

Date June 18, 2007

PUBLIC HEARING REGARDING THE ISSUANCE OF NOT TO EXCEED \$6,000,000
AGGREGATE PRINCIPAL AMOUNT OF SPECIAL FACILITY REVENUE BONDS
(ELLIOTT AVIATION PROJECT) OF THE CITY OF DES MOINES, IOWA

WHEREAS, the City of Des Moines, Iowa (the "Issuer") is a municipal corporation and political subdivision organized and existing under the Constitution and laws of the State of Iowa, and is authorized and empowered by Chapter 419 of the Code of Iowa (the "Act"), to issue its bonds and loan the proceeds from the sale of said bonds to one or more parties to be used to finance all or a portion of the cost of acquiring, constructing, improving and equipping a "project", as that term is defined in the Act, including a national, regional, or divisional headquarters facility of a company that does multistate business and to retire any existing indebtedness and refund any outstanding bonds issued under the Act; and

WHEREAS, the Issuer has been requested by Elliott Aviation of Des Moines, Inc., an Iowa corporation (the "Borrower"), to authorize and issue its revenue bonds pursuant to the provisions of the Act for the purpose of financing costs of (i) a regional headquarters facility to be used by Borrower, consisting of three aircraft hangars, and a general aviation terminal and a supporting office area with certain other directly related improvements (the "Project"), (ii) funding a reserve fund, and (iii) paying costs of issuance and related costs. The Project will be located at 2800 SW McKinley Avenue, Des Moines, Iowa, adjacent to the Des Moines International Airport and will be leased to the Borrower by the Issuer pursuant to a Fixed Base Operator Lease and Agreement; and

WHEREAS, based on information provided by the Borrower, the amount necessary to finance all or a portion of the cost of constructing the Project, funding a reserve fund and paying costs of issuance, including necessary expenses incidental thereto, will require the issuance by the Issuer of not to exceed \$6,000,000 aggregate principal amount of its Special Facility Revenue Bonds, in one or more series (the "Bonds") pursuant to the provisions of the Act, and it is proposed that the Issuer loan said amount to the Borrower under a Loan and Trust Agreement (the "Agreement") between a Trustee to be selected by the Borrower (the "Trustee"), the Issuer and the Borrower pursuant to which loan payments will be made by the Borrower in amounts sufficient to pay the principal of, premium, if any, and interest on said Bonds, as and when the same shall be due; and

WHEREAS, the Bonds, if issued, shall be limited obligations of the Issuer, and shall not constitute nor give rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing powers, and the principal of, interest and premium, if any, on the Bonds shall be payable solely out of the revenues derived from the Agreement and the Project to be financed by the Bonds; and

Date June 18, 2007

WHEREAS, a notice of hearing on the proposal to issue not to exceed \$6,000,000 aggregate principal amount of Special Facility Revenue Bonds (Elliott Aviation Project), of the Issuer has been published as required by law; and

WHEREAS, a public hearing has been held at the time and place as specified in said notice of hearing and any and all objections or other comments relating to such Bonds have been heard and it is deemed to be in the best interests of the Issuer to proceed with the issuance of said Bonds.

NOW, THEREFORE, Be It Resolved by the City Council of Des Moines, Iowa, as follows:

Section 1. It is hereby determined that it is necessary and advisable that the Issuer proceed with the issuance of its Special Facility Revenue Bonds in an amount not to exceed \$6,000,000, as authorized and permitted by the Act, and to loan the proceeds of the sale of the Bonds to the Borrower all upon terms and conditions mutually satisfactory to the Issuer and the Borrower.

Section 2. At the public hearing conducted by this City Council, in accordance with the provisions of Section 419.9 of the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended, pursuant to published notice, all persons who appeared were given an opportunity to express their views for or against the proposal to issue said Bonds.

Section 3. It is hereby determined that any and all objections to the issuance of said Bonds are hereby overruled and this City Council shall proceed with the necessary proceedings relating to the issuance of said Bonds upon reasonable advance notice from the Borrower that satisfactory financing terms have been agreed upon with the proposed purchasers and the required documentation has been prepared by Bond Counsel, and approved by all other parties, including the Issuer.

Section 4. It is hereby found, determined and declared that the Bonds, if issued, and interest and premium, if any, thereon shall never constitute the debt or indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation and shall not constitute nor give rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing powers, but the Bonds and interest and premium, if any, thereon shall be payable solely and only from the revenues derived from the Agreement and the debt obligations of the Borrower thereunder; and no part of the cost of financing the Project will be payable out of the general funds or other contributions of the Issuer except the proceeds of the Bonds and any subsequent issues of bonds permitted under the Agreement.

★ Roll Call Number

Agenda Item Number

70

Date June 18, 2007

Section 5. The Mayor and the City Clerk are hereby authorized and directed to proceed with the issuance and sale of the Bonds in accordance with this Resolution.

Section 6. The provisions of this Resolution are hereby declared to be separable and if any action, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 7. This Resolution shall become effective immediately upon its passage and approval.
(Council Communication No. 07-372)

Moved by: _____ to adopt.

Form approved: _____
Deputy City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				
MOTION CARRIED			APPROVED	

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

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

Mayor

City Clerk

70

AHLERS & COONEY, P.C.

attorneys at law / 100 court avenue / suite 600 / Des Moines, Iowa 50309-2231 / phone: 515-243-7611 / fax: 515-243-2149
www.ahlerslaw.com

john h. bunz
jbunz@ahlerslaw.com

direct dial:
(515) 246-0336

June 11, 2007

VIA HAND DELIVERY

Ms. Diane Rauh
City Clerk
400 Robert D. Ray Drive
Des Moines, Iowa 50309

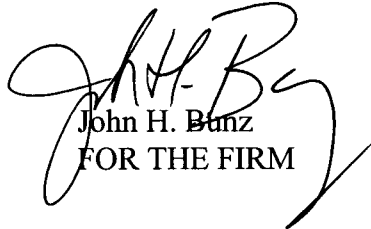
RE: City of Des Moines, Iowa
Special Facility Revenue Bonds
(Elliott Aviation Project)

Dear Ms. Rauh:

I am enclosing a suggested Roll Call for consideration by the City Council at its June 18, 2007 meeting regarding the previously scheduled public hearing on the proposed issuance of the City's Special Facility Revenue Bonds (Elliott Aviation Project) in an amount not to exceed \$6,000,000.

As always, we would appreciate receiving a certified copy of the enclosed Roll Call returned to us following the Council's action for our transcript of the action taken. Should you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,


John H. Bunz
FOR THE FIRM

JHB:ej
Enclosures
cc: Allen McKinley
David Ferree

NJACKSON\538660.1\WP\22127001