

ORDINANCE NO. 148, SERIES 2017

AN ORDINANCE OF LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AUTHORIZING THE ISSUANCE OF ITS HEALTH CARE FACILITIES REVENUE BONDS, SERIES 2017 (PMOB, INC. PROJECT) IN A MAXIMUM PRINCIPAL AMOUNT OF \$48,610,000.00 FOR THE PURPOSE OF FINANCING THE COSTS OF THE ACQUISITION, CONSTRUCTION, INSTALLATION, AND EQUIPPING OF HEALTH CARE AND HEALTH RELATED FACILITIES FOR PMOB, INC.; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AND LOAN AGREEMENT AND A TAX REGULATORY AGREEMENT; AUTHORIZING CERTAIN OTHER MATTERS, INCLUDING THE EXECUTION OF RELATED DOCUMENTS, IN CONNECTION WITH THE ISSUANCE, SALE, AND DELIVERY OF THE SERIES 2017 BONDS.

SPONSORED BY: COUNCIL MEMBER BYRANT HAMILTON

WHEREAS, Louisville/Jefferson County Metro Government (“Metro Government”), a political subdivision of the Commonwealth of Kentucky (the “Commonwealth”), is authorized under KRS Chapter 103 (the “Act”) to issue revenue bonds and to make loans to nonprofit organizations to finance and refinance the costs of the acquisition, construction, installation, and equipping of “industrial buildings” within the meaning of the Act, including facilities utilized by nonprofit health care and health-related organizations, the bonds to be secured by instruments evidencing the loans to such corporations and to be payable solely from payments made by such corporations thereon, and to enter into agreements providing for the issuance of the bonds and for their payment and security; and

WHEREAS, PMOB, Inc. (the “Corporation”), a Kentucky nonprofit corporation determined by the Internal Revenue Service to be a charitable organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), has requested Metro Government to issue its Health Care Facilities Revenue Bonds, Series 2017 (PMOB, Inc. Project) in a maximum par amount of \$48,610,000.00 (the “Series

2017 Bonds”) and to loan the proceeds of the Series 2017 Bonds to the Corporation (i) to pay and discharge an interim financing loan, the proceeds of which financed a portion of the initial costs of the acquisition, construction, and installation of a new eight-story 167,525 square foot medical office building to be located at the Northeast Corner of East Chestnut Street and South Preston Street in Louisville, Jefferson County, Kentucky (the “Project”); (ii) to finance all or a portion of the remaining costs of the acquisition, construction, installation, and equipping of the Project; and (iii) to pay issuance costs of the Series 2017 Bonds; and

WHEREAS, the Corporation has requested that Metro Government sell the Series 2017 Bonds to Old National Bank, Louisville, Kentucky (the “Purchaser”) on a negotiated basis; and

WHEREAS, pursuant to a Bond Purchase And Loan Agreement (hereinafter defined), the Corporation will covenant to make payments at such times and in such amounts so as to provide for prompt payment of the principal of, premium, if any, and interest on the Series 2017 Bonds outstanding under the Bond Purchase And Loan Agreement; and

WHEREAS, in view of the foregoing, Metro Government has determined that it is necessary and proper in the interest of the health, safety, convenience, and general welfare of the citizens, residents, and inhabitants of Metro Government and the Commonwealth, and in furtherance of the public purposes of the Act, that Metro Government sell and issue the Series 2017 Bonds to accomplish the described financing (to the extent funds are not otherwise provided) and to pay all or a portion of the issuance costs of the Series 2017 Bonds.

NOW, THEREFORE, BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AS FOLLOWS:

SECTION I. Incorporation of Preamble. The facts and recitations set out in the preamble of this Ordinance are adopted and incorporated as a part hereof, and the terms defined in the preamble shall have the same meanings when used herein.

SECTION II. Public Purpose. Metro Government hereby finds and declares that the issuance of the Series 2017 Bonds and the loan of the proceeds thereof to the Corporation to finance and refinance the costs of the acquisition, construction, installation, and equipping of the Project will further the public purposes of the Act by promoting public health within the Commonwealth.

SECTION III. Authorization of the Series 2017 Bonds and the Project. For the purposes set forth in the preamble hereto, there is hereby authorized and directed:

(a) the issuance, execution, sale, and delivery of the Series 2017 Bonds, as provided in the Bond Purchase And Loan Agreement, subject to the following parameters (the "Parameters"):

(i) the aggregate principal amount of the Series 2017 Bonds shall not exceed \$48,610,000.00;

(ii) the final maturity of the Series 2017 Bonds shall not exceed 30 years from their date of issuance;

(iii) if the Series 2017 Bonds are issued at a fixed interest rate, the interest rate on the Series 2017 Bonds shall not exceed 6.0% per annum;

(iv) if the Series 2017 Bonds are issued at a variable interest rate, the Series 2017 Bonds shall bear interest at a variable rate not exceeding 12.0% per annum;

(v) the purchase price of the Series 2017 Bonds shall equal 100% of the aggregate principal amount thereof; and

(vi) the Series 2017 Bonds shall be issuable in denominations, be dated such date, be subject to redemption on such dates and in such amounts, and the principal, premium, if any, and interest thereon shall be payable on such dates and in such amounts as shall be approved by an officer of Metro Government and as specified in the Bond Purchase And Loan Agreement;

(b) the loan of the proceeds of the Series 2017 Bonds to the Corporation to finance and refinance the costs of the acquisition, construction, installation, and equipping of the Project as provided in the Bond Purchase And Loan Agreement;

(c) the assignment of the Series 2017 Note (as defined herein) to the Purchaser in exchange for the Purchaser's purchase of the Series 2017 Bonds; and

(d) the execution and delivery of the Bond Documents hereinafter identified on Metro Government's behalf.

SECTION IV. Authorization of Bond Documents. Each of Metro Government's Mayor and Metro Council Clerk, and any one of them, is hereby authorized and directed to execute and deliver the following documents (collectively, the "Bond Documents") on Metro Government's behalf, substantially in the respective forms previously submitted to and on file with Metro Government, with such changes therein as the officers executing such documents on Metro Government's behalf shall approve and as shall be consistent with the Parameters, such approval to be conclusively evidenced by their execution and delivery thereof:

(a) a Bond Purchase And Loan Agreement (the “Bond Purchase And Loan Agreement”) by and among Metro Government, the Corporation, and the Purchaser;

(b) the Series 2017 Bonds;

(c) the assignment and endorsement of the Series 2017 Note payable by the Corporation to Metro Government in the maximum principal amount of \$48,610,000.00 (the “Series 2017 Note”) to the Purchaser in accordance with the requirements of the Series 2017 Note and the Bond Purchase And Loan Agreement; and

(d) a Tax Regulatory Agreement by and between Metro Government and the Corporation.

SECTION V. Further Acts and Deeds. The Mayor, Metro Council Clerk, and other appropriate officers and employees of Metro Government, and any one of them, are hereby authorized and directed to execute, acknowledge, and deliver on Metro Government’s behalf any agreement, paper, instrument, certificate, affidavit, or other document and to do and cause to be done any act and thing necessary or proper for entering into, delivering, and performing this Ordinance and the Bond Documents, provided that neither Metro Government nor any of its directors, officers, employees, attorneys, or agents incur any general liability thereby.

SECTION VI. No Recourse On Obligations. No recourse under or upon any obligation, covenant, acceptance, or agreement contained in the Bond Documents, under this Ordinance, or under any judgment obtained against Metro Government, or by the enforcement of any assessment, or by any legal or equitable proceeding by virtue of

any constitution or statute or otherwise, or under any circumstances, shall be had against any member or officer, as such, past, present, or future, of Metro Government, the Commonwealth, or any agency or political subdivision thereof, whether directly or through Metro Government, or otherwise, for the payment for or to Metro Government or any receiver thereof, or for or to any holder a Series 2017 Bond, or otherwise, of any sum that may be due and unpaid by Metro Government on the Series 2017 Bonds. Any and all personal liability of every nature, whether at common law or in equity, or by statute or constitution, or otherwise, of any such member or officer, as such, to respond by reason of any act or omission on his or her part, or otherwise, for, directly or indirectly, the payment for or to Metro Government or any receiver thereof, or for or to the owner or any holder of the Series 2017 Bonds, or otherwise, of any sum that may remain due and unpaid on the Series 2017 Bonds, shall be deemed to be and is hereby expressly waived and released as a condition of and consideration for the execution and delivery of the Bond Documents, this Ordinance, and the issuance of the Series 2017 Bonds.

The Series 2017 Bonds will not constitute a general obligation, debt, or bonded indebtedness or liability of Metro Government or of the Commonwealth or any agency or political subdivision thereof under the Constitution of the Commonwealth or give rise to a general obligation or liability of, or a charge against, the general credit or taxing powers of Metro Government, the Commonwealth, or any agency or political subdivision thereof, and the holders or owners thereof will not have the right to have taxes or excises levied by Metro Government, the Commonwealth, or any agency or political subdivision thereof for the payment of principal of and any premium and interest on the


Series 2017 Bonds. Metro Government and the Commonwealth shall never be required to pay from their own funds any obligations deriving from the issuance of the Series 2017 Bonds, and the Series 2017 Bonds are declared to be a special and limited obligations payable solely and only from the receipts derived under the Bond Purchase And Loan Agreement and the Series 2017 Note as provided in the Bond Documents herein approved.

SECTION VII. Public Hearing. It is hereby acknowledged and affirmed that on August 7, 2017 at 10:00 a.m. (local time) at 531 Court Place, Suite 900, Louisville, Kentucky 40202, a duly-authorized representative of the Office of Mike O'Connell-Jefferson County Attorney, held and conducted a public hearing on behalf of Metro Government regarding the issuance of the Series 2017 Bonds. The public hearing was held after reasonable notice of the date, time, location, and subject matter of the public hearing was published in THE COURIER-JOURNAL in compliance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "**Code**"). The Metro Council, as the "elected legislative body" of Metro Government (as that term is used in Code Section 147(f)) hereby approves Metro Government's issuance, execution, and delivery of the Series 2017 Bonds and the project being financed thereby.


SECTION VIII. Severability. The provisions of this Ordinance are severable and, if any section, phrase, or provision hereof shall for any reason be declared invalid or unenforceable, such declaration shall not affect the validity of the remainder of this Ordinance.

SECTION IX. Prior Conflicting Actions Superseded. To the extent that any ordinance, resolution, order, or part thereof is in conflict with the provisions of this Ordinance, the provisions of this Ordinance shall prevail and be given effect.

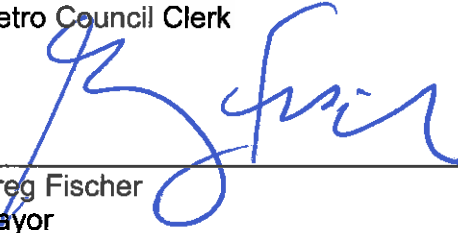
SECTION X. Effective Date. This Ordinance shall take effect upon its passage and approval.



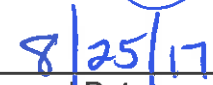
H. Stephen Ott
Metro Council Clerk



David Yates
President of the Council



Greg Fischer
Mayor



Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By: 

**LOUISVILLE METRO COUNCIL
READ AND PASSED**
August 24, 2017