

ORDINANCE NO. _____, SERIES 2022

AN ORDINANCE OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, KENTUCKY, AUTHORIZING THE ISSUANCE OF ITS HOSPITAL REVENUE BONDS (UOFL HEALTH PROJECT) IN ONE OR MORE SERIES OR SUBSERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$415,000,000 FOR THE PURPOSES OF (A) PAYING ALL OR A PORTION OF THE COSTS OF (1) A NEW SEVEN-FLOOR MEDICAL TOWER AT UNIVERSITY HOSPITAL, (2) A NEW 60-BED HOSPITAL ON THE CAMPUS OF UOFL HEALTH MEDICAL CENTER SOUTH, AND (3) NECESSARY CAPITAL EXPENDITURES ACROSS UOFL HEALTH'S FACILITIES, AND (B) PAYING COSTS OF ISSUANCE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF TRUST INDENTURES, LOAN AGREEMENTS, BOND PURCHASE AGREEMENTS, AND TAX EXEMPTION CERTIFICATE AND AGREEMENTS; AUTHORIZING AND APPROVING CERTAIN OTHER MATTERS, INCLUDING THE EXECUTION OF RELATED DOCUMENTS, IN CONNECTION WITH THE SALE AND ISSUANCE OF THE BONDS.

SPONSORED BY: COUNCIL PRESIDENT JAMES

WHEREAS, the Louisville/Jefferson County Metro Government ("Metro Government") is a political subdivision of the Commonwealth of Kentucky (the "Commonwealth") and is authorized by Sections 103.200 through 103.285 of the Kentucky Revised Statutes, as amended (the "Act"), to issue revenue bonds and to loan the proceeds thereof to third parties in order to finance costs of an "industrial building," as defined in the Act, utilized in the provision of health-care or related services; and

WHEREAS, UofL Health, Inc., a Kentucky nonprofit corporation (the "Corporation"), has applied for the financial assistance of Metro Government in the financing of the costs of the acquisition, construction, installation, and equipping of (i) a new seven-floor medical tower at University Hospital, (2) a new 60-bed hospital on the campus of UofL Health Medical Center South, and (3) various capital

expenditures across the facilities utilized in the Corporation's health system, including real property, equipment, furnishings, IT systems, and other personal property improvements at University Hospital, Jewish Hospital, Frazier Rehabilitation Institute, Mary & Elizabeth Hospital, Peace Hospital, Shelbyville Hospital, and Brown Cancer Center (collectively, the "Projects"); and

WHEREAS, the Projects individually constitute "industrial buildings" and collectively constitute an "industrial building" as those terms are defined in KRS Section 103.200(1)(a), consisting of an industrial building project or projects designed to be used as health-care or related facilities, including without limitation hospitals, clinics, and research facilities, and all buildings, structures, and facilities related thereto; and

WHEREAS, the Legislative Council of the Louisville/Jefferson County Metro Government (the "Council") has found and determined, and hereby finds and determines, that the economic development of the Metro Government, the Counties of Bullitt and Shelby, Kentucky, and the Commonwealth of Kentucky will be promoted, conditions of unemployment will be relieved, and industry will be increased in the Commonwealth by the Projects, and negotiations have been carried on between Metro Government and the Corporation in respect of the issuance by Metro Government of the Bonds (defined below) for the purpose of financing the acquisition, construction, equipping, and installation of such industrial building or buildings comprising the Projects, and that such financing of the Projects is authorized by, and will be consistent with and in furtherance of, the provisions of the Act; and

WHEREAS, the Corporation has requested Metro Government to issue its “Louisville/Jefferson County Metro Government, Kentucky, Hospital Revenue Bonds (UofL Health Project)” in one or more series or series in a maximum aggregate principal amount of \$415,000,000 (collectively, the “Bonds”) and to loan the proceeds of the Bonds to the Corporation pursuant to one or more loan agreements to (i) pay all or a portion of the costs of the Projects; (ii) pay capitalized interest on the Bonds, if any, (iii) fund reserve funds and/or pay costs of credit enhancement for the Bonds, if any, and (iv) pay costs of issuance of the Bonds; and

WHEREAS, the Corporation has requested the sale of the Bonds to be made on a negotiated basis to BofA Securities, Inc. on behalf of itself and the additional underwriter or underwriters named in the bond purchase agreement or agreements governing the sale of the bonds (collectively, the “Underwriter”); and

WHEREAS, in order to accomplish the public purposes of promoting the economic development of the Commonwealth, relieving conditions of unemployment, and encouraging the increase of industry therein, Metro Government considers it necessary and proper to (i) authorize the issuance of the Bonds for purposes set out above; (ii) authorize the execution and delivery of the Trust Indentures, the Loan Agreements, the Bond Purchase Agreements, and the Tax Exemption Certificate and Agreement hereinafter identified; and (iii) take other action in connection therewith.

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

SECTION I: It is hereby found, determined and declared that 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: Metro Government hereby finds and declares that the issuance of the Bonds from time to time for the purposes of (a) financing all or a portion of the costs of the Projects; (b) paying capitalized interest on the Bonds, if any, (c) funding reserve funds and/or paying costs of credit enhancement for the Bonds, if any, and (d) paying costs of issuance of the Bonds will further the public purposes of the Act by financing costs incurred with respect to “industrial buildings” utilized in the provision of health-care and related facilities services.

SECTION III: For the purposes set forth in the preamble hereto, there is hereby authorized and directed:

(a) the issuance, execution, sale, and delivery of the “Louisville/Jefferson County Metro Government, Kentucky, Hospital Revenue Bonds (UofL Health Project)” (the “Bonds”) in one or more series or subseries, as provided in the Trust Indentures and the Bond Purchase Agreements hereinafter identified, subject to the following limitations (collectively, the “Limitations”): (i) the aggregate principal amount of the Bonds shall not exceed \$415,000,000; (ii) the final maturity of any Bond shall not exceed thirty-five years from its dated date; (iii) the Bonds shall bear fixed interest rates which shall not exceed 12.0% per annum or a variable rate that shall not exceed the greater of 12% per annum or any published interest rate index plus a credit spread of 10%; (iv) the purchase price of any Bond (excluding any original issue discount) set forth in the Bond Purchase Agreements shall equal at least 98% of the aggregate principal amount thereof; (v) the Bonds will be issuable

in such denominations, shall be dated such dates, and shall be subject to redemption and/or tender on such dates and in such amounts, and the principal and interest thereon shall be payable on such dates and in such amounts, as shall be approved by an officer of Metro Government and specified in the respective Trust Indenture for such series of the Bonds; and (vi) interest on any series of the Bonds may be exempt or subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), such tax treatment to be determined by the Corporation for such series and reflected in the Trust Indenture, Loan Agreement, Bond Purchase Agreement, and Tax Exemption Certificate and Agreement, if any, governing such series;

(b) the loan of the proceeds of the Bonds to the Corporation to (i) finance all or a portion of the costs of the Projects; (ii) to pay capitalized interest on the Bonds during all or a period of the construction of the Projects; (iii) fund reserve funds and/or pay the costs of credit enhancement for the Bonds; and (iv) pay costs of issuance of the Bonds, as provided in the Loan Agreements hereinafter identified;

(c) the execution and delivery on behalf of Metro Government of the Bond Documents hereinafter identified; and

(d) the execution and delivery on behalf of Metro Government of all customary papers, letters, documents, certificates, forms, or other instruments that may be required for the carrying out and effectuation of the authority conferred by this Ordinance and the Bond Documents or to evidence said authority, including closing certificates, financing statements, and other security documents.

SECTION IV: The Mayor and the Metro Council Clerk are hereby authorized and directed to execute and deliver on behalf of Metro Government the following

documents (collectively, the “Bond Documents”), substantially in the respective forms previously submitted, reference to which is hereby made, with such changes therein as the officer(s) executing such documents on behalf of Metro Government shall approve and as shall be consistent with the Limitations, such approval to be conclusively evidenced by their execution and delivery thereof:

(a) One or more Bond Purchase Agreements (each, a “Bond Purchase Agreement” and collectively, the “Bond Purchase Agreements”), by and among Metro Government, the Underwriter, and the Corporation substantially in the form previously provided to Metro Government in connection with this Ordinance as Exhibit A (provided, however, that any other underwriting or banking firm designated by the Corporation and included in the Bond Buyer’s Municipal Marketplace (i.e., the “Red Book”) may, with the approval of the Mayor, be treated as the Underwriter for purposes hereof);

(b) One or more Trust Indentures (each, a “Trust Indenture” and collectively, the “Trust Indentures”), by and between Metro Government and Regions Bank, as bond trustee (the “Trustee”, provided, however, that any other banking institution designated by the Corporation may, with the approval of the Mayor, be treated as the Trustee), substantially in the forms previously provided to Metro Government in connection with this Ordinance as Exhibit B;

(c) One or more Loan Agreements (each a “Loan Agreement” and collectively, the “Loan Agreements”), by and between Metro Government and the Corporation, substantially in the forms previously provided to Metro Government in connection with this Ordinance as Exhibit C; and

(d) A Tax Exemption Certificate and Agreement (the “Tax Exemption Certificate and Agreement”), by and among Metro Government, the Corporation, and the Trustee, governing any series or combination of series of the Bonds for which interest accrued thereon is exempt from federal income taxation pursuant to the Code, substantially in the form previously provided to Metro Government in connection with this Ordinance as Exhibit D.

SECTION V: One or more Preliminary Official Statements substantially in the form previously presented to Metro Government, reference to which is hereby made, are hereby approved. The use and distribution of one or more Official Statements, in preliminary and final form (as applicable), by the Underwriter and the Corporation, with such changes therein as are not inconsistent herewith (including the Limitations), are hereby expressly approved, at which time any such Preliminary Official Statement shall be deemed “final” in accordance with Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (“SEC Rule 15c2-12”). Metro The Corporation will provide a final Official Statement or Statements, at the Corporation’s expense, relating to the offering of a particular series of the Bonds to the Underwriter within seven days of the date of the related Bond Purchase Agreement in accordance with SEC Rule 15c2-12.

SECTION VI: The Bonds shall be special and limited obligations of Metro Government and the principal of and any premium and the interest on the Bonds shall be equally and ratably payable solely from the Loan Payments under and as defined in the applicable Loan Agreement, moneys in the Bond Fund established under the applicable Trust Indenture, and any amounts received by the Trustee

pursuant to the Obligation (defined herein) issued to the Trustee under the Master Trust Indenture as amended and supplemented by one or more Supplemental Master Trust Indentures (the “Master Indenture”) between the Corporation, one or more affiliates of the Corporation, and Regions Bank, as master trustee (in that capacity, the “Master Trustee”). The Bonds shall be equally and ratably secured by the absolute and irrevocable assignment of Metro Government’s interest in the Loan Payments under the respective Loan Agreements and the Bond Funds created under the respective Trust Indentures, and shall be secured by the Trust Indentures and obligations issued to the Trustee under the Master Indenture (the “Obligations”). To provide for such security and for the payment directly to the Trustee of the Loan Payments to be paid under the respective Loan Agreements, this Council authorizes, confirms, and approves the assignment to the Trustee of all of Metro Government’s interests in the Loan Payments and the Bond Funds and the assignment to the Master Trustee of all other rights of Metro Government under the Loan Agreements, except for the Unassigned Rights, all as provided in each Loan Agreement and Trust Indenture.

SECTION VII: No recourse under or upon any obligation, covenant, acceptance, or agreement contained in the Bond Documents, in the Bonds, 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 elected official, member, officer, employee, or agent, 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 of any Bond, or otherwise, of any sum that may be due and unpaid by Metro Government on the 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 elected official, member, officer, employee, or agent, 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 any Bond, or otherwise, of any sum that may remain due and unpaid on the 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 Bonds.

THE BONDS WILL NOT CONSTITUTE A GENERAL OBLIGATION, DEBT, OR BONDED INDEBTEDNESS OR LIABILITY OF METRO GOVERNMENT, 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 BONDS. METRO GOVERNMENT AND THE COMMONWEALTH SHALL NEVER BE REQUIRED TO PAY FROM THEIR OWN FUNDS ANY OBLIGATIONS DERIVING FROM THE ISSUANCE OF THE BONDS, OR ANY OTHER BONDS ISSUED FOR THE BENEFIT OF THE CORPORATION, AND THE BONDS ARE DECLARED TO BE SPECIAL AND LIMITED OBLIGATIONS PAYABLE SOLELY AND ONLY FROM THE RECEIPTS DERIVED UNDER THE LOAN AGREEMENTS AND THE TRUST ESTATES CREATED UNDER THE TRUST INDENTURES AS PROVIDED IN THE DOCUMENTS HEREIN APPROVED.

SECTION VIII: It is acknowledged by Metro Government that at the time of sale of the Bonds pursuant to the Bond Purchase Agreements as set out herein, the Corporation may desire to proceed with issuance of less than all of the Bonds contemplated by this Ordinance and as described in the Trust Indentures and consequently may request Metro Government, acting through its Mayor and Metro Council Clerk, to execute the Bond Purchase Agreements and other documents herein referred to for the sale and issuance of Bonds for less than the amount anticipated by this Ordinance. Accordingly, the execution by the Mayor or Metro Council Clerk on behalf of Metro Government of the Bond Purchase Agreements and other documents herein referred to with regard to the sale of Bonds for any such lesser amount is specifically authorized and approved without further action by Metro Government, and to such extent this Ordinance shall be deemed to have been modified.

SECTION IX: 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 X: The provisions of this Ordinance may be supplemented from time to time by ordinance or resolution of the Council.

SECTION XI: To the extent that any ordinance, resolution, municipal 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 XII: This Ordinance shall become effective upon its passage and approval or otherwise becoming law.

This Ordinance was given a first reading at a duly convened meeting of the Council, held on the _____ day of _____, 2022, and given second reading an approval at a duly convened meeting of the Council held on the _____, day of _____, 2022.

Sonya Harward
Metro Council Clerk

David James
President of the Council

Greg Fischer
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By: _____