RESOLUTION NO. 7319

A RESOLUTION INTRODUCED BY MAYOR HARRY FELKER AUTHORIZING THE CITY OF TOPEKA, KANSAS, TO ISSUE ITS MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $1,500,000 FOR THE PURPOSE OF FINANCING THE REHABILITATION, RENOVATION AND CONSTRUCTION OF A MULTIFAMILY RESIDENTIAL RENTAL HOUSING PROJECT AND PAYING CERTAIN COSTS RELATED THERETO.

WHEREAS, the City of Topeka, Kansas (the "City"), is authorized and empowered pursuant to the provisions of K.S.A. 12-1740 to 12-1749d, inclusive, as amended (the "Act"), to acquire, purchase and construct certain facilities (as defined in the Act) and to issue industrial revenue bonds for the purpose of paying the cost of such facilities and to lease such facilities to private persons, firms or corporations; and

WHEREAS, Pioneer Curtis Homes, L.P., a Kansas limited partnership (the "Applicant"), has requested the City to finance a portion of the costs of the rehabilitation, renovation and construction of a multifamily residential rental housing project to be known as Pioneer Curtis Homes, including real estate, buildings, structures, improvements, fixtures, equipment and furnishings (the "Project"), to be located at 1334 N.W. Jackson in the City, and to pay costs of issuance, in an amount not to exceed $1,500,000, in order to promote, stimulate and develop the general economic welfare and prosperity of the City and its environs and the health of the citizens thereof and thereby to further promote, stimulate and develop the general economic welfare and prosperity of the State of Kansas (the "State") and the health of the citizens thereof; and

WHEREAS, the Project includes the renovation of the existing Curtis Junior High School into 35 one-bedroom units for seniors and the construction of 24 three-bedroom townhomes for families for the purposes of providing low and moderate income housing; and

WHEREAS, a tax credit application was previously filed and approved by with the Kansas Department of Commerce & Housing (now known as the Kansas Department of Commerce) for the development of the Project, and the Project is also eligible for state and federal historic preservation tax credits; and

WHEREAS, subject to the provisions of Section 3 of this Resolution, the City desires to approve the development of the Project, and to finance a portion of the cost of the rehabilitation, renovation and construction of the Project and pay the cost of issuance thereof by the issuance of multifamily housing revenue bonds pursuant to the Act, in one or more series, in the aggregate principal amount not to exceed $1,500,000 pursuant to
the Act, said bonds to be payable solely out of the rentals, revenues and receipts derived
from the lease of the Project to the Applicant by the City; and

WHEREAS, the City held a public hearing on March 11, 2003, to consider the
issuance of said bonds to finance the costs of the Project; and

WHEREAS, the City and the Applicant desire that the financing of the Project
commence as soon as it is practicable;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF
THE CITY OF TOPEKA, KANSAS, AS FOLLOWS:

Section 1. Subject to the provisions of Section 3 of this Resolution, it is hereby
found and declared that the issuance of the bonds by the City for the purpose of financing
a portion of the cost of the Project to be operated by the Applicant and for the purpose of
paying the cost of issuance thereof, will promote, stimulate and develop the general
economic welfare and prosperity of the City and its environs and the health of the citizens
thereof as well as further promoting, stimulating and developing the general economic
welfare and prosperity of the State and the health of the citizens thereof.

Section 2. Subject to the provisions of Section 3 of this Resolution, the
governing body of the City hereby intends to authorize the issuance of the bonds in an
aggregate principal amount not to exceed $1,500,000 to be issued pursuant to the Act,
contingent upon all necessary regulatory approvals and the conditions more fully set forth
in Section 3 hereof.

Section 3. Notwithstanding this Resolution of Intent of the City to issue the
bonds in an aggregate principal amount not to exceed $1,500,000, it is expressly subject
to presentation, completion and final approval by the governing body of the City, of each
of the following conditions:

(a) Satisfactory negotiation of the financing agreement, mortgage,
    lease agreement, trust indenture, bond ordinance and other
documents necessary for the issuance of the Bonds; and

(b) Obtaining of all necessary zoning and building permits and
    compliance with all necessary regulatory approvals and with the
    City ordinances; and

(c) Compliance with the provisions of Ordinance No. 17850 of the
    City, imposing a surcharge on the Project; and

(d) Successful negotiation by Charter Municipal Mortgage Acceptance
    Co. (the "Purchaser") of the purchase of the Bonds or other
    purchase method approved by the City; and
(e) Approval of the Bonds and the exemption of the interest thereon from state income taxation by Bond Counsel, Stinson Morrison Hecker LLP, and approval of certain legal matters by the City Attorney, by counsel to the Applicant, and by counsel to the Purchaser; and

(f) Adequate security for the payment of the Bonds approved by the City; and

(g) The City hereby reserves the right to rescind this Resolution of Intent if the conditions specified in Section 3 hereof are not, in the sole judgment of the City, satisfied, or upon change of federal or state law or regulations affecting the City's allocation, if required, or issuing authority; and

(g) If the Bonds are not issued for any reason, including noncompliance with the conditions of Section 3 hereof, the City shall not be subject to any liability, whatsoever, to the Applicant.

Section 4. Subject to the conditions and prior approvals of Section 3, the Applicant is hereby authorized to proceed with all matters necessary to accomplish such purposes of this financing.

Section 5. The Applicant expects to incur expenses in connection with the Project prior to the issuance of the bonds. The City and the Applicant reasonably expect to reimburse all expenditures in connection with the Project from the proceeds of the bonds. This declaration is a declaration of official intent of the City. The maximum principal amount of debt expected to be issued for the Project is expected to be $1,500,000.

Section 6. The Council of the City of Topeka, City's Legal Department, Director of Finance, City Clerk and Bond Counsel are hereby directed to take such action as they deem necessary in cooperation with all persons involved with the financing of the Project in order to present the necessary documents to the governing body of the City for final action. In connection therewith, Bond Counsel for the City is directed to work with the Applicant, and its counsel, and all others necessary, to accomplish the purpose as set forth herein.

Section 7. Bond Counsel to the City is hereby authorized and directed to forward a copy of this Resolution of Intent to the Applicant for its acceptance.

Section 8. This Resolution shall take effect and be in full force on March 11, 2003.
THIS RESOLUTION IS HEREBY ADOPTED by the governing body of the City of Topeka, Kansas, this 11th day of March, 2003.

CITY OF TOPEKA, KANSAS

By: [Signature]
Mayor

(SEAL)

ATTEST:

[Signature]
City Clerk

[Stamp]
APPROVED AS TO FORM & LEGALITY
MAR 06 2003
CITY ATTORNEY'S OFFICE
THIS RESOLUTION IS HEREBY ACCEPTED by the Applicant this ____ day of March, 2003.

PIONEER CURTIS HOMES, L.P.
a Kansas limited partnership

By:  PIONEER INVESTMENT CURTIS, INC.
a Kansas corporation
Managing General Partner

By:  ____________________________
Ross Freeman
President