

ORDINANCE NO. 6489

OF THE

CITY OF PARSONS, KANSAS

RELATING TO:

THE SECOND AMENDMENT OF:

\$6,800,000
CITY OF PARSONS, KANSAS
TAXABLE INDUSTRIAL REVENUE BONDS
SERIES A, 2019
(PARSONS HOSPITALITY HOLDING, LLC)

(Published in *The Parsons Sun* on February 5, 2021)

ORDINANCE NO. 6489

AN ORDINANCE OF THE CITY OF PARSONS, KANSAS, AUTHORIZING THE EXECUTION AND DELIVERY OF, AND CONSENTING TO, A SECOND SUPPLEMENTAL AND AMENDMENT TO TRUST INDENTURE BY AND BETWEEN THE CITY OF PARSONS AND COMMERCIAL BANK, PARSONS, KANSAS, AS TRUSTEE.

WHEREAS, the City of Parsons, Kansas (the "Issuer") has previously authorized and issued its industrial revenue bonds designated (a) "City of Parsons, Kansas, Taxable Industrial Revenue Bonds, Series A, 2019 (Parsons Hospitality Holding, LLC)" in the aggregate principal amount of \$6,800,000 (the "Series A, 2019 Bonds") and (b) "City of Parsons, Kansas, Taxable Industrial Revenue Bonds, Series B, 2019 (Parsons Hospitality Holding, LLC)" in the aggregate principal amount of \$1,700,000 (the "Series B, 2019 Bonds") pursuant to a certain Trust Indenture, dated as of December 1, 2019 (the "2019 Indenture"), as previously supplemented and amended by a First Supplemental and Amendment to Trust Indenture, dated as of July 31, 2020 (the "First Amendment to Indenture"), each by and between the Issuer and Commercial Bank, Parsons, Kansas, a state banking corporation organized and existing and authorized to accept and execute trusts of the character herein set forth under the laws of the State of Kansas, as Trustee (the "Trustee"); and

WHEREAS, the Series A, 2019 Bonds and the Series B, 2019 Bonds (collectively, the "2019 Bonds") were issued in part for the purpose of paying the costs of purchasing, acquiring, constructing, furnishing, and equipping a hotel and meeting space (the "Project"); and

WHEREAS, the Issuer has acquired title to all of the Project and is leasing the Project to Parsons Hospitality Holding, LLC (the "Tenant"), pursuant to the Lease Agreement, dated as of December 1, 2019 (the "2019 Lease"), by and between the Issuer and Tenant, which 2019 Lease has been assigned by the Issuer to the Trustee; and

WHEREAS, the Tenant has guaranteed the payments on the Series A, 2019 Bonds pursuant to a Guaranty Agreement, dated as of December 1, 2019 (the "Guaranty Agreement"), by and between the Tenant, as Guarantor and the Trustee; and

WHEREAS, the Rohit P. Patel (a/k/a) Robert P. Patel, Nayna Rohit Patel, and Vinay Gandhi (collectively, the "Individual Guarantors") have guaranteed the payments on the Series A, 2019 Bonds pursuant to an Individual Guaranty Agreement, dated as of December 1, 2019 (the "Individual Guaranty Agreement"), by and between the Individual Guarantors and the Trustee; and

WHEREAS, the Issuer, Tenant and 100% of the Owners of the 2019 Bonds find it necessary to consent to further amend the 2019 Indenture in order to amend the payment schedule on the Series A, 2019 Bonds and issue replacement bonds therefor according to the terms provided in a Second Supplemental and Amendment to Trust Indenture dated as of January 1, 2021 (the "Second Amendment to Indenture") by and between the Issuer and the Trustee; and

WHEREAS, all acts and things necessary (including compliance with Sections 1102 and 1103 of the 2019 Indenture) have been or will be done and performed and the Second Amendment to Indenture has in all respects been duly authorized.

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

Section 1. Definition of Terms. All terms and phrases not otherwise defined herein shall have the respective meanings set forth herein and in the Second Amendment to Indenture (as hereinafter defined).

Section 2. Authorization of Second Amendment to Indenture. The Issuer is hereby authorized to execute and deliver the Second Supplemental and Amendment to Trust Indenture, dated as of January 1, 2021 (the "Second Amendment to Indenture"), by and between the Issuer and Trustee, in substantially the form as presented and now before the governing body of the Issuer, under which the payment schedule on the Series A, 2019 Bonds shall be modified effective January 1, 2021.

Section 3. Execution of the Second Amendment to Indenture. The Mayor of the Issuer is hereby authorized and directed to execute and deliver the Second Amendment to Indenture for and on behalf of and as the act and deed of the Issuer in substantially the form as it is presented today with such minor corrections or amendments thereto as the Mayor of the Issuer shall approve (after consultation with the City's Bond Counsel) which approval shall be evidenced by his or her 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. The City Clerk or any Deputy City Clerk of the Issuer is hereby authorized and directed to attest the execution of the Second Amendment to Indenture on behalf of the Issuer and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 4. Further Authority. The Mayor of the Issuer is hereby authorized and directed to execute any replacement Bond certificates necessitated by the Second Amendment to Indenture and to deliver the same to the Trustee for authorization for and on behalf of the Issuer. The City Clerk is hereby authorized and directed to attest the execution of such Bonds. In addition, the Issuer shall, and 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 and comply with the provisions of this Ordinance and to carry out, comply with and perform the duties of the Issuer with respect to the Second Amendment to Indenture, all as necessary to carry out and give effect to the transaction contemplated hereby and thereby.

Section 5. Effective Date. This Ordinance shall take effect and be in full force from and after its adoption by the governing body of the Issuer, and publication once in the official newspaper of the Issuer.

PASSED, ADOPTED AND APPROVED by the Governing Body of the City of Parsons,
Kansas this 1st day of February, 2021.

CITY OF PARSONS, KANSAS

[seal]

By Tom Shaw
Tom Shaw, Mayor

ATTEST:

By Robyn Baker
Robyn Baker, City Clerk