

1 RESOLUTION NO. 2015-421 Late Filing
2 SPONSOR Mr. Pry
3 DATE OCTOBER 5, 2015 COMMITTEE Planning

4 **A Resolution authorizing the issuance and sale of County of Summit, Ohio, Health Care**
5 **Facilities Refunding and Improvement Revenue Bonds, Series 2015 (Village at St. Edward**
6 **Project), in one or more series, in an aggregate principal amount not to exceed \$25,000,000;**
7 **authorizing the execution of a Base Lease, a Lease, an Assignment and a Bond Purchase**
8 **Agreement for the Bonds to secure the payment, and provide for the sale of the Bonds; and**
9 **authorizing and approving related matters, for the Executive's Department of Finance and**
10 **Budget, and declaring an emergency.**

11 WHEREAS, pursuant to the authority contained in the laws of the State of Ohio (the
12 "State"), including Chapter 140 of the Ohio Revised Code (the "Act"), the County of Summit,
13 Ohio (the "Issuer"), a county and political subdivision duly organized and validly existing under
14 and by virtue of the Constitution and laws of the State and its Charter, is a "public hospital
15 agency," as defined in the Act, and is authorized and empowered, among other things, to: (i)
16 acquire, construct, reconstruct, rehabilitate, remodel, renovate, enlarge, equip, and furnish
17 "hospital facilities," as defined in the Act, and to acquire by lease real estate and interests therein,
18 including without limitation, improvements situated thereon comprising hospital facilities; (ii)
19 enter into a sublease to provide for the lease of "hospital facilities" to a "nonprofit hospital
20 agency," both as defined in the Act; (iii) issue its revenue bonds for the purpose of financing the
21 "costs of hospital facilities," as defined in the Act; (iv) secure its revenue bonds by a bond purchase
22 agreement and by the pledge and assignment of the rent paid under a lease and the funds created
23 under a bond purchase agreement; and (v) enter into the Bond Purchase Agreement, the Base
24 Lease, the Lease and the Assignment, all as hereinafter defined, and to execute and deliver certain
25 other documents and instruments upon the terms and conditions provided herein and therein; and

26 WHEREAS, St. Edward Home (the "Corporation") has requested the Issuer to issue
27 revenue bonds pursuant to the Act for the purpose of (i) paying the costs of acquiring,
28 constructing, installing, equipping and improving "hospital facilities" as defined in the Act (the
29 "New Facilities"), (ii) refunding certain revenue bonds previously issued for the benefit of, and/or
30 other indebtedness incurred by, the Corporation (the "Prior Debt"), the proceeds of which were
31 used by the Corporation to pay the costs of acquiring, constructing, installing, equipping and
32 improving "hospital facilities" as defined in the Act (the "Prior Facilities" and, together with the
33 New Facilities, the "Facilities"), (iii) funding a debt service reserve fund, if any, for all or a portion
34 of the Bonds, (iv) paying capitalized interest on the Bonds, (v) paying any termination payments
35 relating to interest rate hedges relating to the Prior Debt and (vi) paying certain costs of issuance of
36 the Bonds (collectively, the "Project"); and

37 WHEREAS, this Council finds and determines, after reviewing all pertinent information,
38 that it is necessary and in the best interest of the County to authorize the issuance of the Bonds by
39 the County; and

40 NOW, THEREFORE, BE IT RESOLVED by the Council of the County of Summit, Ohio,
41 that:

42 SECTION 1. Authorization of Bonds. The Issuer shall issue, sell and deliver, as provided
43 and authorized herein and pursuant to the Bond Purchase Agreement (as hereinafter defined) and

1 the Act, tax-exempt (and, if desired, taxable) health care facilities refunding and improvement
2 revenue bonds of the Issuer in one or more series, in an aggregate principal amount not to exceed
3 \$25,000,000 (the "Bonds"), for the purpose of (i) refunding the Prior Debt, (ii) paying the costs of
4 acquiring, constructing, installing, equipping and improving the New Facilities, (iii) funding a
5 debt service reserve fund, if any, for all or a portion of the Bonds, (iv) paying capitalized interest
6 on the Bonds, (v) paying any termination payments relating to interest rate hedges relating to the
7 Prior Debt and (vi) paying the costs of issuance of the Bonds. The Issuer finds and determines,
8 based on representations of the Corporation, that (i) the Facilities will comprise "hospital facilities"
9 under the Act and that the Facilities and the issuance of the Bonds to pay costs of the Project will
10 better provide for the health and welfare of the residents of the Issuer and the State by enhancing
11 the availability, efficiency and economy of hospital facilities so that hospital facilities and the
12 services rendered thereby are available to or for the service of the general public without
13 discrimination by reason of race, creed, color or national origin and (ii) the refunding of the Prior
14 Debt advances the purposes of the Act.

15 SECTION 2. Terms and Provisions of Bonds.

16 (a) General. The Bonds shall be issued and secured under the Bond Purchase
17 Agreement (the "Bond Purchase Agreement"), among the Issuer, the Corporation and Citizens
18 Bank, N.A., Citizens Funding Corp or an affiliate thereof, as initial purchaser of the Bonds (the
19 "Purchaser"), in substantially the form now on file with this Council. The Bonds (i) shall be
20 designated "County of Summit, Ohio, Health Care Facilities Refunding and Improvement
21 Revenue Bonds, Series 2015 (Village at St. Edward Project)" or such other name as approved by
22 the County Executive; (ii) shall be issuable only in fully registered form and substantially as set
23 forth in the Bond Purchase Agreement; (iii) shall be exchangeable only for Bonds of authorized
24 denominations, as provided in the Bond Purchase Agreement; (iv) shall be numbered in a manner
25 which will distinguish each Bond from each other Bond; (v) shall be in the denominations as set
26 forth in the Bond Purchase Agreement; and (vi) shall be dated as set forth in the Bond Purchase
27 Agreement. The principal of and any premium and the interest on the Bonds shall be payable as
28 provided in the Bond Purchase Agreement without deduction for the services of any paying agent.
29 Debt service on the Bonds shall initially be directly payable to the Purchaser. The Bonds shall be
30 signed by the County Executive and/or the County Fiscal Officer (provided that such signature
31 may be a facsimile).

32 (b) Interest Rates and Principal Maturities of Bonds. The Bonds shall mature on the
33 dates, in the years and in the principal amounts, and shall bear interest at the rates per annum, all as
34 to be determined in the Bond Purchase Agreement; provided that the aggregate principal amount
35 of the Bonds shall not exceed \$25,000,000, the variable interest rate for the Bonds shall be
36 determined in accordance with the formula set forth in the Bond Purchase Agreement, and the final
37 maturity for the Bonds shall be no later than July 1, 2047. The Bonds may be subject to mandatory
38 redemption pursuant to mandatory sinking fund requirements as shall be set forth in the Bond
39 Purchase Agreement. The Bonds also shall be subject to prior optional, extraordinary and
40 mandatory redemption and mandatory tender as set forth in the Bond Purchase Agreement.

41 (c) Sale of the Bonds. The Bonds shall be sold and awarded to the Purchaser, in
42 accordance with the terms of this Resolution and the Bond Purchase Agreement at a purchase price
43 not less than 97% of the difference between (i) the aggregate principal amount of the Bonds
44 determined by the County Executive in the Bond Purchase Agreement and (ii) any net original
45 issue discount or any net original issue premium on the Bonds determined by the County
46 Executive plus (b) accrued interest, if any, on the principal amount of the Bonds from their date to
47 the date of their delivery to, and payment for, by the Purchaser. Any net original issue discount on

1 the Bonds to be determined by the County Executive shall not exceed 10% with respect to any
2 maturity of the Bonds.

3 The County Executive is authorized and directed to make the necessary arrangements with
4 the Purchaser to establish the date, location, procedures and conditions for the delivery of the
5 Bonds to the Purchaser and to take all steps necessary to effect due execution, authentication and
6 delivery of the Bonds to the Purchaser under the terms of this Resolution and the Bond Purchase
7 Agreement.

8 (d) Lease and Sublease of Facilities. This Council authorizes and approves, and the
9 County Executive is authorized to execute, the lease to the Issuer from the Corporation of the real
10 and personal property described in the Base Lease relating to the Bonds (the "Base Lease"),
11 between the Corporation, as lessor, and the Issuer, as lessee, and the sublease to the Corporation of
12 that property in the Lease relating to the Bonds (the "Lease"), between the Issuer, as sublessor, and
13 the Corporation, as sublessee, each substantially in the form now on file with this Council. The
14 Issuer finds and determines that the lease of the property to the Issuer and the sublease of the
15 property to the Corporation under the terms and conditions of the Base Lease and the Lease,
16 respectively, will further the public purpose of better providing for the health and welfare of the
17 residents of the Issuer and the State by enhancing the availability, efficiency and economy of
18 hospital facilities and the services rendered thereby so that hospital facilities and the services
19 rendered thereby are available to or for the service of the general public without discrimination by
20 reason of race, creed, color or national origin.

21 (e) Allocation of Proceeds of Bonds. The proceeds derived from the sale of the Bonds
22 (including without limitation, any interest accrued thereon) shall be deposited as provided in the
23 Bond Purchase Agreement.

24 All funds, accounts and subaccounts contemplated in the Bond Purchase Agreement to be
25 created are, to the extent not already created, hereby authorized and directed to be created and shall
26 be used without further legislative action for the purposes specified in the Bond Purchase
27 Agreement.

28 (f) Security for the Bonds. Except as permitted otherwise under the Bond Purchase
29 Agreement, the Bonds shall be special obligations of the Issuer and the principal of and any
30 premium and the interest on the Bonds shall be payable solely from the revenues identified in the
31 Bond Purchase Agreement and any amounts received by the Purchaser pursuant to the
32 Corporation's Series 2015 Note (the "Series 2015 Note") issued under the Master Trust Indenture
33 between the Corporation and a corporate trustee selected by the Corporation, as trustee (the
34 "Master Trustee"), as supplemented by one or more supplements, all in substantially the forms
35 now on file with this Council. The Bonds shall be secured by the Bond Purchase Agreement and
36 shall be further secured by the Series 2015 Note.

37 Anything in this Resolution, the Bonds or the Bond Purchase Agreement to the contrary
38 notwithstanding, the Bonds do not and shall not represent or constitute general obligations, debt,
39 bonded indebtedness or a pledge of the faith and credit of the Issuer, the State or any other political
40 subdivision thereof and further, nothing herein gives the holders or owners of the Bonds the right,
41 and they have no right, to have excises, ad valorem or other taxes levied by this Council or the
42 Issuer, or by the State or the taxing authority of any other political subdivision for the payment of
43 the principal of and any premium or interest on the Bonds. The Bonds shall contain a statement to
44 that effect and to the effect that the Bonds are payable solely from the revenues pledged therefor in
45 the Bond Purchase Agreement. Nothing in the Bonds or the documents securing them, however,
46 shall be deemed to prohibit the Issuer from using, of its own volition, to the extent that it is

1 authorized by law to do so, any other resources for the fulfillment of any of the terms or conditions
2 of, or its obligations under, the Bond Purchase Agreement or the Bonds.

3 No recourse under or upon any obligation, covenant, acceptance or agreement contained in
4 this Resolution, or the Issuer Documents, or under any judgment obtained against the Issuer or by
5 the enforcement of any assessment or by any legal or equitable proceeding by virtue of any
6 constitution or statute or otherwise, or under any circumstances, shall be had against any officer or
7 employee as such, past present or future, of the County, including any member of this Council and
8 the County Executive, either directly or indirectly or through the County, or otherwise, for the
9 payment for or to the County or any receiver thereof, or for or to any holder of any Bond, or
10 otherwise, of any sum that may be due and unpaid by the County upon any of the Bonds. Any and
11 all personal liability of every nature, whether at common law or in equity, or by statute or by
12 constitution or otherwise, of any such officer, as such, to respond by reason of any act or omission
13 on his or her part, or otherwise, for, directly or indirectly, the payment for or to the County or any
14 receiver thereof, or for or to the owner or any holder of any Bonds, or otherwise, of any sum that
15 may remain due and unpaid upon any Bonds, shall be deemed to be expressly waived and released
16 as a condition of and consideration for the execution and delivery of the Issuer Documents and the
17 issuance of the Bonds. The Issuer Documents shall also provide that the Corporation shall
18 indemnify and hold harmless the County and its officers, employees and this Council against all
19 liabilities, losses, damages, costs, expenses, causes of action, suits, claims, demands and
20 judgments of any nature arising under the Issuer Documents.

21 (g) Authorization of Assignment. To provide for the assignment of certain of the
22 Issuer's rights in the Base Lease and Lease, this Council hereby authorizes and approves the
23 Assignment of Rights Under a Base Lease and Lease relating to the Bonds (the "Assignment")
24 between the Issuer and the Master Trustee, in substantially the form now on file with this Council.

25 SECTION 3. Covenants and Agreements of Issuer. In addition to the other covenants of
26 the Issuer in this Resolution and in the Bond Purchase Agreement, the Base Lease, the Lease and
27 the Assignment, the Issuer further covenants and agrees as follows:

28 (a) Authority and Actions. The Issuer is, and upon delivery of the Bonds will be, duly
29 authorized by the laws of the State, particularly and without limitation the Act, to issue the Bonds,
30 to execute and deliver the Bond Purchase Agreement, the Base Lease, the Lease and the
31 Assignment and other instruments and documents to which it is a party (collectively, the "Issuer
32 Documents"), to provide the security for payment of the principal of and any premium or interest
33 on the Bonds in the manner and to the extent set forth herein and in the Bond Purchase Agreement,
34 all as authorized by this Council. All actions on the part of the Issuer for the issuance of the Bonds
35 and the execution and delivery of the Issuer Documents and such other instruments and documents
36 have been or will be duly and effectively taken. The Bonds will be valid and enforceable special
37 obligations of the Issuer according to the terms thereof. Each duty of the Issuer and of its officers
38 and employees undertaken pursuant to the Bonds and the Issuer Documents is a duty specifically
39 enjoined by law pursuant to Section 140.06(J) of the Ohio Revised Code upon the Issuer and each
40 of those officers and employees having authority thereunder or by provision of law to perform the
41 duty, resulting from an office, trust or station, within the meaning of Section 2731.01 of the Ohio
42 Revised Code providing for enforcement by writ of mandamus.

43 (b) Arbitrage and Tax Compliance Provisions; Transcript. The Issuer will restrict the
44 use of the proceeds of the Bonds in such manner and to such extent as may be necessary so that (a)
45 the Bonds will not (i) constitute arbitrage bonds or hedge bonds under Sections 148 or 149,
46 respectively, of the Internal Revenue Code of 1986, as amended (the "Code"), or (ii) be treated
47 other than as bonds to which Section 103(a) of the Code applies, and (b) the interest thereon will

1 not be treated as a preference item under Section 57 of the Code. The County Executive is hereby
2 authorized (a) to make or effect any election, selection, designation, choice, consent, approval or
3 waiver on behalf of the Issuer with respect to the Bonds as permitted or required to be made or
4 given under the federal income tax laws, for the purpose of assuring, enhancing or protecting
5 favorable tax treatment or status of the Bonds or interest thereon or assisting compliance with
6 requirements for that purpose, reducing the burden or expense of such compliance, reducing the
7 rebate amount or payment of penalties, or making payments of special amounts in lieu of making
8 computations to determine, or paying, excess earnings as rebate, or obviating those amounts or
9 payments, as determined by any of those officers, (b) to take any and all other actions, make or obtain calculations, and
10 any one of those officers, (b) to take any and all other actions, make or obtain calculations, and
11 make or give reports, covenants and certifications of and on behalf of the Issuer, as may be
12 appropriate to assure the exclusion of interest from gross income and the intended tax status of the
13 Bonds, and (c) to give one or more appropriate certificates of the Issuer, or execute and deliver one
14 or more tax regulatory or other agreements on behalf of the Issuer, for inclusion in the transcript of
15 proceedings for the Bonds, setting forth the reasonable expectations of the Issuer regarding the
16 amount and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which
17 they are based, and other facts and circumstances relevant to the tax treatment of the interest on
18 and the tax status of the Bonds.

19 The Issuer (i) will take, or require to be taken, all actions that may be required of it for the
20 interest on the Bonds to be and remain excluded from gross income for federal income tax
21 purposes, and (ii) will not take or authorize to be taken any actions that would adversely affect that
22 exclusion under the provisions of the Code. The County Executive is hereby authorized and
23 directed to take any and all actions, make or give such reports and certifications, or enter into such
24 agreements, and make such elections as may be appropriate to assure such exclusions of that
25 interest.

26 The County Executive shall furnish to the Purchaser a true transcript of proceedings,
27 certified by the County Executive, the County Fiscal Officer and the Clerk of the County Council,
28 of all proceedings had with reference to the issuance of the Bonds together with such information
29 from the records as is necessary to determine the regularity and validity of the issuance of the
30 Bonds.

31 (c) Further Assurances. The Issuer shall do all things and take all actions on its part
32 necessary to comply with the obligations, duties and responsibilities on its part under the Issuer
33 Documents. Nothing herein or in the Issuer Documents shall be construed as requiring the Issuer
34 to operate the hospital facilities financed by the Bonds or to use any moneys from any source other
35 than those pledged in the Bond Purchase Agreement with respect to the Bonds. Any expenses
36 incurred by the County in connection with the issuance of the Bonds shall be paid by the
37 Corporation or from the proceeds of the Bonds.

38 SECTION 4. Issuer Documents. To provide for the issuance and sale of the Bonds, the
39 lease of the Project to the Issuer and the sublease thereof to the Corporation and the consummation
40 of the transactions contemplated herein, the County Executive is authorized and directed to
41 execute, acknowledge and deliver, for and in the name and on behalf of the Issuer, each Issuer
42 Document, in substantially the respective forms thereof submitted to this Council. The County
43 Fiscal Officer and the Clerk of the County Council are further authorized to execute and
44 acknowledge any of the Issuer Documents that the County Executive determines are necessary to
45 be signed by the County Fiscal Officer or the Clerk of the County Council. The Issuer Documents
46 are approved with any changes therein which are not inconsistent with this Resolution, are not
47 substantially adverse to the Issuer, are permitted by the Act, and are approved by the County
48 Executive. The approval of those changes by the County Executive, and the character of those

1 changes as not being substantially adverse to the Issuer, shall be evidenced conclusively by the
2 execution of the respective Issuer Documents by the County Executive. The County Fiscal Officer,
3 as fiscal officer of the Issuer, is authorized to give any certifications that may be required under
4 Ohio Revised Sections 5705.41 and 5705.44 with respect to any of the Issuer Documents, and any
5 additional payments to be made by the Issuer under the Issuer Documents are hereby appropriated
6 for that purpose.

7 SECTION 5. Other Documents. The County Executive, and upon a determination of
8 necessity by the County Executive, the County Fiscal Officer and the Clerk of the County Council,
9 alone or in conjunction with any of the foregoing, are authorized and directed to execute, deliver
10 and, if applicable file, for and in the name and on behalf of the Issuer, (i) any certifications,
11 financing statements, termination statements, assignments and other instruments and documents
12 which are necessary or appropriate to perfect the assignments contemplated in the Bond Purchase
13 Agreement, the Base Lease, the Lease and the Assignment and (ii) any document, instrument,
14 agreement or certificate necessary in connection with the refinancing of the Prior Debt, including but
15 not limited to releases, and to consummate the transactions contemplated in the Issuer Documents
16 and the Bonds. Those certifications and other instruments and documents include, without
17 limitation, an appropriate information report under Section 149(e) of the Code, and any other
18 certifications and forms necessary or advisable under the Code and a certification of the transcript
19 of proceedings relating to the issuance of the Bonds.

20 SECTION 6. Lien of Pledge Hereunder. As provided in Section 140.06(D) of the Act,
21 the rent payments to be made to the Purchaser pursuant to the Lease and revenues under the Bond
22 Purchase Agreement are subject to the lien of the pledge under the Bond Purchase Agreement
23 without any physical delivery of such rent payments and revenues or further act, and the lien of
24 that pledge is valid and binding against all parties having claims of any kind against the Issuer or
25 the Corporation (irrespective of whether those parties have notice of such pledge) and creates a
26 perfected security interest for all purposes of Chapter 1309 of the Ohio Revised Code, without the
27 necessity for separation or delivery of such rent payments and revenues or for the filing or
28 recording of this Resolution, the Bond Purchase Agreement or any other Resolution or instrument
29 by which that pledge is created or any certificate, statement or other document with respect to that
30 pledge. The pledge of and lien on such rent payments and the revenues under the Bond Purchase
31 Agreement shall be effective and the money therefrom and therein may be applied to the purposes
32 for which pledged without necessity for any further act of appropriation.

33 SECTION 7. Designation of Bond Counsel by Corporation and Retention of Issuer
34 Counsel. That the retention of the law firm of Ice Miller LLP ("Bond Counsel") of Columbus,
35 Ohio, as Bond Counsel to the Corporation in connection with the issuance of the Bonds, is
36 approved, and Bond Counsel is authorized to prepare the documents necessary therefor. The law
37 firm of Brouse McDowell, A Legal Professional Association ("Issuer Counsel") is hereby retained
38 as counsel to the County in connection with the issuance of the Bonds. The fees and expenses of
39 Bond Counsel and Issuer Counsel shall be paid by the Corporation or from proceeds of the Bonds
40 and shall not be a separate obligation of the County.

41 SECTION 8. Emergency Provision. This Resolution is declared to be an emergency
42 measure necessary for the immediate preservation of the public peace, health and safety of the
43 County, and for the further reason that this Resolution is required to be immediately effective in
44 order to authorize the Bonds as soon as practicable.

45 SECTION 9. Effective Date. Provided this resolution receives the affirmative vote of
46 eight members, it shall take effect immediately upon its adoption and approval by the County
47 Executive; otherwise, it shall take effect and be in force at the earliest time provided by law.

RESOLUTION NO: 2015-421

PAGE SEVEN

1 SECTION 10. Compliance with Open Meeting Requirements. This Council finds and
2 determines that all formal actions of this Council and of any of its committees concerning and
3 relating to the adoption of this Resolution were taken, and that all deliberations of this Council and
4 of any of its committees that resulted in those formal actions were held in meetings open to the
5 public in compliance with the law.

6
7 INTRODUCED September 21, 2015

8
9 ADOPTED OCTOBER 5, 2015

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12 
13 _____
14 CLERK OF COUNCIL


15 _____
16 PRESIDENT OF COUNCIL

17 APPROVED OCTOBER 6, 2015

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19 
20 _____
EXECUTIVE

OCTOBER 6, 2015
ENACTED EFFECTIVE

Voice Vote: 11-0 YES: Comunale, Crawford, Donofrio, Feeman, Kostandaras, Kurt,
Lee, Prentice, Rodgers, Schmidt, Shapiro