

RESOLUTION NO. 9331

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS, AS ISSUER OF CERTAIN HEALTH CARE FACILITIES REFUNDING AND IMPROVEMENT REVENUE BONDS (MIDLAND CARE CONNECTION, INC. PROJECT) SERIES 2020, AUTHORIZING AND CONSENTING TO THE SALE AND TRANSFER OF CERTAIN PROPERTY BY MIDLAND CARE CONNECTION, INC.

WHEREAS, pursuant to Ordinance No. 20253 and a Trust Indenture dated as of August 31, 2020, between the City of Topeka, Kansas (the “City”) and Security Bank of Kansas City (the “Indenture”), the City has previously issued its Health Care Facilities Refunding and Improvement Revenue Bonds (Midland Care Connection, Inc. Project), Series 2020 (the “Series 2020 Bonds”), for the purposes of (1) paying for all or a portion of the costs related to the acquisition, construction, improvement, extension, repair, equipping and furnishing of certain health facilities and related facilities (collectively, the “Projects”) for the benefit of Midland Care Connection, Inc. (the “Company”), (2) refunding certain bonds previously issued by Shawnee County, Kansas for the benefit of the Company (the “Refunded Bonds”), (3) refinancing certain outstanding loans and indebtedness (the “Refinanced Debt”) of the Company previously incurred to finance or refinance projects of the Company, and (4) funding certain reserves and interest and paying certain costs of issuance of the Series 2020 Bonds; and

WHEREAS, in connection with the issuance of the Series 2020 Bonds, the Company leased the Projects to the City pursuant to a Base Lease Agreement, dated as of August 31, 2020 (the “Base Lease”), and the City then leased the Projects back to the Company pursuant to a Lease Agreement, dated as of August 31, 2020 (the “Lease”); and

WHEREAS, the Company intends to sell a portion of the property (identified as “Property C” in the Lease) constituting the Projects pursuant to *Section 5.2* of the Lease, which in part permits the transfer of such Property C, so long as (1) the Company certifies (the “Certification”) that for each of its two most recent fiscal years for which audited financial statements of the Company are available, the Debt Service Coverage Ratio (as defined in the Indenture), if said disposition had occurred at the beginning of the first of said Fiscal Years, would not have been reduced by more than 10% and would have not been less than 1.10:1, and (2) such transfer shall not relieve the Company from the Company’s obligations under the Lease, and shall not (a) impair the purposes to be accomplished by operation of the Projects or (b) adversely affect the validity of the Series 2020 Bonds or the exclusion from gross income for federal income tax purposes of the interest on the Series 2020 Bonds; and

WHEREAS, the sale and transfer of Property C by the Company will, pursuant to the Indenture, require the consent of the City and the release of such property from the Base Lease and Lease, and the execution of certain other ancillary documents, to accommodate and evidence such sale and transfer; and

WHEREAS, subject to the satisfaction of *Section 5.2* of the Lease, the City finds it necessary and advisable to consent to the sale and transfer by the Company of Property C, consent to and authorize the release of Property C from the Base Lease and Lease, and authorize and execute certain other ancillary documents.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS:

Section 1. Upon satisfaction of **Section 5.2** of the Lease, as referenced above, the City hereby consents to the sale and transfer of Property C, and consents to and authorizes the release of Property C from the Base Lease and Lease. To evidence such release of Property C, the Mayor and Clerk are authorized and directed to execute a Partial Release of Leases, in substantially the form submitted to the Governing Body concurrently with the adoption of this Resolution.

Section 2. The Mayor and Clerk are hereby further authorized and directed to sign such other instruments and certificates as shall be necessary and desirable in connection with this Resolution, and are hereby further authorized to take such further actions as may be necessary to accomplish the purposes of this Resolution.

Section 3. This Resolution shall take effect and be in full force immediately upon its adoption by the Governing Body of the City.

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ADOPTED by the governing body of the City of Topeka, Kansas on June 14, 2022.

CITY OF TOPEKA, KANSAS

Mayor

[SEAL]

Attest:

By: _____
Clerk