

County Council of Cuyahoga County, Ohio

Resolution No. R2013-0005

<p>Sponsored by: County Executive FitzGerald/ Department of Development and Councilmembers Germana and Miller</p>	<p>A Resolution approving the issuance by the Illinois Finance Authority of bonds in an aggregate principal amount not-to-exceed \$25,000,000.00, in one or more series, for the purpose of (1) refunding revenue bonds issued by Cuyahoga County, Ohio and (2) financing and refinancing facilities located in Cuyahoga County, Ohio; and declaring the necessity that this Resolution become immediately effective.</p>
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WHEREAS, the County of Cuyahoga, Ohio (the “*County*”), a county and political subdivision duly organized and validly existing under the laws of the State of Ohio and its Charter, is authorized and empowered, by virtue of the laws of the State of Ohio, including, without limitation, Chapter 140, Ohio Revised Code (the “*Ohio Act*”), to, among other things, (i) issue its revenue bonds for the purpose of paying the “costs of hospital facilities” (as such terms are defined in the Ohio Act), within the boundaries of the County, including refunding obligations previously issued for that purpose and (ii) enact this Resolution; and

WHEREAS, the County, pursuant to the foregoing authority and at the request of the Borrower, issued its \$10,205,000 Weekly Adjustable Rate Health Care Facilities Revenue Bonds, Series 2004E (Franciscan Communities, Inc. – Mount Alverna Project) (the “*Prior Bonds*”) to provide Franciscan Communities, Inc., an Indiana nonprofit corporation authorized to do business in the States of Illinois and Ohio (the “*Borrower*”), with a portion of the funds necessary to (i) pay or reimburse the Borrower for the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping the Borrower’s senior care community known as Mount Alverna Village located in Parma, Ohio (“Mount Alverna Village”); (ii) pay a portion of the interest on the Prior Bonds; (iii) establish a debt service reserve fund and (iv) pay certain expenses incurred in connection with the issuance of the Prior Bonds, including certain fees of a credit facility provider; and

WHEREAS, the Borrower has requested approval from the Council of the County of Cuyahoga, Ohio (the “*Council*”) for the issuance by the Illinois Finance Authority, a body politic and corporate of the State of Illinois (the “*Illinois Authority*”) of bonds, in one or more series (the “*Series 2013 Bonds*”) pursuant to the Illinois Finance Authority Act, 20 ILCS 3501/801-1, et seq., as amended (the “*Illinois Act*”), for the purpose of providing the Borrower with the

funds necessary to (i) refund the outstanding principal amount of the Prior Bonds; (ii) pay or reimburse the Borrower for, or refinance certain indebtedness the proceeds of which were used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping a “project” (as such term is defined in the Illinois Act) for Mount Alverna Village; (iii) pay a portion of the interest on the Series 2013 Bonds, if deemed necessary or desirable by the Borrower and the Illinois Authority; (iv) establish a debt service reserve fund with respect to the Series 2013 Bonds; (v) provide working capital, if deemed necessary or desirable by the Borrower and the Illinois Authority; and (vi) pay certain expenses incurred in connection with the issuance of the Series 2013 Bonds and the refunding of the Prior Bonds (collectively, the “*Financing Purposes*”); and

WHEREAS, a public hearing was held on December 20, 2012 pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, for the purpose of informing interested parties of the proposed issuance of the Series 2013 Bonds by the Illinois Authority and to afford those parties an opportunity to express their views on the subject both orally and in writing; and

WHEREAS, this Council will approve the issuance of the Series 2013 Bonds by the Illinois Authority for the Financing Purposes which approval will better provide for the health and welfare of the people of the State of Ohio and the County by enhancing the availability, efficiency and economy of “Hospital Facilities” (as defined in the Ohio Act), and the services rendered thereby and provide efficient operation of Hospital Facilities by facilitating the financing of Hospital Facilities, to be available to or for the service of the general public without discrimination by reason of race, creed, religion, color, national origin or age; and

WHEREAS, it is necessary that this Resolution become immediately effective in order that the Financing Purposes may proceed in a timely manner.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. Approval of the Series 2013 Bond Issuance by the Illinois Authority. This Council hereby approves the issuance of the Series 2013 Bonds by the Illinois Authority in order to provide an amount not exceeding \$25,000,000 for the Financing Purposes located in Cuyahoga County, Ohio based on the proposal of the Borrower. This approval is intended to comply with the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended.

SECTION 2. Findings and Determinations. This Council finds and determines based upon representations of the Borrower, that: (a) there is a substantial need within the County to better provide for the health and welfare of the people of the State of Ohio and the County by enhancing the availability, efficiency and economy of Hospital Facilities and the services rendered thereby,

and to facilitate the financing and refinancing of those Hospital Facilities, to provide health care and other services to the residents of the County available for the service of the general public without discrimination by reason of race, creed, color or national origin, religion or age and at the lowest practicable cost; (b) the approval of the Illinois Authority to issue the Series 2013 Bonds for the Financing Purposes will promote the public purpose stated in Section 140.02 of the Ohio Revised Code and restated in the preceding clause (a), and the County will be duly benefited thereby and (c) it is necessary to, and the County shall, approve, as provided and authorized herein, the issuance of the Series 2013 Bonds by the Illinois Authority for the purpose of providing the Borrower with the funds necessary to (i) refund the outstanding principal amount of the Prior Bonds; (ii) pay or reimburse the Borrower for, or refinance certain indebtedness the proceeds of which were used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping a “project” (as such term is defined in the Illinois Act) for Mount Alverna Village; (iii) pay a portion of the interest on the Series 2013 Bonds, if deemed necessary or desirable by the Borrower and the Illinois Authority; (iv) establish a debt service reserve fund with respect to the Series 2013 Bonds; (v) provide working capital, if deemed necessary or desirable by the Borrower and the Illinois Authority; and (vi) pay certain expenses incurred in connection with the issuance of the Series 2013 Bonds and the refunding of the Prior Bonds.

SECTION 3. Notice and Public Hearing. A notice was published on December 5, 2012 for a public hearing to provide notice to the public of the issuance of the Series 2013 Bonds and the Financing Purposes which public hearing was held on December 20, 2012 at the Cuyahoga County Department of Development, 1701 East 12th Street, 1st Floor, Cleveland, Ohio 44114 for the purpose of hearing objections and/or public comment on the issuance of the Series 2013 Bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended.

SECTION 4. Terms and Provisions of the Series 2013 Bonds. The terms and provisions of the Series 2013 Bonds including, but not limited to, the form, execution and interest rates, will be set forth under a bond resolution adopted by, and a bond trust indenture and loan agreement executed by, the Illinois Authority.

SECTION 5. Sale of the Series 2013 Bonds. The Series 2013 Bonds shall be sold by the Illinois Authority to BB&T Capital Markets and/or Huntington National Bank pursuant to a bond purchase agreement.

SECTION 6. Open Meeting. This Council hereby finds and determines that all formal actions of this Council and its committees concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in

compliance with all legal requirements including Section 121.22, Ohio Revised Code.

SECTION 7. Effective Date. This Resolution shall be in full force and effect immediately upon the signature of the County Executive, provided this Resolution receives the affirmative vote of eight members of Council. It is hereby determined to be necessary that this Resolution become immediately effective in order that the Financing Purposes may proceed in a timely manner.

On a motion by Mr. Miller, seconded by Mr. Germana, the foregoing Resolution was duly adopted.

Yeas: Gallagher, Schron, Conwell, Jones, Rogers, Simon, Greenspan, Miller, Brady, Germana and Connally

Nays: None

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County Council President	Date
_____	_____
County Executive	Date
_____	_____
Clerk of Council	Date

First Reading/Referred to Committee: January 8, 2013
Committee(s) Assigned: Finance & Budgeting

Additional Sponsorship Requested: January 14, 2013

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