

RESOLUTION NO. R-01-2016

A RESOLUTION OF THE CITY OF FORT THOMAS, KENTUCKY AUTHORIZING AND DIRECTING THE KENTUCKY BOND DEVELOPMENT CORPORATION TO ISSUE HOSPITAL FACILITIES REVENUE REFUNDING BONDS, PAYABLE SOLELY FROM REVENUES TO BE DERIVED FROM A LOAN AGREEMENT WITH SAINT ELIZABETH MEDICAL CENTER, INC. TO PAY COSTS OF THE REFUNDING OF CERTAIN OUTSTANDING OBLIGATIONS ISSUED TO FINANCE AND REFINANCE THE COSTS OF HEALTH CARE AND RELATED FACILITIES OWNED AND OPERATED BY SAINT ELIZABETH MEDICAL CENTER, INC.

WHEREAS, public agencies in the Commonwealth of Kentucky have experienced and are continuing to experience difficulty in economically funding or financing various governmental purposes at reasonable costs; and

WHEREAS, public agencies, including the City of Fort Thomas, Kentucky (the "City"), have entered into an Interlocal Cooperation Agreement dated September 19, 2014, attached hereto as Exhibit A (the "Agreement"), as authorized under Sections 65.210 through Section 65.300 (the "Interlocal Act"), inclusive, of the Kentucky Revised Statutes, as amended, which authorizes public agencies to cooperate and act jointly in exercising any and all powers, privileges and authority capable of exercise by such public agencies in their respective individual capacities; and

WHEREAS, in order to provide a vehicle for economically funding or financing various governmental and economic development purposes of public agencies in the Commonwealth of Kentucky, the Kentucky League of Cities Economic Development Finance Program (the "Program") has been established under the Agreement and, under the Program, the Kentucky Bond Development Corporation (the "Corporation") has been established; and

WHEREAS, the Program benefits the public health, safety and general welfare of the citizens within the jurisdiction of the City; and

WHEREAS, the Kentucky Economic Development Finance Authority, acting for the benefit of Saint Elizabeth Medical Center, Inc. (the "Borrower"), heretofore issued its Hospital Facilities Revenue Refunding and Improvement Bonds, Series 2009A (the "Prior Bonds") to finance and refinance the costs of the acquisition, construction, installation and equipping of health care and related facilities owned and operated by the Borrower (the "Project"); and

WHEREAS, the Borrower has evidenced a desire to have the costs of refunding the Prior Bonds funded with the proceeds of obligations to be issued by the Corporation; and

WHEREAS, the City has determined that the Project and refinancing of the Prior Bonds will benefit the public health, safety and general welfare of the citizens within the jurisdiction of the City; and

WHEREAS, the Corporation has the power, pursuant to Section 65.940 et seq. and Chapter 103 of the Kentucky Revised Statutes (the “Act”) to issue its revenue bonds in order to provide for the financing and refinancing of projects in accordance with the public purposes of the Interlocal Act and the Act; and

WHEREAS, the Corporation, subject to authorization and direction by the City, has determined under the Program and in accordance with the Interlocal Act and the Act, in order to provide for the refinancing of the Project and the refunding of the Prior Bonds, to issue its revenue refunding bonds (the “Bonds”) under the Interlocal Act and the Act, the proceeds of which shall be loaned to the Borrower, and which Bonds are to be payable solely from loan payments to be made by the Borrower pursuant to a loan agreement in the customary form to be entered into between the Corporation and the Borrower (the “Loan Agreement”); and

WHEREAS, the Corporation requires that the City authorize and direct the issuance of the Bonds by the Corporation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT THOMAS, KENTUCKY:

Section 1. Purpose. The City hereby finds, determines and declares that all statements of fact set forth in the preambles to this Resolution are true and correct in all respects, and such preambles are incorporated into the body of this Resolution by reference as if set forth at length herein. The City further finds, determines and declares that the issuance of the Bonds by the Corporation, for the purpose of facilitating the refinancing of the Project, will be in the public interest will be in the best interest of the City and is in the furtherance of the public purposes and functions of the City.

Section 2. Authorization of Bonds. The Corporation, acting by authority of the City, is hereby requested to adopt such resolutions and take such actions as may be necessary for the formal authorization by the Corporation of the Bonds in an aggregate principal amount not to exceed \$85,000,000, to be dated their date of initially issuance and delivery. The maturity, security provisions, prepayment provisions and all other terms and provisions incident to the financing shall be in accordance with the Program and the terms of the financing documents approved by resolution of the Corporation in connection with the issuance of the Bonds. The issuance of the Bonds, to the extent the Bonds are to be issued as tax-exempt obligations (“Tax-Exempt Bonds”), the interest on which is to be exempt from Federal income taxation pursuant to the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), shall be subject to satisfaction of the applicable provisions of the Code, including, without limitation, the requirements of Section 147(f) thereof relating to the approval of the issuance of the Bonds by applicable elected representative of the Cities of Edgewood and Covington, Kentucky, or alternatively, the County of Kenton, Kentucky. This Resolution shall constitute an affirmative official action of the City authorizing the Bonds, as contemplated herein, in accordance with the purposes of the Interlocal Act and the Act.

Section 3. Open Meetings. The City hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in open meetings of the City Council of the City, and that all deliberations of the City and of its committees, if any, which resulted in formal

action, were taken in meetings open to the public, in full compliance with all applicable legal requirements.

Section 4. Repeal of Conflicting Actions. All resolutions, orders or other legislative or administrative actions or parts thereof of this governing body in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 5. Effective Date of Resolution. This Resolution shall become effective immediately upon the date of its passage.

INTRODUCED, SECONDED AND ADOPTED, at a duly convened meeting of the City Council of the City of Fort Thomas, Kentucky, held on March 21, 2016, signed by the Mayor, attested by the City Clerk, filed and indexed as provided by law.

**CITY OF FORT THOMAS,
KENTUCKY**

Eric Haas, Mayor

ATTEST:

Melissa Kelly, City Clerk

CERTIFICATE

I, the undersigned, City Clerk of the of the City of Fort Thomas, Kentucky, do hereby certify that the foregoing Resolution is a true and complete copy of a certain Resolution duly adopted by the City Council of the City of Fort Thomas, Kentucky at a lawfully convened meeting of the City Council of the City of Fort Thomas, Kentucky held on March 21, 2016.

I do hereby further certify that said Resolution has not been amended, modified, superseded or repealed and that the same remains in full force and effect as of the date of this Certificate.

WITNESS my hand as of this ____ day of _____, 2016.

Melissa Kelly, City Clerk