



Lexington-Fayette Urban County Government

200 E. Main St
Lexington, KY 40507

Legislation Details (With Text)

File #: 1229-15 **Version:** 1 **Name:** Christian Care Communities Support Resolution
Type: Resolution **Status:** Approved
File created: 9/30/2015 **In control:** Urban County Council
On agenda: 10/8/2015 **Final action:** 10/8/2015
Enactment date: 10/8/2015 **Enactment #:** R-622-2015

Title: Resolution of the Lexington-Fayette Urban County Government, requesting that the Ky. Economic Development Finance Authority adopt a resolution providing for the issuance of revenue bonds in an amount not to exceed \$50,000,000, the proceeds of which will be loaned to Christian Care Communities, Inc., a Ky. nonprofit organization, and/or one or more affiliates, with facilities located within the boundaries of Fayette County, to finance and refinance the acquisition, construction and equipping of certain facilities consisting of health care and health related facilities and waiving certain requirements of the Urban County Government's Industrial Revenue/Housing Bond Policies and Guidelines. [Mayor's Office, Atkins]

Sponsors:

Indexes:

Code sections:

Attachments: 1. Christian Care Communities Bluesheet Memo, 2. RESOLUTION - 622-2015

Date	Ver.	Action By	Action	Result
10/8/2015	1	Urban County Council		
10/8/2015	1	Urban County Council		
10/8/2015	1	Urban County Council		
10/6/2015	1	Urban County Council Work Session	Approved and Referred to Docket	Pass

Resolution of the Lexington-Fayette Urban County Government, requesting that the Ky. Economic Development Finance Authority adopt a resolution providing for the issuance of revenue bonds in an amount not to exceed \$50,000,000, the proceeds of which will be loaned to Christian Care Communities, Inc., a Ky. nonprofit organization, and/or one or more affiliates, with facilities located within the boundaries of Fayette County, to finance and refinance the acquisition, construction and equipping of certain facilities consisting of health care and health related facilities and waiving certain requirements of the Urban County Government's Industrial Revenue/Housing Bond Policies and Guidelines. [Mayor's Office, Atkins]

Authorization to send a resolution to the Kentucky Economic Development Finance Authority requesting they provide for the issuance of revenue bonds for the support of Christian Care Communities, Inc. The LFUCG is required to issue a resolution in support of an industrial revenue bond project in Lexington-Fayette County if the project is being financed by another agency within Kentucky. There is no budgetary impact to the LFUCG. (L1229-15)(Atkins)

Budgetary Implications [select]: NO

Advance Document Review:

Law: { Yes, Completed by Dave Barberie)

Risk Management: {Select Yes/No, Completed by [Official, Date]}

Fully Budgeted [select]: N/A

Account Number:

This Fiscal Year Impact: \$

Annual Impact: \$

Project:

Activity:

Budget Reference:

Current Balance:

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 Authority's \$14,850,000 Variable Rate Demand Health Care Revenue Refunding Bonds (Christian Care Communities, Inc. Obligated Group), Series 2007 (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 "Project"), (ii) finance the reimbursement of certain costs paid by the Borrower in connection with the acquisition, construction and equipping of the Project and (iii) pay issuance costs, through the issuance by the Authority of its Healthcare Facilities Revenue Bonds, Series 2015 (Christian Care Communities, Inc. Obligated Group) (the "Bonds"), the proceeds of which would be loaned to the Borrower to provide the funds to refinance the Prior Debt, reimburse the Borrower for costs of the Project and pay issuance costs; 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 Lexington, Fayette County, Kentucky and wishes to enter into a loan or financing agreement with the Authority to meet its financing needs; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE LEXINGTON - FAYETTE URBAN COUNTY COUNCIL (THE "URBAN COUNTY COUNCIL"), AS FOLLOWS:

SECTION 1. That this Urban County 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* 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, reimburse the Borrower for costs of the Project 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. That the Urban County Council determines that all formal actions relative to the adoption of this Resolution were taken in open meetings of the Urban County Council, and that all deliberations of the Urban County 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 3. That the Urban County Council hereby waives the alternate bond issuer review process contained in the Urban County Government's Industrial Revenue/Housing Bond Policies and Guidelines.

SECTION 4. That the Bonds shall be special and limited obligations of the Kentucky Economic Development Finance Authority and do not and shall not represent or constitute a debt or pledge of the faith and credit of the Urban County Council.

SECTION 5. That this Resolution shall be in full force and effect upon adoption, as provided by law.

PASSED, Urban County Council: September 24, 2015.

INTRODUCED, SECONDED AND ADOPTED AT A MEETING OF the Urban County Council held on the 24th day of September 2015 and on the same occasion, signed in open session by the Mayor as evidence of his approval, attested by the Clerk of the Urban County. Council, ordered filed as required by law and declared to be in full force and effect.

Mayor

ATTEST:

Clerk of Urban County Council

PUBLISHED: September ___ 2015

CERTIFICATE

The undersigned certifies that she is the duly appointed Clerk of the Lexington-Fayette Urban County Council, that the foregoing Resolution was duly enacted at a regular meeting of said Council held on September 24, 2015, that all actions taken in connection with such Resolution were in compliance with the requirements of KRS 61.810, 61.515, 61.820, and 61.825, and that said Resolution is now in full force and effect, all as appears from the official records in my custody and under my control.

WITNESSETH my hand and the seal of the Lexington-Fayette Urban County Government this 24th day of September, 2015.

Clerk of the Urban County Council

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.

ICE MILLER LLP
