



March 5, 2025

LEGISLATIVE PROPOSAL: Request bonding authority for completion of the University Stadium project

Request

Wichita State University requests legislative approval to issue bonds to finance completion of the University Stadium project, which is the replacement for Cessna Stadium.

Background

The January agenda includes a request to adopt a resolution to authorize issuance of \$6.81 million in revenue bonds in support of completing Phase 1A and the majority of Phase 1B of the University Stadium project. Those bonds are scheduled to be sold in March of 2025, with the debt service paid by the Board of Trustees of Wichita State University (the “BOT”). The university also issued \$11.04 million on December 21, 2023 with series 2023J revenue bonds in support of the project, with the debt service also paid by the BOT.

To fund the remaining portion of Phase 1B and Phase 2 of the project, up to \$60.0 million in revenue bonds may be required. The university continues to actively fundraise in support of the project, which could reduce the amount of the bond issuance, as well as development of final design documents for Phase 2. The university intends to only request bonding for the actual amount required to complete the project.

Impact on Other State Agencies

No fiscal impact on other state agencies.

Fiscal and Administrative Impact

Funding sources include a combination of funds from the BOT, partnerships with local government, fundraising, and university resources to cover any remaining funding needs. For FY 2024, the University’s debt burden ratio was 3.53%, debt coverage ratio was 2.60, and viability reserve ratio was 0.832. For the debt burden ratio, 7% is considered the upper threshold.

Draft Language

() In addition to the other purposes for which expenditures may be made by Wichita State University from the moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2026 or fiscal year 2027 as authorized by this or other appropriation act of the 2025 regular session or by any appropriation act of the 2026 regular session of the legislature, expenditures may be made by Wichita State University from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2026 or fiscal year 2027, to provide for the issuance of bonds by the Kansas



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Development Finance Authority in accordance with K.S.A. 74-8905, and amendments thereto, for a capital improvement project for the renovation and equipment of the University Stadium on the campus of Wichita State University: Provided, That such capital improvement project is hereby approved for Wichita State University for the purposes of subsection (b) of K.S.A. 74-8905 and amendments thereto, and the authorization of the issuance of bonds by the Kansas development finance authority in accordance with that statute: Provided further, That Wichita State University may make expenditures from the moneys received from the issuance of any such bonds for such capital improvement project: Provided, however, That expenditures from the moneys received from the issuance of any such bonds for such capital improvement project shall not exceed \$60,000,000 plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for such capital improvement project during the renovation of such project and for a period of not more than one year following completion of such project, credit enhancement costs and any required reserves for the payment of principal and interest on the bonds: And provided further, That all moneys received from the issuance of any such bonds shall be deposited and accounted for as prescribed by applicable bond covenants: And provided further, That debt service for any such bonds for such capital improvement project shall be financed by appropriations from any appropriate special revenue fund or funds: And provided further, That any such bonds and interest thereon shall be an obligation only of the Kansas development finance authority, shall not constitute a debt of the state of Kansas within the meaning of section 6 or 7 of article 11 of the constitution of the state of Kansas and shall not pledge the full faith and credit or the taxing power of the state of Kansas: And provided further, That Wichita State University shall make provisions for the maintenance of the stadium and related equipment and infrastructure.