

ORDINANCE NO. 50-268

**OF THE
CITY OF WICHITA, KANSAS**

AUTHORIZING THE ISSUANCE OF

**City of Wichita, Kansas
Health Care Facilities
Revenue Bonds
(Kansas Masonic Home)
Series II-A, 2016**

**City of Wichita, Kansas
Taxable Health Care Facilities
Revenue Bonds
(Kansas Masonic Home)
Series II-B, 2016**

(Published in the *Wichita Eagle*, June 24, 2016)

ORDINANCE NO. 50-268

AN ORDINANCE AUTHORIZING THE CITY OF WICHITA, KANSAS, TO ISSUE ITS HEALTH CARE FACILITIES REVENUE BONDS, SERIES II, 2016 (KANSAS MASONIC HOME), IN ONE OR MORE SERIES IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$35,000,000 FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, IMPROVING, EQUIPPING, REIMBURSING AND REFINANCING IMPROVEMENTS TO EXISTING SENIOR LIVING FACILITIES; AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

WHEREAS, the City of Wichita, Kansas (the “Issuer”), is authorized by K.S.A. 12-1740 *et seq.* and K.S.A. 10-116a, all, as amended (the “Act”), to acquire, construct, improve and equip certain facilities (as defined in the Act) for the promotion and advancement of physical and mental health, to enter into leases and lease-purchase agreements with any person, firm or corporation for such facilities, and to issue revenue bonds for the purpose of paying the costs of such facilities and to issue revenue bonds for the purpose of refunding such bonds; and

WHEREAS, the Issuer has found and does find and determine that it is desirable in order to promote, stimulate and develop the general welfare and economic prosperity of the Issuer and the State of Kansas that the Issuer issue its Health Care Facilities Revenue Bonds (Kansas Masonic Home), Series II-A, 2016 and its Taxable Health Care Facilities Revenue Bonds (Kansas Masonic Home), Series II-B, 2016 in the aggregate principal amount not to exceed \$35,000,000 (collectively, the “Series 2016 Bonds”), for the purpose of providing funds, together with other available funds of Kansas Masonic Home Inc., a Kansas not for profit corporation (the “Corporation”), to be used (i) to refinance certain outstanding indebtedness, the proceeds of which were used to finance or refinance the costs to acquire, construct, reconstruct, improve, equip, furnish, repair, enlarge and remodel retirement and health care facilities (the “Project”), (ii) to reimburse the Corporation for additional costs associated with the Project, (iii) to fund a debt service reserve fund for the Series 2016 Bonds, and (iv) to pay certain costs related to the issuance of the Series 2016 Bonds.

WHEREAS, the Series 2016 Bonds and the interest thereon shall not be a general obligation of the Issuer, shall not be payable in any manner by taxation and shall be payable solely from the trust estate established under the Bond Indenture herein authorized, including revenues from the lease of the Project and related facilities (collectively, the “Facility”) to the Corporation; and

WHEREAS, the Issuer further finds and determines that it is necessary and desirable in connection with the issuance of the Series 2016 Bonds to execute and deliver the following documents (collectively, the “Bond Documents”):

(i) a Bond Trust Indenture (the “Bond Indenture”) between the Issuer and Security Bank of Kansas City, as trustee (the “Bond Trustee”), prescribing the terms and conditions of and the provisions for issuing and securing the Series 2016 Bonds;

(ii) a Lease Agreement (the “Lease”) between the Issuer, as lessor, and the Corporation, as lessee, whereby the Issuer will lease the Facility to the Corporation in consideration of payment by the Corporation of Base Rental Payments (as defined in the Bond Indenture)

sufficient to pay the principal of and interest on the Series 2016 Bonds and other payments provided for therein;

(iii) a Bond Purchase Agreement among the Issuer, the Corporation and B.C. Ziegler and Company, Chicago, Illinois (the "Purchaser"), as purchaser of the Series 2016 Bonds; and

(iv) a Tax Compliance Agreement among the Issuer, the Corporation and the Bond Trustee.

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

Section 1. Definition of Terms. All terms and phrases not otherwise defined in this Ordinance will have the meanings set forth in the Bond Indenture and the Lease.

Section 2. Authority to Cause the Project to be Constructed and Acquired. The Governing Body of the Issuer hereby declares that the Project, if in being, would promote the welfare of the City of Wichita, Kansas and the State of Kansas and the Issuer is hereby authorized to cause the Project to be constructed and acquired all in the manner and as more particularly described in the Bond Indenture and the Lease.

Section 3. Authorization of and Security for the Series 2016 Bonds. The Issuer is hereby authorized and directed to issue the Series 2016 Bonds, to be designated "City of Wichita, Kansas, Health Care Facilities Revenue Bonds (Kansas Masonic Home), Series II-A, 2016" and the "City of Wichita, Kansas, Taxable Health Care Facilities Revenue Bonds (Kansas Masonic Home), Series II-B, 2016" in the aggregate principal amount not to exceed \$35,000,000. The Series 2016 Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such forms, shall be subject to redemption and payment prior to the maturity thereof, and shall be issued in the manner prescribed and subject to the provisions, covenants and agreements set forth in the Bond Indenture. The Series 2016 Bonds shall be special limited obligations of the Issuer payable solely from the trust estate established under the Bond Indenture, including revenues from the lease of the Facility. The Series 2016 Bonds shall not be general obligations of the Issuer, nor constitute a pledge of the full faith and credit of the Issuer and shall not be payable in any manner by taxation.

Section 4. Authorization of Bond Indenture. The Issuer is authorized to enter into the Bond Indenture with the Trustee in the form approved in this Ordinance. The Issuer will pledge the Trust Estate described in the Indenture to the Trustee for the benefit of the owners of the Series 2016 Bonds on the terms and conditions in the Bond Indenture.

Section 5. Lease of the Facility. The Issuer shall cause the Facility to be leased to the Corporation pursuant to and in accordance with the provisions of the Lease in the form approved herein.

Section 6. Authorization of Bond Purchase Agreement. The Issuer is authorized to sell the Series 2016 Bonds to the Purchaser, according to the terms and provisions of the Bond Purchase Agreement, in the form approved in this Ordinance.

Section 7. Execution of Series 2016 Bonds and Bond Documents. The Mayor of the Issuer is hereby authorized and directed to execute the Series 2016 Bonds and deliver them to the Bond Trustee for authentication on behalf of, and as the act and deed of the Issuer in the manner provided in the Bond Indenture. The Mayor or member of the Issuer's governing body authorized by law to exercise the powers and duties of the Mayor in the Mayor's absence is further authorized and directed to execute and deliver the

Bond Documents on behalf of, and as the act and deed of the Issuer in substantially the forms presented for review prior to final passage of this Ordinance, with such minor corrections or amendments thereto as the Mayor may approve, which approval shall be evidenced by his execution thereof, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Ordinance and the Bond Documents. The City Clerk or any Deputy City Clerk of the Issuer is hereby authorized and directed to attest the execution of the Series 2016 Bonds, the Bond Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out the intent of this Ordinance under the Issuer's official seal.

Section 8. Pledge of the Facility and Net Revenues. The Issuer hereby pledges the Facility and the net revenues generated under the Lease to the payment of the Series 2016 Bonds in accordance with K.S.A. 12-1744. The lien created by such pledge shall be discharged when all of the Bonds (as defined in the Bond Indenture) shall be deemed to have been paid within the meaning of the Bond Indenture.

Section 9. Authority To Correct Errors, Etc. The Mayor or member of the Issuer's governing body authorized to exercise the powers and duties of the Mayor in the Mayor's absence, the City Clerk and any Deputy City Clerk are hereby authorized and directed to make any alterations, changes or additions in the instruments herein approved, authorized and confirmed which may be necessary to correct errors or omissions therein or to conform the same to the other provisions of said instruments or to the provisions of this Ordinance.

Section 10. Further Authority. The officers, agents and employees of the Issuer are hereby authorized and directed to take such action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out the provisions of this Ordinance and to carry out and perform the duties of the Issuer with respect to the Series 2016 Bonds and the Bond Documents as necessary to give effect to the transactions contemplated in this Ordinance and in the Bond Documents.

Section 11. Effective Date. This Ordinance shall take effect from and after its final passage by the Governing Body of the Issuer, signature by the Mayor and publication once in the official newspaper of the Issuer.

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PASSED by the Governing Body of the City of Wichita, Kansas, on June 21st, 2016.

CITY OF WICHITA, KANSAS

(Seal)

By: _____
Jeff Longwell, Mayor

Attest:

By: _____
Karen Sublett, City Clerk

APPROVED AS TO FORM:

Jennifer Magaña, Director of Law
and City Attorney

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF WICHITA, KANSAS
HELD ON JUNE 21, 2016**

The governing body of the City of Wichita, Kansas met in regular session at the usual meeting place in the City, at 9:00 a.m., the following members being present and participating, to wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

Among other business, in accordance with notice published on June 13, 2016, in the *Wichita Eagle*, a public hearing was held by the governing body relating to the proposed issuance of not to exceed \$35,000,000 principal amount of Health Care Facilities Revenue Bonds, Series II, 2016 (Kansas Masonic Home). All interested persons were afforded an opportunity to present their views on the issuance of the Bonds and the location and nature of the Project to be financed with the proceeds of the Bonds. Thereupon, the public hearing was closed.

Thereupon, there was presented for first reading an Ordinance entitled:

AN ORDINANCE AUTHORIZING THE CITY OF WICHITA, KANSAS, TO ISSUE ITS HEALTH CARE FACILITIES REVENUE BONDS, SERIES II, 2016 (KANSAS MASONIC HOME), IN ONE OR MORE SERIES IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$35,000,000 FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, IMPROVING, EQUIPPING, REIMBURSING AND REFINANCING IMPROVEMENTS TO EXISTING SENIOR LIVING FACILITIES; AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

Thereupon, Councilmember _____ moved that said Ordinance be passed. The motion was seconded by Councilmember _____. Said Ordinance was duly read and considered, and upon being put, the motion for the passage upon first reading of said Ordinance was carried by the vote of the governing body, the vote being as follows:

Aye:

Nay:

* * * * *

(Other Proceedings)

* * * * *

CERTIFICATE

I certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of Wichita, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

[SEAL]

Karen Sublett, City Clerk

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF WICHITA, KANSAS
HELD ON JUNE 28, 2016**

The governing body of the City of Wichita, Kansas met in regular session at the usual meeting place in the City, at 9:30 a.m., the following members being present and participating, to wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

Thereupon, there was presented for second reading on the governing body's consent agenda an Ordinance entitled:

AN ORDINANCE AUTHORIZING THE CITY OF WICHITA, KANSAS, TO ISSUE ITS HEALTH CARE FACILITIES REVENUE BONDS, SERIES II, 2016 (KANSAS MASONIC HOME), IN ONE OR MORE SERIES IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$35,000,000 FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, IMPROVING, EQUIPPING, REIMBURSING AND REFINANCING IMPROVEMENTS TO EXISTING SENIOR LIVING FACILITIES; AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

Thereupon, Councilmember _____ moved that the consent agenda be passed. The motion was seconded by Councilmember _____. The motion that the consent agenda be passed, including final passage of said Ordinance, was carried by the vote of the governing body, the vote being as follows:

Aye:

Nay:

Thereupon, the Ordinance was then duly numbered Ordinance No. 50-____, was signed by the Mayor and attested by the Clerk, and the Ordinance was directed to be published one time in the official newspaper of the City.

(Other Proceedings)

* * * * *

CERTIFICATE

I certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of Wichita, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

[SEAL]

Karen Sublett, City Clerk