2013-D.**
- **The 2013-C financing for \$10.8M for a refunding and restructuring of the debt associated with the 2004 bond issue. This refinancing has a 10-year term with a net present value savings of \$303,000 and reduces annual debt payments by approximately \$1M from 2014-2018.**
- **The 2013D financing (\$4,335,000) takes out the outstanding temporary note on the downtown hotel and provides additional funding for required upgrades. This is a 15-year financing.**

**Lew Levin, Chief Financial Officer**, stated we'll probably speak a little more at length on this item. We've got a couple of financings linked together. First let me introduce who's with me this evening. Kurt Mayo, Manager of Hilton Garden Inn, and Paul James, Director of Operations with the Raphael Hotel Group. The Raphael Hotel Group is the managing company for the Hilton Garden Inn.

What we have before you are actually two financings that we want to authorize and move forward. One relates to the Hilton Garden Inn specifically. We issued a temporary note in 2009. When that hotel was built, there were two pieces to the financing. There was a Section 108 loan and that loan was tied to - we received that through Community Development, and then an industrial revenue bond loan. That loan was the initial financing occurred in the early part, I believe, of 2001 or 2000. We refinanced the IRB loan in 2009 to take advantage of lower interest costs. We did it as a four-year financing. That financing is due June 1 of this year. We have an outstanding balance of \$2,215,000 so we have to take care of that note. What we'd like to do is enter into a longer term financing and add some additional capacity to address required improvements that are needed with the Hilton Garden Inn. We are asking for an additional \$2M as part of that financing.

**March 25, 2013**

The second item relates to a refinancing of our 2004 bond issue which we're able to refinance. Those bonds are callable after a ten-year period, in this case 2014. What we would be doing would be an advance refinancing of that bond issue. There's a net present value savings associated with it. What we would like to do is restructure our debt service associated with it to reduce our debt service cost over the next four years by approximately \$1M a year. We really see this as an opportunity to assist us in the budget and sort of time our debt service when the government will be in a stronger position from 2018 to 2023. I'll say we're deferring some of the debt service associated with that 2004 bond issue with being able to refinance at a lower interest cost.

To begin with, we have a home rule ordinance authorizing the additional improvements associated with the hotel. Paul is here to answer any questions related to those improvements that will occur.

**Commissioner Barnes** stated you talk about a savings. What's it compared to with what you're saving versus the request that is being asked? Could you go over the request. **Mr. Levin** stated it's savings on the second part. I think the reason why these are being presented together is really we want to do the sale at the same time. We want to do the financing for the hotel. I'll say permanent financing with improvements at the same time as this 2004 refinancing. That gives us, I'll say, some economies of scale meaning when our legal counsel, our financial advisor, if we prepare all the documents at once, we can save money as opposed to doing it at a later date. The one we definitely have to move forward with is the hotel. A decision could be made not to do the 2004 refinancing at this time. Doing it would give us some flexibility as we enter the budget session as well as some savings. That original financing in 2004 was done on a 15-year term. Now we are doing all our financings for general obligation bonds on a 20-year term. So what we would be doing is extending a portion of that financing an additional five years to create the savings in the short term. I don't know, Commissioner, if I answered your question correctly. **Commissioner Barnes** stated yes. It seems I was just focusing on the savings that you were projecting. We have a shortfall designation where we pick up the tab regardless and so if we had the savings and you applied that savings toward what they ask for financing right now... **Mr. Levin** asked as it relates on the hotel. **Commissioner Barnes** stated yes.

**March 25, 2013**

**Mr. Levin** stated I'll tell you a little bit about how we're structuring the hotel financing. Our debt service now on that hotel is approximately about \$180,000 a year. We structured the financing on that to be approximately \$200,000 through 2016, I believe. Beginning in 2017, we added an additional \$200,000 that will cover us for a 15-year period for that additional capacity of \$82M. The reason we added it at that time, when the STAR bonds are paid off, not only will we get additional sales tax revenue, but we'll get additional transient guest tax revenue. We are estimating just 25% of that transient guest tax revenue beginning in 2017 will be nearly \$500,000. There'll be money. We can use a portion of that transient guest tax revenue for, I'll say our additional debt service on the hotel as well as whatever the Commission decides at that time in the future we will have sales tax plus transient guest tax revenue for designated purpose.

**Commissioner Kane** stated this has nothing to do with what's going on here, but how many rooms do we have and how many average nights do people stay, the number of rooms that are rented. **Kurt Mayo, Hilton Garden Inn**, stated for the year, we have 147 rooms. Our occupancy is 50 to 52, the same as downtown KCMO basically. **Commissioner Kane** stated it's a lot higher than I thought it was. That's great.

**BPU Board Member Alvey** stated I am assuming that the financing in 2004 is the same time as it was built, so 2004 it was built. **Mr. Levin** stated no. The 2004 was strictly general obligation type bonds for street and sewer improvements. **BPU Board Member Alvey** asked, so approximately every 10 to 12 years you would need to do a renovation to your facility. **Paul James, Director of Operations**, stated that is about the industry's average depending. Soft goods tend to be done a little bit more frequently. Case goods probably 10 years. Some of the other things, of course, changed a lot in the hotel industry. High-speed internet access is huge to our business clientele. Flat screen televisions, that also is a pretty significant expectation anymore these days. As I said we are about 10½ years old. We've exceeded the average life expectancy of the soft goods, that would be carpet, drapery, vinyl, things like that and the casegoods are at the end of their useful life as well.

**Commissioner Barnes** asked so you guys don't have flat screens right now? **Mr. James** stated, no, sir.

**March 25, 2013**



**Commissioner Kane** stated we ought to put that in the Citizen of how much it's used. I think everybody says it's just sitting out there and not used. I think we need to let people know it's being used as much as it is across the river. I think that's something that we need to do. A lot of people complain about it's not being used. That's why I asked that question. I think we need to let them know it's used just as much as anything else across the river.

**Commissioner Barnes** stated they may not listen to the CVB link.

**Chairman Holland** stated I think another piece is it's almost exclusively our transient guest tax right now. Most of the other hotels are tied up in the STAR bonds so we get the majority of our transient guest tax.

**Mr. Levin** stated I meant to start my comments by saying the terms of both transient guest tax and sales tax revenue. It is the largest transient guest tax revenue non-Village West to the city. That supports the CVB as a sales tax revenue. On an annual basis between those two revenue sources, the hotel generates almost \$300,000 back to the government. We receive that money. We distribute a good portion of it to the CVB. We allocate a portion of it toward debt service on the hotel also.

**Chairman Holland** asked was it two or three years ago, Kurt, that you were named hotelier of the year for the region. **Mr. Mayo** stated three I think. **Chairman Holland** stated it's been a huge asset for our community. It's been something missing in downtown. It's part of the bigger picture of downtown but it's only one part. It anchors our convention center. There's just a lot of opportunity. It is interesting to me that I've learned you get a lot of your business from the American Royal and from overflow crowds from Kansas City, Missouri. We get a lot of people who wouldn't be staying in Kansas City, Kansas, at this hotel.

**Mr. Mayo** stated our largest single source of revenue is the American Royal. It is over 18,000 room nights last year. This year we are going to do better because Junior Herferd comes to Kansas City every other year. This is the year they are going to be here and that's 400 almost

**March 25, 2013**

500 room nights. When that came live in August of last year, we were sold out for that convention in August of last year. That's how high the demand is for that particular group. We are the number one hotel that they want to stay at.

**Chairman Holland** stated it's got a lot going for it and I think these upgrades are needed. It's been a good community partner. I appreciate the work that you are doing.

**Commissioner Barnes** asked you said you don't have high-speed at your hotel there? **Mr. James** stated we have limited high-speed but the expectation of the customer these days is for much greater band width and - **Commissioner Barnes** stated the question is because of our involvement with the hotel, would they qualify for some type of arrangement with George. **Chairman Holland** asked in terms of the Convention Center? **Mr. Bach** stated we are making a case for that right now. In fact, just this morning, Mr. Hays said we wanted to make sure to try and push that on the list and see whether we can. They make the case that they're not eligible, but they sit right between BPU and the convention center. The convention center is clearly on the list.

**Commissioner Barnes** asked we have some ownership responsibility too, right. **Mr. Bach** stated yes, that's why we are here now making that case.

**Action:** **BPU Board Member Alvey made a motion, seconded by Commissioner McKiernan, to approve.** Roll call was taken and there were six "Ayes," Alvey, Kane, Maddox, McKiernan, Barnes, Holland.

**Item No. 3 – 130127...** **A petition and a resolution relative to the creation of a Community Improvement District (CID) relating to the improvement of the hotel, parking garage, and convention center located between 5th and 6th Street and between Minnesota Avenue and State Avenue, submitted by Lew Levin, Chief Financial Officer. The tax is established at 2% and is projected to generate \$75,000 on an annual basis to address on-**

**going maintenance, repair, and rehabilitation projects associated with these facilities.**

- **Petition to create a CID.**
- **A resolution authorizing the execution of a petition for the creation of a CID.**

**Lew Levin, Chief Financial Officer**, stated this item sort of relates to David's question about ongoing maintenance, and that will be required in the future for the hotel. We came upon the previous item and said we need to address upgrades that we really haven't been making over the past years. What we want to do is get a revenue stream in place to address those ongoing future expenses that are required. This is a petition for us to move forward with a CID and that CID area will include three facilities, a parking garage, the hotel, and the Reardon Center. The revenue stream will come primarily from a tax on hotel room nights at the hotel on an annual basis, based on current revenue stream. That 2% tax will generate \$75,000 and we actually could use that revenue stream to issue additional debt or pay for improvements on an ongoing basis. I talked with Paul and the hotel group and it's their belief that additional 2% tax will not affect the demand for hotel rooms. It's common in the industry. Kansas City, Missouri, has similar add-on taxes. The money would be pledged. This is the first step in the process. The resolution would allow for the Mayor to sign the petition. We're the signature of the petition as owners of the hotel. Then the next step will be to set a public hearing on the establishment of the CID.

**BPU Board Member Alvey** asked is the parking lot across the street apparently that is not used by the hotel or convention center. Would there not be an advantage to tie that into the CID? **Mr. Levin** stated Doug might have – I think potentially – **Chairman Holland** stated it would take a TDD wouldn't it to go off-site like that. **Mr. Bach** stated no, we could make it part of the district. We actually had some discussions and debated about whether it would or not. I guess openly we left it out in the end thinking that 1) we got plenty of expenses in the hotel based on this \$75,000 that is not going to do it. In the future, if we bring a project onto that site, we want to maintain its autonomy. It may need it for its own as a generator, do some work on its on site. If we want to throw it into this hotel CID in the future because it's been an extra, we can always add it. There's really no advantage to add it. You could say we can use it to improve the parking

**March 25, 2013**

lot, spend the money on it, but I don't think \$75,000 is going to be - we need every bit of that probably for the hotel at this point.

**Action:**        **Commissioner McKiernan made a motion, seconded by BPU Board Member Alvey, to approve.**

**Mr. Levin** asked can I just ask Jody - there are two items here, the petition and the resolution authorizing. Is there just one vote associated with this? **Jody Boeding, Chief Counsel**, stated the resolution authorizing the execution of the petition, I think that's one... **Mr. Levin** stated maybe going back to the previous one, there was an ordinance and resolution. We're we would okay with just doing the one vote? **Ms. Boeding** stated unless somebody wanted to vote differently on them, but I think it would be one vote. **Chairman Holland** stated we have a motion and a second. We'll take these s one item.

Roll call was taken and there were six "Ayes," Alvey, Kane, Maddox, McKiernan, Barnes, Holland.

V.    Adjourn

**Chairman Holland** adjourned the meeting at 5:41 p.m.

tk

**March 25, 2013**



# Staff Request for Commission Action

Tracking No. 130158

- Revised  
 On Going

**Type:** Standard

**Committee:** Economic Development and Finance Committee

Date of Standing Committee Action: 4/29/2013

(If none, please explain):

**Proposed for the following Full Commission Meeting Date:**

**Confirmed Date:** 5/16/2013

5/16/2013

**Changes Recommended By Standing Committee (New Action Form required with signatures)**

Date:	Contact Name:	Contact Phone:	Contact Email:	Ref:	Department / Division:
4/23/2013	Marlon Goff	573-5545	mgoff@wycokck.org		Economic Development

**Item Description:**

Presbyterian Manor Inc (PMI) is a not-for-profit corporation with a health care facility located within the Unified Government Jurisdiction. The city of Wichita has acted as issuer of bonds on behalf of PMI since 1990 to finance improvements to PMI communities throughout Kansas. To enable Wichita to be the issuer, each community has previously entered into an Interlocal Cooperation Agreement with the City of Wichita. The existing agreement for Kansas City, KS was executed 5/24/1994 and due to terminate 2030.

PMI is proposing to finance approx \$7M of capital improvements at multiple KS facilities including an estimated \$430,000 at the KCK facility campus. PMI requests that Unified Government and the city of Wichita amend its Interlocal Cooperation Agreement to extend the stated termination date to 2054 to ensure the agreement remains in force while the bonds are outstanding. The proposal will not affect any provision of the Interlocal Cooperation Agreement other than the termination date. UG will have no liability for payment of principal/interest on bonds issued by city of Wichita on behalf of PMI pursuant to the Interlocal Cooperation Agreement.

**Action Requested:**

Set a public hearing for 5/16/13, for consideration of a resolution authorizing the City of Wichita to issue Health Care Facility revenue bonds pursuant to the Interlocal Cooperation Agreement, as amended.

Adopt resolution authorizing the execution of an Amendment to the Interlocal Cooperation Agreement between Unified Government and the city of Wichita.

Publication Required

**Budget Impact: (if applicable)**

Amount: \$

Source:

- Included In Budget  
 Other (explain) Action allows for facility improvements. Budget neutral.

			<input type="button" value="File Attachment"/>

**EXCERPT OF MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS  
HELD ON MAY 16, 2013**

The governing body met in regular session at the usual meeting place, at 7:00 p.m., the following members being present and participating, to-wit:

Absent:

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

\* \* \* \* \*

(Other Proceedings)

Among other business, in accordance with notice published on May 1, 2013, in *The Wyandotte Echo*, a public hearing was held by the governing body relating to the proposed issuance of not to exceed \$110,000,000 principal amount of City of Wichita, Kansas, Health Care Facilities Revenue Bonds (Presbyterian Manors, Inc.) (the "Bonds"). All interested persons were afforded an opportunity to present their views on the issuance of the Bonds. Thereupon, the public hearing was closed.

Thereupon, there was presented a Resolution entitled:

**A RESOLUTION AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE INTERLOCAL COOPERATION AGREEMENT BETWEEN THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, AND THE CITY OF WICHITA, KANSAS, AND THE ISSUANCE OF CERTAIN HEALTH CARE FACILITIES REVENUE BONDS BY THE CITY OF WICHITA, KANSAS IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$110,000,000 PURSUANT TO SUCH INTERLOCAL COOPERATION AGREEMENT.**

Thereupon, Commissioner \_\_\_\_\_ moved that said Resolution be adopted. The motion was seconded by Commissioner \_\_\_\_\_. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Yea: \_\_\_\_\_.

Nay: \_\_\_\_\_.

Thereupon, the Mayor/CEO declared said Resolution duly adopted and the Resolution was then duly numbered Resolution No. \_\_ and was signed by the Mayor/CEO and attested by the Unified Government Clerk.

\* \* \* \* \*

(Other Proceedings)

On motion duly made, seconded and carried, the meeting thereupon adjourned.

**CERTIFICATE**

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

(SEAL)

---

Unified Government Clerk

**RESOLUTION NO. \_\_**

**A RESOLUTION AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE INTERLOCAL COOPERATION AGREEMENT BETWEEN THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, AND THE CITY OF WICHITA, KANSAS, AND THE ISSUANCE OF CERTAIN HEALTH CARE FACILITIES REVENUE BONDS BY THE CITY OF WICHITA, KANSAS IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$110,000,000 PURSUANT TO SUCH INTERLOCAL COOPERATION AGREEMENT.**

---

**WHEREAS**, the Unified Government of Wyandotte County/Kansas City, Kansas (the “Unified Government”), desires to promote, stimulate and develop the general economic welfare and prosperity of the Unified Government and its environs, and thereby to further promote, stimulate and develop the general economic welfare and prosperity of the State of Kansas; and

**WHEREAS**, the Kansas Interlocal Cooperation Act, K.S.A. 12-2901 *et seq.*, as amended (the “Interlocal Cooperation Act”), permits local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities, persons, associations and corporations on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs and development of local communities; and

**WHEREAS**, Presbyterian Manors, Inc., a Kansas not-for-profit corporation (the “Corporation”) with a health care facility within the boundaries of the Unified Government, previously requested that the Unified Government and certain other participating cities (herein referred to as the “Participants”) cooperate with one another to facilitate the refunding of certain outstanding revenue bonds and the financing of construction of improvements and additions to existing facilities (the “Facilities”) located within the boundaries of the respective Participants in order to secure to the Participants and to the Corporation the economic and other benefits to be derived through the orderly and efficient financing of such facilities to be leased by the City of Wichita, Kansas (the “Issuer”) to the Corporation; and

**WHEREAS**, in furtherance of the purposes set forth above, the Unified Government and the other Participants previously entered into Interlocal Cooperation Agreements with the Issuer authorizing the Issuer to issue certain health care facilities improvement and/or refunding bonds, in one or more series, pursuant to K.S.A. 12-1740 to 12-1749d, inclusive, as amended (the “Act”), for the purposes set forth therein; and

**WHEREAS**, the Corporation has requested that Participants amend the respective Interlocal Cooperation Agreements between the respective Participants and the Issuer to extend the termination date of such Interlocal Cooperation Agreements to December 31, 2054; and

**WHEREAS**, pursuant to the Interlocal Cooperation Act, the Unified Government is authorized to enter into an amendment to its existing Interlocal Cooperation Agreement with the Issuer to coordinate the financing of construction of improvements and additions to the Corporation’s facilities within the Unified Government and facilitate the refunding of certain outstanding revenue bonds; and

**WHEREAS**, pursuant to the Act, the Issuer is authorized to issue certain revenue bonds of the Issuer, and it is hereby found and determined to be advisable and in the interest and for the welfare of the Unified Government and its inhabitants that health care facilities revenue bonds, in one or more series, in



an aggregate principal amount not to exceed \$110,000,000 (the “Bonds”) be authorized and issued by the Issuer for the purpose of (i) refunding all or a portion of the Issuer’s outstanding Health Care Facilities Refunding and Improvement Revenue Bonds Series III, 2004 (Presbyterian Manors, Inc.) (the “Series 2004 Bonds”) and the Issuer’s outstanding Health Care Facilities Refunding and Improvement Revenue Bonds Series III, 2007 (Presbyterian Manors, Inc.) (the “Series 2007 Bonds” and together with the Series 2004 Bonds, the “Existing Bonds”), the proceeds of which were used to finance or refinance the cost of acquiring, purchasing, constructing, renovating, furnishing and equipping the Facilities; (ii) financing the construction of improvements and additions to the Facilities, including the Corporation’s facility located within the limits of the Unified Government at 7800 Freeman, Kansas City, Kansas 66112 (iii) funding a debt service reserve; and (iv) paying certain costs of issuance; and

**WHEREAS**, the Facilities, including the facility located within the limits of the Unified Government, are owned by the Issuer and are leased and will continue to be leased to the Corporation; and

**WHEREAS**, in accordance with notice published on May 1, 2013 in *The Wyandotte Echo*, a public hearing was held on this date by the Governing Body relating to the proposed issuance of the Bonds, and all interested persons were afforded an opportunity to present their views on the issuance of the Bonds and the location and nature of the Facilities to be financed with the proceeds of the Bonds.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:**

**Section 1.** Pursuant to the Interlocal Cooperation Act and the Act, the Governing Body of the Unified Government hereby authorizes the Issuer to issue the Bonds for the purposes of set forth herein. The Bonds will be special limited obligations of the Issuer payable solely from the money and revenue derived by the Issuer from the Facilities and not from any other fund or source. The Bonds will not be general obligations of the Issuer or the Unified Government, nor constitute a pledge of the faith and credit of the Issuer or the Unified Government, and will not be payable in any manner by taxation.

**Section 2.** Pursuant to the Interlocal Cooperation Act, the Unified Government hereby authorizes the Issuer to execute and deliver on behalf of the Unified Government indentures of trust, leases, and such other documents and agreements as the Governing Body of the Issuer may determine to be necessary or desirable to issue and secure payment of the Bonds.

**Section 3.** The Mayor/CEO is hereby authorized and directed to execute such documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Resolution and deliver the same for and on behalf of and as the act and deed of the Unified Government in the manner provided herein and in the Interlocal Cooperation Agreement by and between the Issuer and the Unified Government, as Participant. The Unified Government Clerk or any Deputy or Assistant Clerk of the Unified Government is hereby authorized and directed to attest the execution of such documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

**Section 4.** The Unified Government is hereby authorized to enter into the Amendment to Interlocal Cooperation Agreement with the Issuer (the “Amendment”) in substantially the form presented for review prior to adoption of this Resolution (a copy of which is on file with the Unified Government Clerk), with such corrections or amendments thereto as the Mayor/CEO may approve, which approval shall be evidenced by the Mayor/CEO’s execution thereof. The Unified Government Clerk or any Deputy or Assistant Clerk of the Unified Government is authorized and directed to attest the Mayor/CEO’s

signature on the Amendment, to affix the seal of the Unified Government, if required, and to submit the Amendment to the Kansas Attorney General for approval in accordance with K.S.A. 12-2904(f).

**Section 5.** This Resolution shall be in full force and effect after its adoption by the Governing Body.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**ADOPTED AND APPROVED** by the Governing Body of the Unified Government of Wyandotte County/Kansas City, Kansas, this \_\_ day of \_\_\_\_, 2013.

**UNIFIED GOVERNMENT OF WYANDOTTE  
COUNTY/KANSAS CITY, KANSAS**

(SEAL)

\_\_\_\_\_  
Mark Holland, Mayor/CEO

ATTEST:

\_\_\_\_\_  
Bridgette Cobbins, Unified Government Clerk

**AMENDMENT  
TO  
INTERLOCAL COOPERATION AGREEMENT**

**THIS AMENDMENT** (“Amendment”), made pursuant to the Interlocal Cooperation Act, K.S.A. 12-2901 *et seq.*, as amended (the “Interlocal Cooperation Act”), is entered into by and between the City of Wichita, Kansas (hereinafter referred to as the “Issuer”) and the Unified Government of Wyandotte County/Kansas City, Kansas (hereinafter referred to as “Participant”), amending the Interlocal Cooperation Agreement (the “Agreement”) between the Issuer and the Participant executed and delivered May 24, 1994 and approved by the Kansas Attorney General June 2, 1994, which authorizes the Issuer to issue certain health care facilities improvement and/or refunding bonds (the “Health Care Facilities Bonds”) in one or more series pursuant to K.S.A 12-1740 to 12-1749d, inclusive, as amended (the “Act”) for the purposes and in the aggregate amounts authorized therein.

**RECITALS**

**WHEREAS**, as originally entered into, the Agreement will terminate on December 1, 2030; and

**WHEREAS**, the Participant and the City intend to amend the Agreement in a manner acceptable to and in the best interest of both the Participant and the City to extend the term of the Agreement;

**NOW, THEREFORE**, in consideration of the premises set forth herein, and of the mutual benefits to the Participants and the Issuer which shall accrue by virtue of the Agreement and this Amendment, the parties hereto agree as follows:

1. Recitals; Definitions. The foregoing recitals are incorporated herein by reference. Any capitalized terms used but not otherwise defined in this Amendment shall have the meanings ascribed to them in the Agreement.

2. Replacement of Section 1. Section 1 of the Agreement is deleted in its entirety and replaced by the following:

**“Section 1.** This Agreement shall remain in full force and effect until the principal of and interest on all Health Care Facilities Bonds and all sums of money with respect thereto have been paid in full or provision made for the payment thereof in accordance with the provisions of said bonds, and the indentures and related agreements authorizing and securing payment of said bonds; provided, however, that in no event shall the term of this Agreement extend past 11:59 p.m., on December 31, 2054.

3. Remainder of Agreement. Except as modified by this Amendment, all terms, conditions and provisions of the Agreement, a true and correct copy of which is attached hereto

as Exhibit A, shall remain undisturbed by this Amendment. The Agreement, as amended by this Amendment, is hereby ratified and affirmed.

*[Remainder of this intentionally left blank]*

THIS AMENDMENT TO INTERLOCAL COOPERATION AGREEMENT WAS EXECUTED AND DELIVERED ON \_\_\_\_\_, 2013.

CITY OF WICHITA, KANSAS

By: \_\_\_\_\_  
Carl Brewer, Mayor

(SEAL)

ATTEST:

By: \_\_\_\_\_  
Karen Sublett, City Clerk

ACKNOWLEDGMENT

STATE OF KANSAS )  
 ) SS:  
COUNTY OF SEDGWICK )

This instrument was acknowledged before me on \_\_\_\_\_, 2013, by Carl Brewer, Mayor, and Karen Sublett, City Clerk, of the City of Wichita, Kansas, a municipal corporation.

[SEAL]

\_\_\_\_\_  
Notary Public

My Appointment Expires:  
\_\_\_\_\_

CITY OF WYANDOTTE COUNTY/KANSAS  
CITY, KANSAS

By: \_\_\_\_\_  
Mark Holland, Mayor/CEO

“PARTICIPANT”

(SEAL)

ATTEST:

By: \_\_\_\_\_  
Bridgette Cobbins, Unified Government Clerk

ACKNOWLEDGMENT

STATE OF KANSAS                    )  
  ) SS:  
COUNTY OF WYANDOTTE         )

This instrument was acknowledged before me on \_\_\_\_\_, 2013, by Mark Holland, Mayor/CEO, and Bridgette Cobbins, Clerk of the Unified Government of Wyandotte County and Kansas City, Kansas, a municipal corporation.

[SEAL]

\_\_\_\_\_  
Notary Public

My Appointment Expires:

\_\_\_\_\_

**EXHIBIT A**

**INTERLOCAL COOPERATION AGREEMENT BETWEEN THE CITY OF WICHITA,  
KANSAS AND THE CITY OF TOPEKA, KANSAS  
EXECUTED AND DELIVERED JULY 31, 1995 AND APPROVED BY THE KANSAS  
ATTORNEY GENERAL AUGUST 8, 1995**



**ATTORNEY GENERAL'S APPROVAL**

The above and foregoing Amendment to Interlocal Agreement is in proper form and compatible with the laws of the State of Kansas and is hereby approved pursuant to K.S.A. 12-2904(f), as amended, on \_\_\_\_\_, 2013.

DEREK SCHMIDT

Attorney General for the State of Kansas

By: \_\_\_\_\_  
Attorney General

(Published in *The Wyandotte Echo* May 1, 2013)

### NOTICE OF PUBLIC HEARING

**NOTICE IS HEREBY GIVEN** that at 7:00 p.m., on May 16, 2013 in the Commission Chambers, at 701 N. 7<sup>th</sup> Street, Kansas City, Kansas 66101 the governing body of the Unified Government of Wyandotte County/Kansas City, Kansas (the “Unified Government”) will hold a public hearing concerning a plan of finance for the issuance by the City of Wichita, Kansas (the “Issuer”) of one or more series of its health care facilities revenue bonds issued under authority of K.S.A. 12-1740 *et seq.* in an aggregate principal amount not to exceed \$110,000,000 (the “Bonds”). Proceeds of the Bonds will be made available to Presbyterian Manors, Inc., a Kansas not-for-profit corporation (the “Corporation”), pursuant to a bond indenture to provide funds (1) to refund all or a portion of the Issuer’s Health Care Facilities Refunding and Improvement Revenue Bonds, Series III, 2004 and Series III, 2007 (Presbyterian Manors, Inc.) the proceeds of which were used to finance certain senior living and health care facilities owned and operated by the Corporation and located in several cities throughout the State of Kansas, including one facility within the limits of the City, at 7850 Freeman, Kansas City, Kansas 66112 (together, the “Facilities”) and (2) to acquire, construct, improve, equip, reimburse or refinance the costs of certain improvements to the Facilities. The hearing will be open to the public.

**NOTICE IS HEREBY GIVEN**, pursuant to K.S.A. 12-1744e, as amended, that the Unified Government proposes to authorize the issuance of the Bonds by the Issuer. A copy of the authorizing resolution to be adopted by the governing body of the Unified Government is on file with the Unified Government Clerk and is available for public inspection during normal business hours.

DATED this 1st day of May, 2013.

Unified Government of Wyandotte County/Kansas  
City, Kansas

Bridgette Cobbins, Unified Government Clerk

**ECONOMIC DEVELOPMENT & FINANCE STANDING COMMITTEE  
GOALS & OBJECTIVES**

Commission Goal	Objective	Status					
		(No date)	10/1/2012	10/29/2012	11/13/2012	12/3/2012	1/14/2013
<b>Economic Development</b>	Grow small business						
	Grow existing businesses						
	Expand large businesses						
	Attract large businesses						
	Create jobs						
	Redevelop community						
	Grow tourism						
	Collaborate w/BPU to waive water & electric	Program complete - Marketing	BPU agreed to waive connection fees in relation to the UG waiving permit fees and sewer connection fees for single family residences through Dec. 2013				
	Single family construction	Complete - marketing	Waive building permit fees and sewer connection fees for single family housing through 2013.				
	Discuss Port Authority	No action at this time.	Jody Boeding reported to SC as to how a Port Authority could be created and Mike Taylor reported on how this could be done through the Kansas Legislature.				
Public Building Commission	Complete - Approved by Full Commission 11-15-12		Approved by Standing Committee as a finance tool.				