

RESOLUTION NO. _____

A RESOLUTION OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT DIRECTING THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT PUBLIC FACILITIES CORPORATION TO TAKE CERTAIN FORMAL ACTIONS AS THE AGENCY AND INSTRUMENTALITY AND AS THE CONSTITUTED AUTHORITY OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT; SPECIFICALLY DIRECTING THE ISSUANCE OF AND AUTHORIZING AND APPROVING LEASE REVENUE REFUNDING BONDS (EASTERN STATE HOSPITAL PROJECT), SERIES 2021 (THE “SERIES 2021 BONDS”) OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT PUBLIC FACILITIES CORPORATION; AND AUTHORIZING OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the Lexington-Fayette Urban County Government Public Facilities Corporation (the “Corporation”), a nonprofit, no-stock corporation, has been duly organized and created pursuant to the provisions of Kentucky law to act as the agency and instrumentality of the Lexington-Fayette Urban County Government in the planning, development, construction, installation and financing of public governmental projects, as provided by Chapter 58 of the Kentucky Revised Statutes;

WHEREAS, the Lexington-Fayette Urban County Government has in cooperation with the Finance and Administration Cabinet of the Commonwealth of Kentucky (“FAC”) and the Cabinet For Health and Family Services of the Commonwealth of Kentucky (“CHFS”), has previously approved the issuance by the Corporation of Lease Revenue Bonds, Series 2011A, (Eastern State Hospital Project), dated June 28, 2011 (the “Series 2011A Bonds”) issued in the original principal amount of \$138,635,000 which were issued for the purpose of financing the design, construction, equipping, furnishing and installation of a new state mental health facility to replace Eastern State Hospital to be located at the University of Kentucky's Coldstream Campus on Newtown Pike in Fayette County, Kentucky (the “Project”); and

WHEREAS, the Lexington-Fayette Urban County Government has determined that it is appropriate at this time that (a) the Corporation act as the Lexington-Fayette Urban County Government's agency, instrumentality and constituted authority in connection with the issuance of Lexington-Fayette Urban County Government Public Facilities Corporation Lease Revenue Refunding Bonds, Series 2021 (Eastern State Hospital Project) in an aggregate principal amount of approximately \$105,000,000 (the “Series 2021 Bonds”) for the purpose of (i) refinancing and refunding all or a portion of the outstanding Series 2011A Bonds in order to achieve interest cost savings; and (ii) paying certain costs related to the issuance of the Series 2021 Bonds; and (b) the Corporation formally authorize such issuance.

NOW THEREFORE, BE IT RESOLVED BY THE URBAN COUNTY COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT (THE “URBAN COUNTY COUNCIL”), AS FOLLOWS:

SECTION 1. The Lexington-Fayette Urban County Government hereby finds that the refinancing and refunding all or a portion of the Series 2011A Bonds accomplishes a proper public purpose of the Lexington-Fayette Urban County Government.

SECTION 2. The Corporation, acting as the agency and instrumentality and the constituted authority of the Lexington-Fayette Urban County Government, is hereby directed to forthwith adopt such resolutions and such orders and take such actions as may be necessary for the formal authorization by the Corporation of \$105,000,000 principal amount of “Lexington-Fayette Urban County Government Public Facilities Corporation Lease Revenue Refunding Bonds, Series 2021 (Eastern State Hospital Project)” (the “Series 2021 Bonds”), to be dated appropriately in accordance with their date of sale and delivery, with such series designation as may be deemed appropriate. The maturity, security provisions, redemption provisions, form of Series 2021 Bonds, conditions of sale and all other terms and provisions incident to the Series 2021 Bonds shall be in accordance with the provisions which are set forth in the Amended Lease Agreement, as hereinafter defined.

SECTION 3. The Lexington-Fayette Urban County Government hereby directs and approves the issuance, sale and delivery by the Corporation of the Series 2021 Bonds, pursuant to a forward delivery agreement with respect to the Series 2021 Bonds, with an expected closing date to be on or after June 1, 2021. In addition, the Lexington-Fayette Urban County Government directs and approves the application of the proceeds of the Series 2021 Bonds to the purposes set forth and described in the Bond Resolution of the Board of Directors of the Corporation of even date herewith (the “Bond Resolution”), and in the Amended Lease Agreement hereinafter referred to and described. The Lexington-Fayette Urban County Government hereby authorizes and approves the issue of Series 2021 Bonds, as specifically defined and described in the Bond Resolution.

SECTION 4. It is acknowledged that the Series 2021 Bonds are to be issued by the Corporation, pursuant to the Bond Resolution, acting as the agency and instrumentality of the Lexington-Fayette Urban County Government, and as the constituted authority thereof, for the purpose of providing funds for the financing of the construction, equipping, furnishing and installation of the Project as defined in the Amended Lease Agreement, and that the Project has been and is being financed, acquired and constructed for public use.

SECTION 5. In connection with the Project, the Corporation has previously secured a leasehold interest in the real estate on which the Project is located (the “Project Site”) from FAC pursuant to a Ground Lease, dated as of June 1, 2011 (the “Ground Lease”). The Ground Lease and any amendments thereto, is hereby expressly approved. The Corporation, acting as the agency, instrumentality and constituted authority of the Lexington-Fayette Urban County Government, is hereby authorized to execute any amendments to the Ground Lease. The Ground Lease and any amendments thereto as so executed on behalf of the Lexington-Fayette Urban County Government shall be tendered to the Corporation and FAC in connection with the issuance of the Series 2021 Bonds and upon execution thereof by the Corporation and FAC shall be duly recorded in the office of the Fayette County Clerk.

SECTION 6. The Project has previously been leased to CHFS and FAC, pursuant to the Lease Agreement, dated as of June 1, 2011 (the “Lease”) which Lease shall be amended and supplemented by an Amended and Supplemented Lease Agreement dated as of December ___, 2019 (the “Amended Lease Agreement”) by and among the Corporation, CHFS and FAC, providing for the payment of Rent (as defined in the Amended Lease Agreement) for the Project by CHFS, with exclusive options to renew the same from July 1 of each even numbered year to June 30 of each next succeeding even numbered year (a “Biennial Period”) for one Biennial Period at a time upon the terms and conditions therein expressed, is hereby expressly ratified and

affirmed. Such Rent payments shall be assigned to the trustee for the Series 2021 Bonds, for the payment of principal and interest due on the Series 2011A Bonds, pursuant to the Bond Resolution with respect to the Series 2021 Bonds adopted by the Corporation. The Amended Lease Agreement is hereby expressly approved. The Corporation, acting as the agency, instrumentality and constituted authority of the Lexington-Fayette Urban County Government, is hereby authorized to execute the Amended Lease Agreement. The Amended Lease Agreement as so executed on behalf of the Lexington-Fayette Urban County Government shall be tendered to the Corporation, CHFS and FAC in connection with the issuance of the Series 2021 Bonds and upon execution thereof by the Corporation, CHFS and FAC shall be duly recorded in the office of the Fayette County Clerk.

SECTION 7. In accordance with Rule 15c2-12, as amended, of the Securities and Exchange Commission (the “Rule”), the Lexington-Fayette Urban County Government hereby covenants and agrees that the Corporation will, and will require that CHFS and FAC on behalf of the Commonwealth will, execute, comply with and carry out all provisions of a continuing disclosure agreement with respect to the Series 2021 Bonds (the “Disclosure Agreement”), among the Corporation, CHFS and FAC, if necessary, in the usual and customary form. The Lexington-Fayette Urban County Government further hereby authorizes and directs the Corporation to execute the Disclosure Agreement (if required) in connection with the issuance of the Series 2021 Bonds.

SECTION 8. In addition, to the extent that the Corporation has previously adopted the Bond Resolution, authorizing the issuance of the Series 2021 Bonds, the Ground Lease, the Amended Lease Agreement, a Forward Delivery Agreement, the Continuing Disclosure Agreement (if necessary) and all other documents and certificates related thereto, such actions are hereby ratified.

SECTION 9. In connection with the undertaking and implementation by the Corporation of the financing herein described, which is hereby expressly directed, the Corporation, its Board of Directors and its officers are hereby authorized and directed to continue to take and carry out any and all necessary, desirable or appropriate actions to effect such acquisition, construction, installation and financing.

SECTION 10. Raymond James & Associates, Inc., Lexington, Kentucky, is hereby designated as Financial Advisor and Dinsmore & Shohl; LLP, Louisville, Kentucky, is hereby designated as Bond Counsel for the Series 2021 Bonds.

SECTION 11. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions.

SECTION 12. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

SECTION 13. This Resolution shall be in full force and effect from and after its adoption and publication of a summary thereof as provided by law.

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INTRODUCED AND GIVEN FIRST READING AND SECOND READING AND ADOPTED at a duly convened meeting of the Urban County Council of the Lexington-Fayette Urban County Government on the ____ day of _____, 2019.

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT**

By: _____
Linda Gorton
Mayor

ATTEST:

Samantha Coleman
Deputy Clerk of the Urban County
Council of the Lexington-Fayette Urban
County Government

CERTIFICATE

I, the undersigned, Urban County Council Clerk of the Lexington-Fayette Urban County Government, do hereby certify that the foregoing Resolution is a true and complete copy of a certain Resolution duly adopted by the Urban County Council of said Lexington-Fayette Urban County Government at a lawfully convened meeting of the Urban County Council of the Lexington-Fayette Urban County Government held on _____, 2011, signed by the Mayor and now in full force and effect, all as appears from the official records of the Lexington-Fayette Urban County Government in my possession and under my control.

I do hereby further certify that said Resolution has not been amended, modified, superseded or repealed and that same remains in full force and effect as of the date of this Certificate.

WITNESS my hand as of this ____ day of _____, 2011.

Susan Lamb
Urban County Council Clerk

CERTIFICATE

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

PECK, SHAFFER & WILLIAMS LLP

John C. Merchant, Esq.