

RESOLUTION NO. 2014-01

A RESOLUTION APPROVING AND AUTHORIZING CERTAIN ACTIONS AND PROCEEDINGS WITH RESPECT TO CERTAIN PROPOSED ECONOMIC DEVELOPMENT REVENUE BONDS

WHEREAS, the City of Franklin, Indiana (the "City"), is authorized by I.C. 36-7-11.9 and I.C. 36-7-12 (collectively, the "Act") to issue revenue bonds for the financing of economic development facilities, and loan the proceeds of the revenue bond issue to another entity to finance the acquisition, construction, renovation, installation and equipping of said facilities; and

WHEREAS, the City issued its City of Franklin, Indiana Economic Development Revenue Refunding and Improvement Bonds, Series 2010 (The Franklin United Methodist Home, Inc. Project) (the "2010 Bonds"), the proceeds of which were loaned to The Franklin United Methodist Home, Inc. (the "Borrower") to finance prior bonds issued in 2007 and the construction and equipping of certain economic development facilities; and

WHEREAS, the Borrower desires to (i) refinance the 2010 Bonds in an approximate amount of \$24,675,000, (ii) refinance a certain taxable bank loan in the approximate amount of \$850,000, (iii) provide funds to finance the acquisition, construction, and/or equipping of various capital improvements in an approximate amount not to exceed \$800,000 to the facility of the Borrower's comprehensive retirement care community, and (iv) pay for the costs of issuance of the Bonds (the "Project"); and

WHEREAS, the Borrower has advised the City of Franklin Economic Development Commission (the "Commission") and the City that it proposes that the City issue revenue bonds in an amount not to exceed Twenty-Seven Million Dollars (\$27,000,000) (the "Bonds") under the Act and loan the proceeds of such Bonds to the Borrower for the refinancing and financing the Project; and

WHEREAS, the Commission has studied the Project and the proposed financing of the Project and their effect on the health and general welfare of the City and its citizens;

WHEREAS, the completion of the Project results in the diversification of industry, the retention and creation of jobs and the creation of business opportunities in the City;

WHEREAS, pursuant to I.C. § 36-7-12-24, the Commission published notice of a public hearing (the "Public Hearing") on the proposed issuance of the Bonds to finance the Project; and

WHEREAS, on the date hereof the Commission held the public hearing on the Project and received evidence that the Project will not have an adverse competitive effect on similar facilities already constructed or operating in the City as all similar facilities have the same opportunity as the Borrower to avail themselves of tax-exempt financing through this Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FRANKLIN ECONOMIC DEVELOPMENT COMMISSION AS FOLLOWS:

SECTION 1. The Commission hereby finds, determines, ratifies and confirms that the diversification of industry, the creation of business opportunities and the creation of opportunities for gainful employment within the jurisdiction of the City is desirable, serves a public purpose, and is of benefit to the

health and general welfare of the City; and that it is in the public interest that the City take such action as it lawfully may to encourage the diversification of industry, the creation of business opportunities, and the creation of opportunities for gainful employment within the jurisdiction of the City.

SECTION 2. The Commission hereby makes a finding of fact, based upon the evidence presented at the Public Hearing, that the Project will not have an adverse competitive effect on similar facilities already constructed or operating in the City as all similar facilities have the same opportunity as the Borrower to avail themselves of tax-exempt financing through this Commission.

SECTION 3. The Commission hereby approves the report with respect to the Project presented at this meeting. The Secretary of this Commission shall submit such report to the executive director or chairman of the plan commission of the City.

SECTION 4. The Commission finds, determines, ratifies and confirms that the issuance and sale of the Bonds in an amount not to exceed Twenty-Seven Million Dollars (\$27,000,000) and the loan of the proceeds of the Bonds to the Borrower for the financing of the construction, equipping and installation of the Project will be of benefit to the health and general welfare of the City, will serve the public purposes referred to above in accordance with the Act, and fully comply with the Act.

SECTION 5. The financing of the Project through the issuance of the Bonds, in an amount not to exceed Twenty-Seven Million Dollars (\$27,000,000), is hereby approved.

SECTION 6. The Commission hereby approves the terms of the following documents in the form presented at this meeting: (i) a Loan Agreement (including the Series 2014 Note), between the City and the Borrower; (ii) a Trust Indenture, between the City and The Huntington National Bank (the "Trustee"); (iii) a Bond Purchase Agreement, among the City, the Borrower and Huntington Public Capital Corporation; and (iv) an Ordinance of the Common Council of the City.

SECTION 7. Any officer of the Commission is hereby authorized and directed, in the name and on behalf of the Commission, to execute any and all other agreements, documents and instruments, perform any and all acts, approve any and all matters, and do any and all other things deemed by him, to be necessary or desirable in order to carry out and comply with the intent, conditions and purposes of this resolution (including the preambles hereto and the documents mentioned herein), the Project and the issuance and sale of the Bonds, and any such execution, performance, approval or doing of other things heretofore effected be, and hereby is, ratified and approved.

SECTION 8. The Secretary of this Commission shall transmit this resolution, together with the forms of the documents approved by this resolution, to the Common Council of the City.

SECTION 9. This resolution shall be in full force and effect upon adoption.

Adopted this 9th day of December, 2014.

CITY OF FRANKLIN ECONOMIC
DEVELOPMENT COMMISSION

Ken Austin, President

Jake Sappenfield, Vice President

Josh DeArmitt, Secretary

John Ditmars, Member

H. Lee Hodgen, Member