

RESOLUTION NO. 2018-052
RESOLUTION GIVING HOST APPROVAL TO THE ISSUANCE
OF SENIOR HOUSING FACILITY REVENUE BONDS
BENEDICTINE LIVING COMMUNITY OF NORTHFIELD LLC PROJECT)
BY THE CITY OF RED WING, MINNESOTA

BE IT RESOLVED, by the City Council (the “Council”) of the City of Northfield, Minnesota (the “City”) as follows:

Section 1. Description of the Project.

(a) Benedictine Living Community of Northfield LLC, a Minnesota nonprofit corporation (the “Borrower”), has proposed that the City of Red Wing (the “Issuer”) issue revenue bonds under Minnesota Statutes, Chapter 462C (the “Act”), in one or more series, in an aggregate principal amount not to exceed \$25,000,000 (the “Bonds”) to (i) finance the acquisition, construction and equipping of an approximately 97 unit independent living, assisted living and memory care facility to be located adjacent to and immediately to the west of Northfield Hospital and Clinics located at 2000 North Avenue, Northfield, Minnesota (the “Project”); (ii) fund capitalized interest during the construction of the Project; and (iv) pay the costs of issuance for the Bonds. The Project will be owned and operated by the Borrower.

(b) The City has been advised that the Bonds or other obligations, as and when issued, will not constitute a charge, lien or encumbrance upon any property of the City or the Issuer, except upon the Project and the revenues to be derived from the Project. Such Bonds or obligations will not be a charge against the general credit or taxing powers of the City or the Issuer, but are payable from sums to be paid by the Borrower pursuant to a revenue agreement.

Section 2. Recital of Representations Made by the Borrower.

(a) The Borrower has agreed to pay any and all costs incurred by the City in connection with the issuance of the Bonds, whether or not such issuance is carried to completion.

(b) The Borrower has represented to the City that no public official of the City has either a direct or indirect financial interest in the Project nor will any public official either directly or indirectly benefit financially from the Project.

Section 3. Public Hearing.

(a) As required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) a Notice of Public Hearing was published in a newspaper of general circulation in the City, for a public hearing on the proposed issuance of the Bonds to finance the Project.

(b) As required by the Act and Section 147(f) of the Code the City Council has on this date held a public hearing on the proposed issuance of the Bonds to finance the Project, which are located within the jurisdictional limits of the City, at which all those appearing who desired to speak were heard and written comments were accepted.

Section 4. Cooperative Agreement; Housing Program.

(a) Pursuant to Minnesota Statutes, Section 471.59, as amended, by agreement entered into through action of their governing bodies, two cities 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. Pursuant to a joint powers and allocation agreement between the City and the Issuer to be dated on or after June 1, 2018 (the "Cooperative Agreement"), the City will consent to the issuance of the Bonds and the financing of the Project by the Issuer and the Issuer will agree to issue the Bonds to finance the Project.

(b) Pursuant to the Cooperative Agreement the Issuer and the City have designated the housing program adopted by the Issuer (the "Housing Program") as the Housing Program for the Project. A copy of the Housing Program was on file and available to the public at the public hearing held by the City on this date. The City finds that the preservation of the quality of life in the City is in part dependent upon the maintenance and provision of adequate, decent, safe, sanitary, and affordable housing stock; that accomplishing the goals of the Housing Program is a public purpose and will benefit the residents of the City; that the need exists within the City to provide in a timely fashion additional affordable rental housing to and for the benefit of elderly persons residing and expected to reside within the City; that there exist or are expected to exist persons within the City who are and will be able to benefit from and are in need of the Housing Program; and that the Housing Program is necessary in view of the limited resources that may be available to such persons relative to the expenses involved in accomplishing the type of objectives outlined in the Housing Program in the absence of one or more of the forms of assistance described therein or otherwise available pursuant to the Act.

(c) The Cooperative Agreement is hereby approved and the Mayor and the City Clerk are hereby authorized to execute and deliver such agreement in substantially the form on file with the City, together with such omissions and insertions as do not materially change the substance thereof, or as the Mayor and the City Clerk, in their discretion, shall determine are appropriate and in the best interests of the City, and the execution of the Cooperative Agreement by the Mayor and the City Clerk shall be conclusive evidence of such determination.

Section 5. Host Approval. The City Council hereby gives the host approval required under Section 147(f) of the Code, pursuant to Minnesota Statutes §471.656, Subd. 2(2), the City Council hereby consents to the issuance of the Bonds, and pursuant to the Act, the City Council hereby consents to financing the Project. This host approval and consent are conditioned upon the execution and delivery by both parties to the Cooperative Agreement.

PASSED by the City Council of the City of Northfield, Minnesota, this 15th day of May, 2018.

ATTEST:

City Clerk

Mayor

VOTE: ___ POWNELL ___ DELONG ___ COLBY ___ NAKASIAN
 ___ PETERSON WHITE ___ NESS ___ ZWEIFEL

STATE OF MINNESOTA
COUNTIES OF DAKOTA AND RICE
CITY OF NORTHFIELD

I, the undersigned, being the duly qualified and acting City Clerk of the City of Northfield, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City duly called and held on the date therein indicated, insofar as such minutes relate to granting host approval to the issuance of revenue bonds to finance a senior housing project in the City.

WITNESS my hand this ____ day of _____, 2018.

City Clerk
City of Northfield, Minnesota

Extract of Minutes of a Meeting of the
City Council of the City of Northfield, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Northfield, Minnesota, was duly held at the City Hall in said City on Tuesday, the 15th day of May, 2018, at 6:00 p.m.

The following members were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

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BY THE CITY OF RED WING, MINNESOTA

The motion for the adoption of the foregoing resolution was duly seconded by member _____, and after full discussion thereof and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.