

ORDINANCE NO. 24-46

AN ORDINANCE AUTHORIZING THE CITY OF OLATHE, KANSAS, TO ISSUE TAXABLE INDUSTRIAL REVENUE BONDS (HEARTLAND COCA-COLA BOTTLING COMPANY, LLC PROJECT), SERIES 2024B, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$75,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COST OF ACQUIRING, PURCHASING, CONSTRUCTING, INSTALLING AND EQUIPPING AN INDUSTRIAL FACILITY, INCLUDING LAND, BUILDINGS, STRUCTURES, IMPROVEMENTS, FIXTURES, MACHINERY AND EQUIPMENT; AUTHORIZING THE ISSUER TO ENTER INTO CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS (SALES TAX EXEMPTION ONLY).

WHEREAS, the City of Olathe, Kansas (the “Issuer”), is authorized pursuant to the provisions of K.S.A. 12-1740 to 12-1749d, inclusive, as amended (the “Act”), to acquire, purchase, construct, install and equip certain commercial and industrial facilities, 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, on October 15, 2024, the Issuer approved the issuance of its Taxable Industrial Revenue Bonds (Heartland Coca-Cola Bottling Company, LLC Project), Series 2024, in the aggregate principal amount of not to exceed \$350,000,000 (the “Series 2024 Bonds”) for the purpose of acquiring, purchasing, constructing, installing, furnishing and equipping an approximately 677,349 square foot industrial facility and associated infrastructure and site work for Heartland Coca-Cola Bottling Company, LLC, a Kansas limited liability company (the “Company”), including land, buildings, structures, improvements, fixtures, furnishings, machinery and equipment generally located at 17100 Hedge Lane (the “Project”); and

WHEREAS, the governing body of the Issuer has heretofore and does now find and determine that it is desirable in order to promote, stimulate and develop the general economic welfare and prosperity of the Issuer and the State of Kansas that the Issuer issue its Taxable Industrial Revenue Bonds (Heartland Coca-Cola Bottling Company, LLC Project), Series 2024B (the “Series 2024B Bonds;” together with the Series 2024 Bonds, the “Bonds”), in a principal amount not to exceed \$75,000,000, for the purpose of financing a portion of the Project; and

WHEREAS, the Bonds will be issued under a Trust Indenture dated as of November 1, 2024 (the “Original Indenture”) by and between the Issuer and Security Bank of Kansas City, as Trustee (the “Trustee”), as amended and supplemented by that certain First Supplemental Trust Indenture dated as of November 1, 2024 (the “First Supplemental Indenture,” and together with the Original Indenture, the “Indenture”); and

WHEREAS, the Company will lease the Project to the Issuer pursuant to the Base Lease Agreement as of November 1, 2024 (the “Original Base Lease Agreement”) by and between the Issuer and the Company, as amended and supplemented by that certain First Amendment of Base Lease Agreement dated as of November 1, 2024 (the “First Amendment of Base Lease Agreement;” together with the Original Base Lease Agreement, the “Base Lease Agreement”); and

WHEREAS, simultaneously with the execution and delivery of the Base Lease Agreement, the Issuer will enter into a Lease Agreement (the “Original Lease Agreement”) and First Amendment of Lease Agreement (the “First Amendment of Lease Agreement”) which supplements and amends the Original Lease Agreement (together, the Original Lease Agreement and the First Amendment of Lease Agreement referred to herein as the “Lease Agreement”), by and between the Issuer, as lessor, and the Company, as lessee,

pursuant to which the Project will be acquired, constructed, furnished and equipped, and pursuant to which the Issuer will lease the Project to the Company, and the Company will agree to pay the rental payments due under the Lease Agreement sufficient to pay the principal of and premium, if any, and interest on, the Bonds; and

WHEREAS, the governing body of the Issuer further finds and determines that it is necessary and desirable in connection with the issuance of these bonds that the Issuer enter into certain agreements, and that the Issuer take certain other actions and approve the execution of certain other documents as herein provided;

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OLATHE, KANSAS, AS FOLLOWS:

Section 1. Authorization for the Acquisition, Purchase, Construction, Installation and Equipping of the Project. The Issuer is hereby authorized to provide for the acquisition, purchase, construction, installation, furnishing and equipping of the Project, all in the manner and as more particularly described in the Indenture and the Lease Agreement hereinafter authorized.

Section 2. Authorization of and Security for the Series 2024B Bonds. The Issuer is hereby authorized to issue and sell the Series 2024B Bonds in a principal amount not to exceed \$75,000,000 for the purpose of providing funds to pay the cost of acquiring, purchasing, constructing, installing, furnishing, and equipping the Project. The Series 2024B Bonds shall be issued and secured pursuant to the herein authorized Indenture and shall bear such date, shall mature at such time, shall be in such denominations, shall bear interest at such rates, shall be in such form, shall be subject to redemption and other terms and conditions, and shall be issued in such manner, subject to such provisions, covenants and agreements, as are set forth in the Indenture. The Series 2024B Bonds shall be payable solely out of the rents, revenues and receipts derived by the Issuer from the Project, and the Project and the net earnings derived by the Issuer from the Project shall be pledged and assigned to the Trustee as security for payment of the Series 2024B Bonds as provided in the Indenture.

Section 3. Authorization of Documents. The Issuer is hereby authorized to enter into the following documents, in substantially the forms presented to and reviewed by the governing body of the Issuer (copies of which documents, upon execution thereof, shall be filed in the office of the Clerk of the Issuer), with such changes therein as shall be approved by the officers of the Issuer executing such documents (the “Bond Documents”), such officers’ signatures thereon being conclusive evidence of their approval thereof:

- (a) First Supplemental Indenture;
- (b) First Amendment of Base Lease Agreement;
- (c) First Amendment of Lease Agreement; and
- (d) the Bond Purchase Agreement dated the date set forth therein, among the Issuer, the Company and Heartland Coca-Cola Bottling Company, LLC, as Purchaser, relating to the Series 2024B Bonds.

Section 4. Execution of Bond and Documents. The Mayor of the Issuer is hereby authorized and directed to execute the Series 2024B Bonds and to deliver the Series 2024B Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the Issuer in the manner provided in the Indenture. The Mayor (or, in the Mayor’s absence, the Mayor Pro Tem) of the Issuer is hereby authorized and directed to execute the Series 2024B Bonds, the Bond Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance,

for and on behalf of and as the act and deed of the Issuer. The Clerk of the Issuer is hereby authorized and directed to attest to and affix the seal of the Issuer to the Series 2024B Bonds, the Bond Documents and such other documents, certificates and instruments as may be necessary.

Section 5. Pledge of the Project and Net Lease Rentals. The Issuer hereby pledges the Project and the net rentals generated under the Lease Agreement to the payment of the Series 2024B Bonds in accordance with K.S.A. 12-1744. The lien created by the pledge will be discharged when all of the Bonds are paid or deemed to have been paid under the Indenture

Section 6. Further Authority. The Issuer shall, and the officers, employees and agents of the Issuer and the Issuer's Bond Counsel, Gilmore & Bell, P.C. are hereby authorized and directed to, take such action, expend such funds and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the Issuer with respect to the Bonds and the Bond Documents.

Section 7. Electronic Transactions. The issuance of the Series 2024B Bonds and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means. All closing documents, certificates, and related instruments may be executed by electronic transmission. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents (or documents executed by electronic transmission) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 8. Effective Date. This Ordinance shall take effect and be in force from and after its passage by the governing body, approval by the Mayor and publication of the Ordinance or a summary thereof in the official Issuer newspaper.

[Balance of page intentionally left blank]

PASSED by the governing body of the City of Olathe, Kansas on November 5, 2024 and **APPROVED AND SIGNED** by the Mayor.

John Bacon, Mayor

[SEAL]

ATTEST:

Brenda Swearingian, City Clerk

(Published in *The Legal Record* on November 12, 2024)

SUMMARY OF ORDINANCE NO. 24-46

On November 5, 2024, the governing body of the City of Olathe, Kansas passed an ordinance entitled:

AN ORDINANCE AUTHORIZING THE CITY OF OLATHE, KANSAS, TO ISSUE TAXABLE INDUSTRIAL REVENUE BONDS (HEARTLAND COCA-COLA BOTTLING COMPANY, LLC PROJECT), SERIES 2024B, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$75,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COST OF ACQUIRING, PURCHASING, CONSTRUCTING, INSTALLING AND EQUIPPING AN INDUSTRIAL FACILITY, INCLUDING LAND, BUILDINGS, STRUCTURES, IMPROVEMENTS, FIXTURES, MACHINERY AND EQUIPMENT; AUTHORIZING THE ISSUER TO ENTER INTO CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS (SALES TAX EXEMPTION ONLY).

The Bonds approved by the Ordinance are being issued in the maximum principal amount of \$75,000,000, for the purpose of acquiring, constructing, furnishing and equipping an industrial facility for Heartland Coca-Cola Bottling Company, LLC, a Kansas limited liability company, and constitute limited obligations of the City payable solely from the sources and in the manner as provided in the Indenture, and shall be secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate (as defined in the Indenture) to the Trustee and in favor of the owners of the Bonds, as provided in the Indenture. A complete text of the Ordinance may be obtained or viewed free of charge at the office of the City Clerk, 100 E. Santa Fe St., Olathe, Kansas 66061. A reproduction of the Ordinance is available for not less than 7 days following the publication date of this Summary at <http://www.olatheks.org/government/city-clerk/public-notices>.

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

DATED: November 5, 2024.

Ron Shaver, City Attorney