

## ORDINANCE NO. \_\_\_\_

**ORDINANCE AUTHORIZING THE CITY OF BEL AIRE, KANSAS, TO ISSUE ITS HEALTH CARE FACILITIES REVENUE BONDS (CATHOLIC CARE CENTER), SERIES 2022, IN ONE OR MORE SERIES, TO PROVIDE FUNDS FOR THE PURPOSE OF FINANCING AND REFINANCING IMPROVEMENTS TO HEALTH CARE AND RETIREMENT FACILITIES OWNED AND OPERATED BY CATHOLIC CARE CENTER, INC.; AND APPROVING CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.**

**WHEREAS**, the City of Bel Aire, Kansas (the “City”), is a municipal corporation duly organized and existing under the laws of the State of Kansas; and

**WHEREAS**, the City is authorized under K.S.A. 12-1740 *et seq.*, as amended (the “Act”) and K.S.A. 10-116a, to issue revenue bonds to provide funds to finance and refinance the purchase, construction, extension and improvement of projects authorized under the Act and to refund and redeem such revenue bonds; and

**WHEREAS**, the City Council finds and determines that it is desirable in order to promote, stimulate and develop the general welfare and economic prosperity of the State of Kansas and the City and its people that the City take the following actions:

1. Issue, pursuant to a Bond Trust Indenture dated as of the date set forth therein (the “Bond Indenture”) between the City and Security Bank of Kansas City, as bond trustee (the “Bond Trustee”), its Health Care Facilities Revenue Bond (Catholic Care Center), Series 2022A (the “Series 2022A Bond”) and its Health Care Facilities Revenue Bond (Catholic Care Center), Series 2022B, (the “Series 2022B Bond” and, together with the Series 2022A Bond, the “Series 2022 Bonds”), for the purpose of providing funds, together with other available funds of the Catholic Care Center, Inc., a Kansas not for profit corporation (the “Corporation”), to be used to (i) refinance a loan in the outstanding principal amount of approximately \$9,410,000, the proceeds of which were used to refinance certain health care facilities of the Corporation, (ii) pay costs of purchasing, acquiring, constructing, reconstructing, improving, installing, equipping, furnishing, repairing, enlarging or remodeling the facilities of the Corporation located in the City, and (iii) pay certain costs related to the issuance of the Series 2022 Bonds.

2. Lease the Facility (as defined therein) from the Corporation pursuant to the Base Lease Agreement dated as of the date set forth therein (the “Base Lease Agreement”) between the Corporation and the City.

3. Enter into a Lease Agreement dated as of the date set forth therein (the “Lease Agreement”) between the City, as lessor, and the Corporation, as lessee, pursuant to which the City will lease the Facility to the Corporation, and the Corporation will agree to pay the rental payments due under the Lease Agreement sufficient to pay the principal of and premium, if any, and interest on, the Series 2022 Bonds.

4. Enter into a Bond Purchase Agreement (the “Bond Purchase Agreement”), among the City, the Corporation and INTRUST Bank, N.A., as purchaser (the “Purchaser”), under which the

City will agree to sell the Series 2022 Bonds to the Purchaser and the Purchaser will agree to purchase the Series 2022 Bonds.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEL AIRE, KANSAS AS FOLLOWS:**

**Section 1. Authorization of and Security for the Series 2022 Bonds.**

(a) The City is hereby authorized to issue and sell the Series 2022 Bonds in an aggregate principal amount not exceeding \$25,000,000 for the purposes described above. The Series 2022 Bonds shall be issued under and secured by and shall have the terms and provisions set forth in the Bond Indenture. The Series 2022 Bonds shall bear interest at a variable rate, initially for fixed rates for approximately 10 years at not to exceed 5.00% per annum, and shall mature in principal installments with a final maturity not later than the year 2047, shall be subject to optional redemption upon the direction of the Corporation as set forth in the Bond Indenture, and shall have such other redemption provisions, including premium, and other terms as set forth in the Bond Indenture. The final terms of the Series 2022 Bonds shall be specified in the Bond Indenture upon the execution thereof, and the signature of the officer of the City executing the Bond Indenture and the Bond Purchase Agreement shall constitute conclusive evidence of the City's approval thereof.

(b) The Series 2022 Bonds shall be limited and special obligations of the City, and the principal of and premium, if any, and interest on the Series 2022 Bonds shall be payable solely out of the rents, revenues and receipts derived by the City pursuant to the Lease Agreement. The Series 2022 Bonds and the interest thereon shall not be a debt of the City or the State of Kansas and neither the City nor the State of Kansas shall be liable thereon, and the Series 2022 Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction and shall not be payable in any manner from taxation.

**Section 2. Form of Series 2022 Bonds.** The City shall issue the Series 2022 Bonds in substantially the form submitted to and reviewed by the City on the date hereof and as set forth in the Bond Indenture, with such changes therein as shall be approved by the Mayor of the City, the Mayor's signature thereon, whether manual or facsimile, to be conclusive evidence of the Mayor's approval thereof.

**Section 3. Execution and Authentication of Series 2022 Bonds.** The Mayor of the City is hereby authorized and directed to execute the Series 2022 Bonds on behalf of and as the act and deed of the City by manual or facsimile signature. The City Clerk of the City is hereby authorized and directed to cause the City's seal to be affixed thereto or printed thereon and to attest said seal, all in the manner provided in the Bond Indenture. Said officers are hereby further authorized and directed to deliver the Series 2022 Bonds on behalf of the City to the Bond Trustee for authentication in accordance with the Bond Indenture.

**Section 4. Approval of Documents.** The Bond Indenture, the Base Lease, and the Lease Agreement are hereby approved in substantially the forms submitted to and reviewed by the City on the date hereof, with such changes therein as shall be approved by the Mayor, his execution thereof to be conclusive evidence of such approval.

The Mayor of the City is hereby authorized and directed to execute and deliver the Bond Indenture, the Base Lease, and the Lease Agreement on behalf of and as the act and deed of the City.

**Section 5. Pledge of the City's Interest in the Facility and Net Lease Rentals.** The City hereby pledges the its interest in the Facility and the net rentals generated under the Lease Agreement to the payment of the Series 2022 Bonds in accordance with K.S.A. 12-1744. The lien created by the pledge will be discharged when all of the Series 2022 Bonds are paid or deemed to have been paid under the Bond Indenture.

**Section 6. Public Hearing.** Before the adoption of this Ordinance, a public hearing was held at which time discussions were held regarding the issuance of the Series 2022 Bonds. The issuance of the Series 2022 Bonds is hereby approved in accordance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended

**Section 7. Further Authority.** The City shall, and the officers and agents of the City are hereby authorized and directed to, take such action, expend such funds and execute such other agreements, documents, tax compliance agreements, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this ordinance and to carry out, comply with and perform the duties of the City with respect to the Series 2022 Bonds and the documents approved by this ordinance.

**Section 8. Repeal of Conflicting Resolutions or Ordinances.** All prior resolutions or ordinances of the City or any parts thereof in conflict with any or all of the foregoing provisions of this ordinance are hereby repealed to the extent of such conflict.

**Section 9. Severability.** If any section, paragraph, clause or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any remaining provisions of this ordinance.

**Section 10. Effective Date.** This ordinance shall take effect and be in full force from and after its final passage by the City Council, signature by the Mayor and publication once in the official newspaper of the City.

**PASSED** by the City Council of the City of Bel Aire, Kansas, this 17<sup>th</sup> day of May, 2022, and  
**SIGNED** by the Mayor this 17<sup>th</sup> day of May, 2022.

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Jim Benage, Mayor

[SEAL]

ATTEST:

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Melissa Krehbiel, City Clerk

(Published in *The Ark Valley News* on May \_\_, 2022)

## **ORDINANCE NO. \_\_\_\_ SUMMARY**

On May 17, 2022, the governing body of the City of Bel Aire, Kansas passed an ordinance entitled:

**ORDINANCE AUTHORIZING THE CITY OF BEL AIRE, KANSAS, TO ISSUE ITS HEALTH CARE FACILITIES REVENUE BONDS (CATHOLIC CARE CENTER), SERIES 2022, IN ONE OR MORE SERIES, TO PROVIDE FUNDS FOR THE PURPOSE OF FINANCING AND REFINANCING IMPROVEMENTS TO HEALTH CARE AND RETIREMENT FACILITIES OWNED AND OPERATED BY CATHOLIC CARE CENTER, INC.; AND APPROVING CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.**

The Ordinance authorizes the City to issue its Health Care Facilities Revenue Bond (Catholic Care Center), Series 2022A (the “Series 2022A Bond”) and its Health Care Facilities Revenue Bond (Catholic Care Center), Series 2022B (the “Series 2022B Bond” and, together with the Series 2022A Bond, the “Series 2022 Bonds”), for the purpose of providing funds, together with other available funds of the Catholic Care Center, Inc., a Kansas not for profit corporation (the “Corporation”), to be used to (i) refinance a loan in the outstanding principal amount of approximately \$9,410,000, the proceeds of which were used to refinance certain health care facilities of the Corporation (ii) pay costs of purchasing, acquiring, constructing, reconstructing, improving, installing, equipping, furnishing, repairing, enlarging or remodeling the facilities of the Corporation located in the City, and (iii) pay certain costs related to the issuance of the Series 2022 Bonds.

The complete text of the Ordinance may be obtained or viewed free of charge at the office of the City Clerk, City Hall, 7651 E. Central Park Ave., Bel Aire, KS 67226, Monday – Thursday, 8 a.m. – 5:30 p.m., and Friday, 8 a.m. – 1:00 p.m., and is available for at least one week following the publication date of this summary at [www.belaireks.gov/](http://www.belaireks.gov/). This Summary certified to be legally accurate and sufficient by City Attorney Jacqueline Kelly.