

TRIPLETT, WOOLF & GARRETSON, LLC

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RESOLUTION NO. 121117-4

OF

THE  
GOVERNING BODY OF

THE CITY OF ABILENE, KANSAS

RELATING TO THE INTENT TO ISSUE  
TAXABLE INDUSTRIAL REVENUE BONDS  
(BALAJI, LLC HOTEL AND CONFERENCE CENTER PROJECT)

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RESOLUTION NO. 121117-4

A RESOLUTION INDICATING THE INTENT OF THE GOVERNING BODY OF THE CITY OF ABILENE, KANSAS, TO ISSUE TAXABLE INDUSTRIAL REVENUE BONDS IN AN APPROXIMATE PRINCIPAL AMOUNT OF \$8,250,000 FOR THE PURPOSE OF PURCHASING, ACQUIRING, CONSTRUCTING, FURNISHING AND EQUIPPING A HOTEL, CONFERENCE CENTER, TO MAKE IMPROVEMENTS TO AN EXISTING HOTEL AND RELATED IMPROVEMENTS ALL LOCATED IN THE CITY OF ABILENE, KANSAS.

WHEREAS, the governing body of the City of Abilene, Kansas (the "City") desires to promote, stimulate and develop the general economic welfare and prosperity of the City, and to further promote, stimulate and develop the general economic welfare and prosperity of the state of Kansas; and

WHEREAS, pursuant to the provisions of K.S.A. 12-1740 to 12-1749d, inclusive, as amended (the "Act"), the City is authorized to issue revenue bonds of the City; and

WHEREAS, Balaji, LLC, a Kansas limited liability company (the "Tenant"), has requested the City to provide for the issuance of certain taxable industrial revenue bonds (the "Bonds") pursuant to the Act to pay the costs of purchasing, acquiring, constructing, furnishing and equipping a new hotel, conference space, making improvements to an existing hotel and related improvements (the "Project"), which the Tenant (or an affiliate or entity created by the Tenant) will lease from the City under terms of a Lease Agreement entered into in connection with issuing the Bonds (the "Lease"); and

WHEREAS, the Project will be located within the corporate limits of the City of Abilene, Kansas.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF ABILENE, KANSAS:

SECTION 1. The City finds and determines that the acquisition, construction and equipping of the Project will promote, stimulate and develop the general welfare and economic prosperity of the City through the promotion and advancement of commercial development of the City and the City intends and is authorized to finance the Project and issue the Bonds in the approximate principal amount of \$8,250,000 to further the public purposes of the Act.

SECTION 2. The City is authorized to provide for the issuance of its Bonds in one or more series for the purpose of purchasing, acquiring and installing the Project, but subject to the limitations, conditions and requirements of the provisions in this Resolution, the Lease and subsequent ordinances or resolutions of the City authorizing the Bonds and further, subject to a

pending Development Agreement between the City and the Tenant specifying the incentives the City will offer to the Project, as permitted through issuance of the Bonds and under other laws of the state of Kansas, including but not limited to, a rebate of transient guest tax collections related to the Project, as may be agreed to by the City according to City policies and the Development Agreement..

SECTION 3. The issuance of the Bonds and the execution and delivery of any documents related to the Bonds is subject to obtaining any necessary governmental approvals, and agreement by the City, the Tenant, and the purchaser of the Bonds upon mutually acceptable terms for the Bonds and for the sale and delivery of the Bonds, and mutually acceptable terms and conditions of any documents related to the issuance of the Bonds and the Project, including, but not limited to, a pending Development Agreement and other agreements relating to the security for payment of the Bonds, the repayment to the City of its expenses incurred in connection with the Bonds, and provisions relating to maintenance of the Project. The Bonds shall be issued subject to the approving opinion of Triplett Woolf Garretson, LLC, Bond Counsel and shall be special limited obligations of the City payable solely from the revenues derived by the City in connection with the Project and the Lease. THE BONDS SHALL NOT BE GENERAL OBLIGATIONS OF, OR CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF, THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION AND THE BONDS SHALL NOT BE PAYABLE IN ANY MANNER FROM TAX REVENUES.

SECTION 4. The sale of the Bonds and financing of the Project shall be the Tenant's responsibility. It is contemplated that to expedite the process of acquiring and constructing the Project, the Tenant may, in reliance upon this Resolution, but subject to mutually satisfactory documents as described in Section 3, incur temporary indebtedness and expend its own funds or funds available to it in connection with the anticipated Project, prior to the issuance of the Bonds. The Bonds and all interest thereon shall, in any event, be paid solely from the Trust Estate to be created pursuant to a Trust Indenture, including the money and revenue received pursuant to the lease of the Project to the Tenant and not from any other fund or source, and nothing here shall obligate the City in any manner except as set out in this Resolution. The Tenant shall proceed at its own risk and if, for any reason the Bonds are not issued, the City will have no liability to the Tenant for any reason.

SECTION 5. The City does not intend this Resolution to include any agreement for ad valorem tax abatement for the Project. The City will consider an ad valorem property tax abatement on the Project at a later date in accordance with the proper publication and notice requirements of the laws of the State of Kansas and as provided in the Development Agreement between the City and the Tenant.

SECTION 6. Any and all expenses incurred and applicable fees charged in connection with the issuance of the Bonds, including administrative expenses and legal fees incurred by the City shall be paid from the proceeds of the Bonds or from the Tenant's funds. Nothing in this Resolution shall obligate the City in any manner in connection with the costs of the issuance of the Bonds, except as otherwise agreed by the City and Tenant.

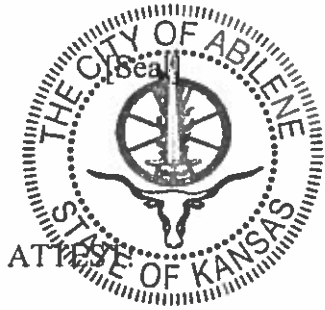
SECTION 7. The Mayor, City Clerk and Bond Counsel are authorized and directed to take all such other actions not inconsistent with this Resolution as may be appropriate or desirable to accomplish the purposes described by this Resolution, including but not limited to, (1) execution on behalf of the City of an appropriate notice of the proposed issuance of such Bonds with the Kansas State Board of Tax Appeals pursuant to K.S.A. 12-1744a, (2) providing applicable notice of a public hearing with respect to the proposed issuance of such Bonds and ad valorem tax abatement in accordance with K.S.A. 12-1749c and/or K.S.A. 12-1749d; (4) seeking a retailers' sale tax exemption for the construction of the Project; and (3) requesting any necessary approvals of the issuance of such Bonds in accordance with K.S.A. 12-1741a.

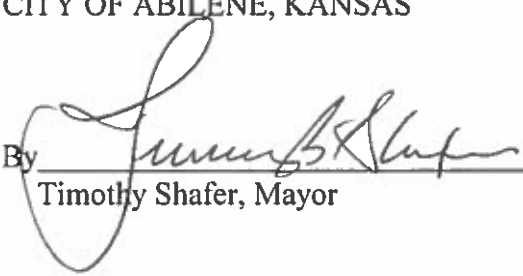
SECTION 8. This Resolution shall become effective upon its approval and passage by the governing body of the City of Abilene, Kansas.

*[Remainder of Page Intentionally Left Blank]*

PASSED AND APPROVED by the governing body of the City of Abilene, Kansas on December 11, 2017.

CITY OF ABILENE, KANSAS



By   
Timothy Shafer, Mayor

By , CMC  
Penny L. Soukup, City Clerk