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Dennis R. Taylor, Secretary Mark J. McGivern, Director Sam Brownback, Governor

JCSBC Testimony
NIAR / Wichita State University
Wichita
December 6, 2012

Good morning, my name is Sarah Shipman. I am representing the Department of Administration, Office of Facilities & Property Management to present the proposed amendments to lease for the National Institute for Aviation Research (NIAR) at Wichita State University for space leased from Hawker Beechcraft. The institute has been at its current location in the Hawker Beechcraft Corporation facility, formerly known as Raytheon Aircraft Company since 2004. The current lease expires on October 14, 2014 and NIAR is moving to the former Kansas Coliseum.

The amendments are to formalize agreements between the parties that arose prior to Hawker Beechcraft's bankruptcy filing in May 2012 regarding payment for services rendered by NIAR and to clarify that other than unpaid invoices NIAR does not have any prepetition claims against Hawker Beechcraft. Additionally, the amendments clarify and alter the landlord and tenant responsibilities for maintenance, services, and utilities and define the preexisting conditions that NIAR will not take responsibility for repairing. These changes came about in part due to the bankruptcy filing and the anticipation of the end of the term of the lease as NIAR transitions to the new facility. They are presented to the committee because the leased facility is larger than 10,000 square feet.

I am available to answer your questions as is a representative from the Wichita State University.

Thank You.