

RESOLUTION NO. _____, SERIES 2020

A RESOLUTION OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, REQUESTING THAT THE KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY ADOPT A RESOLUTION PROVIDING FOR THE ISSUANCE OF REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$62,000,000, THE PROCEEDS OF WHICH WILL BE LOANED TO CHRISTIAN CARE COMMUNITIES, INC., A KENTUCKY NONPROFIT CORPORATION, AND/OR ONE OR MORE AFFILIATES, WITH FACILITIES LOCATED WITHIN THE BOUNDARIES OF JEFFERSON COUNTY, TO FINANCE AND REFINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN FACILITIES CONSISTING OF HEALTH CARE AND HEALTH RELATED FACILITIES.

SPONSORED BY: COUNCIL MEMBER YATES

WHEREAS, the Kentucky Economic Development Finance Authority (the "Authority") is authorized to issue bonds from time to time under the provisions of Chapter 154 and Sections 103.200 - 103.285 inclusive, of the *Kentucky Revised Statutes* and to use the proceeds of such bonds to make loans to nonprofit organizations such as Christian Care Communities, Inc. (together with one or more affiliates, the "Borrower") to provide financing for health care and health related facilities in the Commonwealth of Kentucky; and

WHEREAS, the Borrower desires to (i) refinance certain existing indebtedness of the Borrower, including but not limited to the \$21,727,510 Kentucky Economic Development Finance Authority Healthcare Facilities Revenue Bonds, Series 2016A (Christian Care Communities, Inc. Obligated Group) and \$15,002,542 Kentucky Economic Development Finance Authority Healthcare Facilities Revenue Bonds, Series 2016B (Christian Care Communities, Inc. Obligated Group) (collectively, the "Prior Debt"), the proceeds of which Prior Debt were used to finance and refinance the costs of the acquisition, construction and equipping of health care and health related facilities,

including long-term care facilities and housing for the aged or infirm, located in the Commonwealth and owned and/or operated by the Borrower (collectively, the "Prior Project"), (ii) finance and refinance the costs of the acquisition, construction and equipping of health care and health related facilities, including long-term care facilities and housing for the aged or infirm, located in the Commonwealth and owned and/or operated by the Borrower (collectively, the "New Project" and, together with the Prior Project, the "Project"), (iii) fund capitalized interest on all or a portion of the Bonds (as hereinafter defined), (iv) fund a debt service reserve for the Bonds and (v) pay costs of issuance, through the issuance by the Authority of its Healthcare Facilities Revenue Bonds, Series 2020 (Christian Care Communities, Inc. Obligated Group) (the "Bonds"); 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 is using a portion of the proceeds of the Bonds to refinance activities within the boundaries of Louisville, Jefferson County, Kentucky and wishes to enter into a loan agreement with the Authority to meet its financing needs; and

WHEREAS, such financing will be beneficial to the Borrower and to the residents of Louisville, Jefferson County, Kentucky.

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

SECTION 1. That this Metro Council does hereby request that the Kentucky Economic Development Finance Authority issue its revenue bonds pursuant to Chapter 154 and Sections 103.200 - 103.285 inclusive, of the Kentucky Revised Statutes in an

aggregate principal amount not to exceed \$62,000,000 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 refinance the Prior Debt, finance the costs of the New Project, fund a debt service reserve fund, fund capitalized interest and pay issuance costs, all of which will be in furtherance of the charitable purposes of the Borrower in providing health care and related services.

SECTION 2. The Bonds shall not be a general obligation or indebtedness of the Louisville/Jefferson County Metro Government (the "Metro Government"), the Commonwealth, or any agency or political subdivision thereof within the meaning of the Constitution and laws of the Commonwealth but shall be payable solely from the pledged security as agreed upon between the Authority and the Borrower.

SECTION 3. No recourse shall be had for the payment of the principal of or premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement therein contained against any past, present or future officer, member, employee or agent of the Metro Government or the Commonwealth or any agency or political subdivision thereof, as such, either directly or through the Metro Government or the Commonwealth or any agency or political subdivision thereof under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, employees or agents as such shall be expressly waived and released as a condition of and consideration for the adoption of this resolution and the issuance of the Bonds.

SECTION 4. That the Metro Council determines that all formal actions relative to the adoption of this Resolution were taken in open meetings of the Metro Council, and that all deliberations of this Metro 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 5. That this Resolution become effective upon its passage and approval.

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: _____