

(Published in the *Wichita Eagle*, April 8, 2022)

ORDINANCE NO. 51-726

AN ORDINANCE AUTHORIZING THE CITY OF WICHITA, KANSAS, TO ISSUE ITS HEALTH CARE FACILITIES REVENUE BONDS (PRESBYTERIAN MANORS, INC.) IN ONE OR MORE SERIES, FOR THE PURPOSE OF FINANCING OR REFINANCING THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF SENIOR LIVING AND HEALTH CARE RELATED 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.*, K.S.A. 10-116a and K.S.A. 12-2901 *et seq.*, 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, 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, pursuant to the provisions of the Act, the Issuer has heretofore issued multiple series of health care revenue bonds for the purpose of financing or refinancing for the benefit of Presbyterian Manors, Inc., a Kansas not for profit corporation (the “Corporation”), the acquisition, construction, renovation and equipping of a senior living and health care facility and corporate office facility (collectively, the “Wichita Facilities”) located within the corporate limits of the City; and

WHEREAS, pursuant to the provisions of the Act, the Issuer has heretofore issued multiple series of health care revenue bonds on behalf of the Corporation for the purpose of financing or refinancing the acquisition, construction, renovation and equipping of senior living and health care facilities operated by the Corporation (collectively, the “Participant Facilities”) in the cities of Arkansas City, Clay Center, Dodge City, Emporia, Ft. Scott, Lawrence, Newton, Olathe, Parsons, Salina, and Topeka, Kansas (collectively, the “Participants”); and

WHEREAS, pursuant to the Act, the following series of the Issuer’s Health Care Facilities Revenue Bonds (Presbyterian Manors, Inc.) are outstanding under a Bond Trust Indenture dated as of July 1, 2013 (the “Original Bond Indenture”, and with all amendments and supplements thereto, the “Bond Indenture”), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as Bond Trustee (the “Bond Trustee”), such bonds issued for the purpose of providing funds to finance and refinance the Wichita Facilities and the Participant Facilities (as more particularly described in the Bond Indenture):

- (a) Health Care Facilities Revenue Bonds (Presbyterian Manors, Inc.) Series IV-A, 2013 (the “Series 2013 Bonds”);
- (b) Health Care Facilities Revenue Bonds (Presbyterian Manors, Inc.) Series IV-A, 2014 (the “Series 2014 Bonds”);

- (c) Health Care Facilities Revenue Bonds (Presbyterian Manors, Inc.) Series I, 2018 (the “Series 2018 Bonds”); and
- (d) Health Care Facilities Revenue Bonds (Presbyterian Manors, Inc.) Series III, 2019 (the “Series 2019 Bonds”); and

WHEREAS, the Wichita Facilities and the Participant Facilities are leased by the Issuer to the Corporation pursuant to a Lease Agreement, dated as of July 1, 2013, between the Issuer, as lessor, and the Corporation, as lessee (the “Original Lease Agreement” and with all amendments and supplements thereto, the “Lease Agreement”), whereby the Corporation agrees to pay Base Rental Payments (as therein defined) sufficient to pay the principal of and premium, if any, and interest on the Bonds, as defined below; and

WHEREAS, the Original Bond Indenture makes provision for the issuance of additional parity bonds from time to time on the terms and conditions provided for therein; and

WHEREAS, City Council of the Issuer (the “Governing Body”) 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:

- (a) Health Care Facilities Revenue Bonds (Presbyterian Manors, Inc.) Series II, 2022 in the aggregate principal amount of not to exceed \$8,000,000 (the “Series 2022 Bonds”); and
- (b) Health Care Facilities Revenue Bonds (Presbyterian Manors, Inc.) Series I, 2023 (Forward Delivery) in the aggregate principal amount of not to exceed \$70,000,000 (the “Series 2023 Bonds”); and

WHEREAS, the proceeds of the Series 2022 Bonds shall be used to (a) finance, refinance and reimburse the costs of additions, improvements and renovations to a portion of the existing Wichita Facilities and Participant Facilities (the “2022 Project”); (b) to fund a debt service reserve fund; and (c) to pay certain costs related to the issuance of the Series 2022 Bonds; and

WHEREAS, the proceeds of the Series 2023 Bonds shall be used to (a) refund all or a portion of the outstanding Series 2013 Bonds; (b) to fund a debt service reserve fund; and (c) to pay certain costs related to the issuance of the Series 2023 Bonds; and

WHEREAS, pursuant to the Act, a copy of Resolution No. 21-364 of the Governing Body indicating the intent of the Issuer to issue the Series 2022 Bonds and the Series 2023 Bonds (the “Resolution of Intent”) was provided to the governing bodies of each of the Participants and each such governing body has approved the issuance of the Series 2022 Bonds and the Series 2023 Bonds relating to the Participant Facilities located within its jurisdiction or has taken no action within the time period prescribed by the Act; and

WHEREAS, the Series 2022 Bonds and the Series 2023 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 on a parity with the Series 2013 Bonds, the Series 2014 Bonds, the Series 2018 Bonds and the Series 2019 Bonds that remain Outstanding, solely from the trust estate established under the Bond Indenture, including revenues from the lease of the Wichita Facilities and the Participant Facilities (collectively, the “Facilities”) to the Corporation; and

WHEREAS, the Governing Body further finds and determines that it is necessary and desirable in connection with the issuance of the Series 2022 Bonds and the Series 2023 Bonds to execute and deliver the following documents (collectively, the “Bond Documents”):

(i) a Supplemental Bond Trust Indenture No. 4, amending and supplementing the Original Bond Indenture, between the Issuer and the Bond Trustee, prescribing the terms and conditions of and the provisions for issuing and securing the Series 2022 Bonds;

(ii) a Supplemental Lease Agreement No. 4, amending and supplementing the Original Lease Agreement, between the Issuer, as lessor, and the Corporation, as lessee, whereby the Issuer will lease the 2022 Project in consideration of payments by the Corporation of Base Rental Payments (as defined in the Bond Indenture) sufficient to pay the principal of and interest on the Series 2022 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, as purchaser of the Series 2022 Bonds;

(iv) a Tax Compliance Agreement relating to the Series 2022 Bonds among the Issuer, the Corporation and the Bond Trustee; and

(v) a Supplemental Bond Trust Indenture No. 5, amending and supplementing the Original Bond Indenture, between the Issuer and the Bond Trustee, prescribing the terms and conditions of and the provisions for issuing and securing the Series 2023 Bonds;

(vi) a Supplemental Lease Agreement No. 5, amending and supplementing the Original Lease Agreement, between the Issuer, as lessor, and the Corporation, as lessee, whereby the Issuer will lease portions of the Facilities refinanced with proceeds of the Series 2023 Bonds in consideration of payments by the Corporation of Base Rental Payments (as defined in the Bond Indenture) sufficient to pay the principal of and interest on the Series 2023 Bonds and other payments provided for therein;

(vii) a Bond Purchase Agreement among the Issuer, the Corporation and B.C. Ziegler and Company, Chicago, Illinois, as purchaser of the Series 2023 Bonds;

(viii) a Tax Compliance Agreement relating to the Series 2023 Bonds among the Issuer, the Corporation and the Bond Trustee; and

(ix) such other documents, certificates and instruments as may be required by either Bond Purchase Agreement or the Bond Indenture to provide for the issuance and delivery of the Bonds and as may be necessary to give effect to the transactions contemplated in this Ordinance.

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

Section 1. Authority to Cause the 2022 Project to be Constructed and Acquired. The Governing Body hereby declares that the 2022 Project will promote the welfare of the City of Wichita, Kansas and the State of Kansas and the Issuer is hereby authorized to cause the 2022 Project to be constructed and acquired all in the manner and as more particularly described in the Bond Indenture and the Lease Agreement.

Section 2. Authorization of and Security for the Series 2022 Bonds and the Series 2023 Bonds. The Issuer is hereby authorized and directed to issue the Series 2022 Bonds, to be designated as set forth above, in the aggregate principal amount of not to exceed \$8,000,000. The Issuer is hereby authorized and directed to issue the Series 2023 Bonds, to be designated as set forth above, in the aggregate principal amount of not to exceed \$70,000,000. The Series 2022 Bonds and the Series 2023 Bonds shall be in such principal amount, 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 2022 Bonds and the Series 2023 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 Facilities, including the 2022 Project. The Series 2022 Bonds and the Series 2023 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 3. Lease of the Facilities. The Issuer shall cause the Facilities, including the 2022 Project, to be leased to the Corporation pursuant to and in accordance with the provisions of the Lease Agreement.

Section 4. Execution of Series 2022 Bonds and the Series 2023 Bonds and Bond Documents. The Mayor of the Issuer is hereby authorized and directed to execute the Series 2022 Bonds and the Series 2023 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 Governing Body authorized 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 alterations, changes, or additions thereto as such signatory may approve and as are approved as to form by the City Attorney, 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 2022 Bonds and the Series 2023 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. The issuance of the Series 2023 Bonds is not conditioned upon the prior issuance of the Series 2022 Bonds.

Section 5. Pledge of the Facilities and Net Revenues. The Issuer hereby pledges the Facilities and the net revenues generated under the Lease to the payment of the Series 2022 Bonds and the Series 2023 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 6. Authority To Correct Errors, Etc. The Mayor or member of the 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 7. 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 2022 Bonds, the Series 2023 Bonds and the Bond

Documents as necessary to give effect to the transactions contemplated in this Ordinance and in the Bond Documents.

Section 8. 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 April 5, 2022.

CITY OF WICHITA, KANSAS

(Seal)

Brandon Whipple, Mayor

Attest:

Karen Sublett, City Clerk

APPROVED AS TO FORM ONLY:

Jennifer Magaña, Director of Law and
City Attorney

CERTIFICATE

I hereby certify that the attached copy is a true and correct copy of Ordinance No. __-__ of the City of Wichita, Kansas duly passed by the Governing Body, signed by the Mayor and published in the official City newspaper on the date stated in this ordinance, and that the signed original of such Ordinance is on file in my office.

[SEAL]

Karen Sublett, City Clerk

(Clerk's Certification of Bond Ordinance)

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF WICHITA, KANSAS
HELD ON MARCH 22, 2022**

The City Council (“the “Governing Body”) of the City of Wichita, Kansas (the “City”) 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:

MAYOR BRANDON WHIPPLE, COUNCILMEMBERS BRANDON JOHNSON, BECKY TUTTLE,
MIKE HOHEISEL, JEFF BLUBAUGH, BRYAN FRYE and MAGGIE BALLARD

Absent: NONE

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

* * * * *

(Other Proceedings)

Thereupon, there was presented for first 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 (PRESBYTERIAN MANORS, INC.) IN ONE OR MORE SERIES, FOR THE PURPOSE OF FINANCING OR REFINANCING THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF SENIOR LIVING AND HEALTH CARE RELATED 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 approval 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 APRIL 5, 2022**

The City Council (the “Governing Body”) of the City of Wichita, Kansas (the “City”) 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:

MAYOR BRANDON WHIPPLE, COUNCILMEMBERS BRANDON JOHNSON, BECKY TUTTLE,
MIKE HOHEISEL, JEFF BLUBAUGH, BRYAN FRYE and MAGGIE BALLARD

Absent: NONE

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 (PRESBYTERIAN
MANORS, INC.) IN ONE OR MORE SERIES, FOR THE PURPOSE OF
FINANCING OR REFINANCING THE ACQUISITION, CONSTRUCTION,
IMPROVEMENT AND EQUIPPING OF SENIOR LIVING AND HEALTH CARE
RELATED FACILITIES; AND AUTHORIZING THE EXECUTION OF CERTAIN
DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.**

Thereupon, _____ moved that the consent agenda be passed. The motion was seconded by _____. 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. _____, 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

(Clerk's Certification of Minutes)