



Lexington-Fayette Urban County Government

200 E. Main St
Lexington, KY 40507

Legislation Details (With Text)

File #: 1023-16 **Version:** 1 **Name:** Providence Montessori Refunding Bonds
Type: Resolution **Status:** Approved
File created: 9/6/2016 **In control:** Urban County Council
On agenda: 9/29/2016 **Final action:** 9/29/2016
Enactment date: 9/29/2016 **Enactment #:** R-596-2016

Title: A Resolution of the Lexington-Fayette Urban County Government approving the execution and delivery by the City of Midway, Ky. of its City of Midway, Ky., Educational Facilities Refunding Revenue Bond, Series 2016 (Providence Montessori School, Inc. Project) in an amount not to exceed \$1,800,000, and the use of the proceeds thereof (a) to refinance the outstanding City of Midway, Ky., Educational Facilities Refunding Revenue Bond, Series 2012 (Providence Montessori School, Inc. Project), (b) to refinance an outstanding taxable bank loan between the borrower and Fifth Third Bank, Lexington, Ky., previously incurred to finance the acquisition of the borrower's facilities located at 519 West Fourth Street, Lexington, Ky. 40508, (c) to refinance an outstanding taxable bank loan between the borrower and Fifth Third Bank, Lexington, Ky., previously incurred to finance the acquisition of the borrower's real properties located at 1203 and 1207 Texaco Rd., Lexington, Ky. 40508, and (d) to pay costs of issuance of the Series 2016 Bond. [Mayor's Office, Atkins] Public Hearing on Sept. 29, 2016 at 6 p.m.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Providence Montessori Bluesheet Memo.pdf, 2. RESOLUTION - 596-2016.pdf

Date	Ver.	Action By	Action	Result
9/29/2016	1	Urban County Council	Approved	Pass
9/15/2016	1	Urban County Council	Received First Reading	
9/13/2016	1	Urban County Council Work Session	Approved and Referred to Docket	Pass

A Resolution of the Lexington-Fayette Urban County Government approving the execution and delivery by the City of Midway, Ky. of its City of Midway, Ky., Educational Facilities Refunding Revenue Bond, Series 2016 (Providence Montessori School, Inc. Project) in an amount not to exceed \$1,800,000, and the use of the proceeds thereof (a) to refinance the outstanding City of Midway, Ky., Educational Facilities Refunding Revenue Bond, Series 2012 (Providence Montessori School, Inc. Project), (b) to refinance an outstanding taxable bank loan between the borrower and Fifth Third Bank, Lexington, Ky., previously incurred to finance the acquisition of the borrower's facilities located at 519 West Fourth Street, Lexington, Ky. 40508, (c) to refinance an outstanding taxable bank loan between the borrower and Fifth Third Bank, Lexington, Ky., previously incurred to finance the acquisition of the borrower's real properties located at 1203 and 1207 Texaco Rd., Lexington, Ky. 40508, and (d) to pay costs of issuance of the Series 2016 Bond. [Mayor's Office, Atkins] **Public Hearing on Sept. 29, 2016 at 6 p.m.**

Authorization to execute a resolution to support tax-exempt bond refunding of Providence Montessori

School 2012 Bonds to be issued by the City of Midway. LFUCG is required to issue a resolution of support for tax-exempt bond projects that are located in Lexington-Fayette County, even if it is not the issuer for those bonds. There is no budgetary impact. (L1023-16)(Atkins)

Budgetary Implications: No

Advance Document Review:

Law: Yes, Completed by Attorney Barberie

Fully Budgeted:

Account Number:

This Fiscal Year Impact: \$

Annual Impact: \$

Project:

Activity:

Budget Reference:

Current Balance:

WHEREAS, the City of Midway, Kentucky (the “**Issuer**”), pursuant to the provisions of Sections 103.200 to 103.285, inclusive, of the Kentucky Revised Statutes, as amended (the “**Act**”), proposes to execute and deliver, for the benefit of Providence Montessori School, Inc. (the “**Borrower**”), a nonprofit corporation organized and existing under the laws of the Commonwealth of Kentucky and exempt from federal income taxes as an organization described and designated by the Internal Revenue Service under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”), its City of Midway, Kentucky, Educational Facilities Refunding Revenue Bond, Series 2016 (Providence Montessori School, Inc. Project) in an amount not to exceed \$1,800,000 (the “**Series 2016 Bond**”); and

WHEREAS, the Issuer, pursuant to the Act, proposes to use the proceeds of the Series 2016 Bond (a) to refinance the outstanding City of Midway, Kentucky, Educational Facilities Refunding Revenue Bond, Series 2012 (Providence Montessori School, Inc. Project), previously issued by the Issuer to refinance improvements to the Borrower’s facility located at 1209 Texaco Road, Lexington, Kentucky 40508, (b) to refinance an outstanding taxable bank loan between the Borrower and Fifth Third Bank, Lexington, Kentucky, previously incurred by the Borrower to finance the acquisition of the Borrower’s facility located at 519 West Fourth Street, Lexington, Kentucky 40508, (c) to refinance an outstanding taxable bank loan between the Borrower and Fifth Third Bank, Lexington, Kentucky, previously incurred by the Borrower to finance the acquisition of the Borrower’s real properties located at 1203 and 1207 Texaco Road, Lexington, Kentucky 40508, and (d) to pay costs of issuance of the Series 2016 Bond; and

WHEREAS, Code Section 147 requires public approval by the governmental unit having jurisdiction over the area in which the facilities being financed or refinanced using tax-exempt bond proceeds are located; and

WHEREAS, a public hearing of the Lexington-Fayette Urban County Government (“**LFUCG**”)

concerning the Issuer's proposed issuance, execution, and delivery of the Series 2016 Bond for the Borrower's use and benefit was convened, following duly published notice thereof, on September 29, 2016, at the Government Center, 2nd Floor, 200 East Main Street, Lexington, Kentucky 40507, at 6:00 p.m. local time; and

WHEREAS, the Mayor presided at the hearing and called for public comment, and there being none, the hearing was closed.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1. It is hereby found, determined, and declared that (a) the recitals set forth in the preamble to this Resolution, which are incorporated in this Section 1 by reference, are true and correct; and that, upon the basis of the foregoing public hearing, the documentation submitted to LFUCG and other evidence, LFUCG, by and through its Urban County Council, as its elected legislative body, being sufficiently advised, hereby approves the facilities being refinanced using the proceeds of the Series 2016 Bond and the execution and delivery of the Series 2016 Bond, all within the meaning of Code Section 147.

Section 2. Any requirement that the Project be reviewed by the Urban County's Economic Development Investment Board is hereby waived.

Section 3. The Mayor, the Clerk of the Urban County Council, and other appropriate Urban County Government officials are hereby authorized, empowered, and directed for and on behalf of the Urban County Government to execute all papers, documents, certificates, and other instruments that may be required for the carrying out and effectuation of the authority conferred by and the purposes of this Resolution, or to evidence said authority and purposes.

Section 4. THE SERIES 2016 BOND SHALL NOT REPRESENT OR CONSTITUTE A DEBT OR PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT, THE CITY OF MIDWAY, KENTUCKY, THE COMMONWEALTH OF KENTUCKY, OR ANY POLITICAL AGENCY OR SUBDIVISION THEREOF.

Section 5. To the extent any prior resolution or ordinance is in conflict with this Resolution, the provisions of this Resolution shall prevail and be given effect.

Section 6. This Resolution shall be effective on the date of its passage.

[Signature Page To Follow]

[Signature Page To Resolution Of The Urban County Council]

ADOPTED by the Urban County Council of the Lexington-Fayette Urban County Government on September 29, 2016, signed by the Mayor, attested by the Clerk of the Urban County Council, and declared to be in full force and effect.

Jim Gray
Mayor

Attest:

Martha Allen
Clerk of the Urban County Council

CERTIFICATION

The undersigned Clerk of the Urban County Council of the Lexington-Fayette Urban County Government hereby certifies that the foregoing is a true copy of a Resolution duly adopted by the Urban City Council at a properly convened meeting held on September 29, 2016.

WITNESS my hand this September 29, 2016.

Martha Allen
Clerk of the Urban County Council

SYNOPSIS CERTIFICATION

I hereby certify that the title to the foregoing Resolution contains an accurate synopsis of the contents thereof and may be used to satisfy the reading and publication requirements of the law.

Mark S. Franklin
Stoll Keenon Ogden PLLC
500 West Jefferson Street, Suite 2000
Louisville, Kentucky 40202

RECORD OF PUBLIC HEARING AND APPROVAL OF BOND ISSUE

BY LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

City of Midway, Kentucky,

Educational Facilities Refunding Revenue Bond, Series 2016

(Providence Montessori School, Inc. Project)

September 29, 2016

The Urban County Council of the Lexington-Fayette Urban County Government (“**LFUCG**”) held a public hearing on September 29, 2016 at 6:00 p.m. local time at the Government Center, 2nd Floor, 200 E. Main Street, Lexington, Kentucky regarding the issuance by the City of Midway, Kentucky (the “**Issuer**”) of the City of Midway, Kentucky, Educational Facilities Refunding Revenue Bond, Series 2016 (Providence Montessori School, Inc. Project) in an aggregate principal amount not to exceed \$1,800,000 (the “**Series 2016 Bond**”).

The Issuer will loan the proceeds of the Series 2016 Bond to Providence Montessori School, Inc., a

Kentucky nonprofit corporation (the “**Borrower**”), pursuant to the terms of a Bond Purchase And Loan Agreement to be entered into between the Issuer, the Borrower, and United Bank & Trust Company, Versailles, Kentucky, as the purchaser of the Series 2016 Bond (the “**Bondholder**”). Proceeds of the Series 2016 Bond will be utilized to refinance the outstanding City of Midway, Kentucky, Educational Facilities Refunding Revenue Bond, Series 2012 (Providence Montessori School, Inc. Project), previously issued by the Issuer to refinance improvements to the Borrower’s facility located at 1209 Texaco Road, Lexington, Kentucky 40508, (b) to refinance an outstanding taxable bank loan between the Borrower and the Bondholder, previously incurred to finance the acquisition of the Borrower’s facility located at 519 West Fourth Street, Lexington, Kentucky 40508, (c) to refinance an outstanding taxable bank loan between the Borrower and Fifth Third Bank, Lexington, Kentucky, previously incurred by the Borrower to finance the acquisition of the Borrower’s real properties located at 1203 and 1207 Texaco Road, Lexington, Kentucky 40508, and (d) to pay costs of issuance of the Series 2016 Bond. The Issuer published a notice informing the public regarding the date, time, location, and subject matter of the public hearing in The Lexington Herald-Leader on September 13, 2016.

LFUCG’s Mayor, Jim Gray, presided over the public hearing, called for public comment, and closed the hearing after no public comment was provided.

The undersigned hereby certifies that the foregoing is a true and complete copy of the record of a public hearing conducted by LFUCG on September 29, 2016, and that, upon the basis of the foregoing public hearing, the documentation submitted to LFUCG and other evidence, the undersigned, as Mayor and LFUCG’s chief elected officer, being sufficiently advised, has heretofore approved and does hereby approve the Issuer’s issuance, execution, and delivery of the Series 2016 Bond and the projects being refinanced thereby.

[Signature Page To Follow]

[Signature Page To Record Of Public Hearing And Approval Of Bond Issue

By Lexington-Fayette Urban County Government]

WITNESS my hand as of the date first set out above.

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT**

By:

Jim Gray
Mayor

Attest:

Martha Allen
Clerk of the Urban County Council