

RESOLUTION NO. R-01-15

RESOLUTION OF THE BOARD OF COUNCIL OF THE CITY OF FORT THOMAS, CAMPBELL COUNTY, KENTUCKY REQUESTING THAT THE KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY ADOPT A RESOLUTION PROVIDING FOR THE ISSUANCE OF REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$19,000,000, THE PROCEEDS OF WHICH WILL BE LOANED TO CARMEL MANOR, INC., A KENTUCKY NONPROFIT ORGANIZATION WITH FACILITIES LOCATED WITHIN THE BOUNDARIES OF THE CITY, TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN FACILITIES CONSISTING OF HEALTH CARE AND HEALTH RELATED FACILITIES

WHEREAS, the Kentucky Economic Development Finance Authority (the "Authority") is authorized to issue bonds from time to time under the provisions of 154.20-035 of the Kentucky Revised Statutes and to use the proceeds of such bonds to make loans to nonprofit organizations such as Carmel Manor, Inc. (the "Borrower") to provide financing for health care and health related facilities at the Borrower's campus located at 100 Carmel Manor Road, Ft. Thomas, Kentucky 41075 (the "Campus"); and

WHEREAS, the Borrower desires to finance the acquisition, construction, renovation, relocation and equipping of long term care, memory care and rehabilitation units on its Campus (the "Project"), including capitalized interest and costs of issuance, through the issuance by the Authority of its Healthcare Facilities Revenue Bonds, Series 2015 (Carmel Manor, Inc. Project) in one or more series (the "Bonds"), the proceeds of which would be loaned to the Borrower to provide the funds to finance the Project; and

WHEREAS, the loan payments to the Authority from the Borrower for such loan will be at an effective rate below the interest rate charged to the Borrower by conventional lenders for similar loans; and

WHEREAS, the Borrower will use the proceeds of the Bonds to finance activities within the boundaries of the City of Fort Thomas, Kentucky (the "City") and wishes to enter into a loan or financing agreement with the Authority to meet its financing needs; and

WHEREAS, such financing will be beneficial to the Borrower and to the residents of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNCIL OF THE CITY OF FORT THOMAS (THE COUNCIL) AS FOLLOWS:

SECTION 1. That this Council does hereby request that the Kentucky Economic Development Finance Authority issue its revenue bonds pursuant to Chapter 154 of the

Kentucky Revised Statutes to provide such funds as may be necessary and to use the proceeds thereof to make a loan to the Borrower to enable the Borrower to finance the Project, all of which will be in furtherance of the charitable purposes of the Borrower in providing health care and related services.

SECTION 2. That the this Council determines that all formal actions relative to the adoption of this Resolution were taken in open meetings of the Council, and that all deliberations of the Council 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 3. The adoption of this Resolution shall not be deemed to be and shall not constitute an approval of any representation made by the Authority or the Borrower in the issuance of the Bonds and shall not impose any liability or responsibility, financially or otherwise, on the City.

SECTION 4. That this Resolution shall be in full force and effect upon adoption, as provided by law.

Read, Passed and Adopted this 17th day of February, 2015.

APPROVED:

Eric Haas, Mayor

ATTEST:

Melissa K. Kelly, City Clerk