



Resolution No. 2016 F-102

City of Minneapolis

File No. 16-00361

By Goodman

**Consenting to and approving the issuance by the City of St. Louis Park, Minnesota, of revenue obligations to finance and refinance certain facilities located in the City for the benefit of Mount Olivet Careview Home and Mount Olivet Home.**

Whereas, Mount Olivet Careview Home, a Minnesota nonprofit corporation ("Mount Olivet Careview"), and Mount Olivet Home, a Minnesota nonprofit corporation ("Mount Olivet Home"), or any of their affiliates (collectively, the "Borrower"), have proposed that the City of St. Louis Park, Minnesota (the "City of St. Louis Park") issue its revenue obligations, in or more series, as taxable or tax-exempt obligations (the "Bonds"), in an aggregate principal amount not to exceed \$33,000,000, and apply the proceeds thereof, along with other available funds, to (i) refinance the Mount Olivet Home, a 94-bed boarding care facility (the "Care Facility") located at 5517 Lyndale Avenue South in the City of Minneapolis (the "City") through the redemption and prepayment of the outstanding Revenue Bond (Mount Olivet Home Project), Series 2011 (the "Prior Bond"), issued by the Minneapolis Community Development Agency in the original aggregate principal amount of \$5,971,000; (ii) finance the acquisition, construction, and equipping of a new 36,000 square foot addition to the Mount Olivet Careview Home, a 153-bed licensed skilled nursing facility (the "Skilled Nursing Facility") located at 603 West 55<sup>th</sup> Street in the City; (iii) finance the remodeling of approximately 51,000 square feet of the existing Skilled Nursing Facility; (iv) fund debt service reserve funds; (v) finance capitalized interest during the construction of the addition to the Skilled Nursing Facility and remodeling of the Skilled Nursing Facility (the "New Construction"); and (vi) pay costs of issuance of the Bonds; and

Whereas, proceeds of the Prior Bond were loaned to Mount Olivet Home to refund the Health Care Facilities Revenue Bonds (Mount Olivet Home Project), Series 2003, issued by the City in the original aggregate principal amount of \$7,500,000, the proceeds of which financed the construction of improvements to the Care Facility; and

Whereas, the Care Facility is owned and operated by Mount Olivet Home, and the Skilled Nursing Facility is owned and operated by Mount Olivet Careview; and

Whereas, pursuant to Minnesota Statutes, Section 471.656, as amended, a city may issue obligations to finance and refinance the acquisition or improvement of property located outside of the corporate boundaries of such city if the obligations are issued under a joint powers agreement in which one or more of the parties to the joint powers agreement issue such obligations and the property is located entirely within the boundaries of one or more of the parties to the joint powers agreement; and

Whereas, pursuant to Minnesota Statutes, Section 471.59, as amended, by the terms of a joint powers agreement entered into through action of their governing bodies, two municipalities may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised and the joint powers agreement may provide for the exercise of such powers by one or more of the participating municipalities on behalf of the other participating municipalities; and

Whereas, there has been presented before the City Council a form of Cooperative Agreement, to be dated on or after April 1, 2016 (the "Cooperative Agreement"), proposed to be entered into between the City of St. Louis Park and the City, pursuant to which the City, as host city, will consent to the issuance of the Bonds, the refunding of the Prior Bond, the refinancing of the Care Facility, and the financing of the New Construction to the Skilled Nursing Facility (collectively, the "Project") by the City of St. Louis Park, and the City of St. Louis Park will agree to issue the Bonds; and

Whereas, a notice of public hearing (the "Public Notice") was published at least fourteen (14) days before the regularly scheduled meeting of the Community Development & Regulatory Services Committee of the Minneapolis City Council in *Finance and Commerce*, the official newspaper of the City, and the *Star Tribune*, a newspaper circulating generally in the City, with respect to the required public hearing under Section 147(f) of the Code; and

Whereas, on March 22, 2016, the Community Development and Regulatory Services Committee of the City Council conducted a duly noticed public hearing on the issuance of the Bonds and the Project;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the City Council hereby consents to the issuance of the Bonds by the City of St. Louis Park for the purposes of (i) refinancing the Care Facility through the redemption and prepayment of the Prior Bond; (ii) financing the New Construction to the Skilled Nursing Facility; (iv) funding debt service reserve funds; (v) financing capitalized interest during the construction of the addition to and the remodeling of the Skilled Nursing Facility; and (vi) paying costs of issuance of the Bonds.

Be It Further Resolved that the Bonds will not constitute a general or moral obligation of the City nor be secured by any taxing power of the City.

Be It Further Resolved that the City has determined that it is in the best interest of the City to approve the issuance of the Bonds by the City of St. Louis Park for the purposes of financing the Project.

Be It Further Resolved that the Finance Officer of the City, Interim Finance Officer of the City, and any persons exercising the powers of the Finance Officer (collectively, the "Finance Officer") or his or her authorized delegate is hereby authorized and directed to execute the Cooperative Agreement, and when executed and delivered as authorized herein, the Cooperative Agreement shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Cooperative Agreement shall be substantially in the form on file with the City on the date hereof, which is hereby approved, with such necessary variations, omissions, and insertions as are not materially inconsistent with such forms and as the officers of the City, in their discretion, shall determine; provided that the execution thereof by the officers of the City shall be conclusive evidence of such determination.

Be It Further Resolved that officers, employees, and agents of the City are hereby authorized and directed to prepare and furnish to Kennedy & Graven, Chartered, as Bond Counsel, and to the purchasers of the Bonds certified copies of all proceedings and records of the City relating to the approval of the Bonds, including a certification of this resolution. Such officers, employees, and agents are hereby authorized to execute and deliver, on behalf of the City, all other certificates, instruments, and other written documents that may be requested by Bond Counsel, the purchasers of the Bonds, or other persons or entities in conjunction with the issuance of the Bonds.

Be It Further Resolved that the Corporation will pay and upon demand, reimburse the City for payment of, any and all costs incurred by the City in connection with this resolution and the execution of the Cooperative Agreement whether or not the Bonds are issued.

Be It Further Resolved that this resolution shall take effect and be in force from and after its approval and publication. Pursuant to Chapter 4, Section 9, of the Charter of the City, only the title of this resolution and a summary of this resolution conforming to Minnesota Statutes, Section 331A.01, subdivision 10, shall be published in the official paper of the City.

Committee: CDRS Public Hearing: 3/22/2016 Publication: APR 09 2016

RECORD OF COUNCIL VOTE				
MEMBER	AYE	NAY	ABSTAIN	ABSENT
REICH	X			
GORDON	X			
FREY	X			
B. JOHNSON	X			
YANG	X			
WARSAME	X			
GOODMAN	X			
GLIDDEN	X			
CANO	X			
BENDER	X			
QUINCY	X			
A. JOHNSON	X			
PALMISANO	X			
DATE:	APR 01 2016			

APPROVED  VETOED

  
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 MAYOR HODGES  
**APR 04 2016**  
 \_\_\_\_\_  
 DATE

*Certified an official action of the City Council*

ATTEST:

  
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 CITY CLERK

Presented to the Mayor:	<b>APR 01 2016</b>	Received from the Mayor:	<b>APR 06 2016</b>
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