

86

HEARING, AUTHORIZATION AND
ISSUANCE PROCEEDINGS

Sioux City, Iowa

November 17, 2020

The Board of Supervisors of Woodbury County, Iowa, (the "Board") met in regular meeting on the 17th day of November, 2020 at 4:45 p.m., in the lower level of the Woodbury County Courthouse, 620 Douglas Street, Sioux City, Iowa. The meeting was called to order and present were the Chairperson and the following named Board Members:

Present: Ung, De Witt, Radig, Pottebaum, Wright

Absent: _____

* * * Other Business * * *

The Board investigated and found that the notice of intention to issue its revenue bonds or notes in an aggregate principal amount not to exceed \$5,500,000 (the "Bonds"), as directed by the Board, had been duly given according to law.

This being the time and place specified in the notice for the public hearing on the proposal to issue such Bonds, the Chairperson announced that all local residents attending the hearing would now be given an opportunity to express their views for or against the proposal to issue the Bonds. The following local residents attending the hearing expressed their views as follows:

The following local residents who had submitted written comments prior to the hearing expressed their views in such written comments as follows:

After all local residents who appeared at the hearing who desired to do so had expressed their views for or against the proposal to issue the Bonds, Board Member De Witt introduced the following resolution and moved its adoption, seconded by Board Member Ung; and after due consideration thereof by the Board, the Chairperson put the question on the motion and upon the roll being called, the following named Board Members voted:

Ayes: Ung, De Witt, Radig, Pottebaum, Wright

Nays: _____

Whereupon, the Chairperson declared the motion duly carried and the resolution adopted as follows:

RESOLUTION #13,095

RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$5,500,000 AGGREGATE PRINCIPAL AMOUNT OF HEALTHCARE FACILITIES REVENUE REFUNDING BOND OF WOODBURY COUNTY, IOWA, FOR THE PURPOSE OF LENDING THE PROCEEDS THEREOF TO JACKSON RECOVERY CENTERS, INC. (THE "BORROWER"); THE EXECUTION AND DELIVERY OF A BOND AND LOAN AGREEMENT AMONG THE COUNTY, THE BORROWER AND BMO HARRIS BANK N.A., PROVIDING FOR THE REPAYMENT OF THE LOAN OF THE PROCEEDS OF SAID BOND AND THE SECURING OF SAID REPAYMENT OBLIGATION; THE SALE OF SAID BOND; AND THE EXECUTION OF OTHER DOCUMENTS RELATED THERETO.

WHEREAS, the County of Woodbury, State of Iowa (the "Issuer"), is a County authorized and empowered by the provisions of Chapter 419 of the Code of Iowa, 2019, as amended (the "Act"), to issue revenue bonds or notes for the purpose of financing the costs of acquiring, by construction or purchase, land, buildings, improvements and equipment, or any interest therein suitable for the use of any facility for an organization described in Section 501(c)(3) of the Internal Revenue Code (the "Code") which is exempt from federal income tax under Section 501(a) of the Code (a "Tax Exempt Organization") or to retire any existing indebtedness on a facility for a Tax Exempt Organization or to refund any bonds issued pursuant to the Act; and

WHEREAS, the Issuer has been requested by Jackson Recovery Centers, Inc. (the "Borrower"), a Tax Exempt Organization, to issue its Healthcare Facilities Revenue Refunding Bond (Rosecrance Jackson Recovery Centers Project), in an aggregate principal amount not to exceed \$5,500,000 (the "Bond"), in one or more series, pursuant to the Act, and to loan said amount to the Borrower for the purpose of (1) refinancing certain existing indebtedness of the Borrower (the "Refunding"), the proceeds of which were used to refinance the Issuer's \$7,000,000 Healthcare Facilities Revenue Bond (Jackson Recovery Centers, Inc. Project), Series 2013 (the "Prior Bond"), the proceeds of which were used to (a) pay a portion of the costs of acquiring, constructing, furnishing and equipping a new residential substance abuse treatment facility located at 3500 W. 4th Street, Sioux City, Iowa (the "Project"), and (b) pay for certain costs of issuing the Prior Bond; and (2) paying for certain costs of issuance of the Bond; and

WHEREAS, pursuant to published notice of intention the Issuer held a hearing on the proposal to issue the Bond on November 17, 2020 and objections or other comments relating to the issuance of the Bond have been heard; and

WHEREAS, it is proposed that the Bond be issued in a principal amount not to exceed \$5,500,000 and that the Issuer loan the proceeds of the Bond to the Borrower pursuant to a Bond

WHEREAS, it is proposed that the Bond be issued in a principal amount not to exceed \$5,500,000 and that the Issuer loan the proceeds of the Bond to the Borrower pursuant to a Bond and Loan Agreement (the "Bond and Loan Agreement") among the Issuer, the Borrower and BMO Harris Bank N.A. (the "Lender") pursuant to which loan payments will be made by the Borrower in amounts sufficient to pay the principal of and interest and premium, if any, on the Bond, as and when the same shall be due; and

WHEREAS, the Bond, if issued, shall be a limited obligation of the Issuer, and shall not constitute nor give rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing powers, and the principal of and interest and premium, if any, on the Bond shall be payable solely out of the revenues derived from the aforementioned Bond and Loan Agreement or otherwise as provided therein; and

WHEREAS, the Borrower has arranged for the sale of the Bond to the Lender;

NOW, THEREFORE, IT IS RESOLVED by the Board of Supervisors of the Issuer, as follows:

Section 1. In order to finance a portion of the costs of the Refunding and pay certain costs of issuance associated thereto, the Bond, in an aggregate principal amount of not to exceed \$5,500,000, is hereby authorized and ordered to be issued by the Issuer in substantially the form as has been presented to and considered by this Board and containing substantially the terms and provisions set forth therein. The Bond shall be issued as a single Bond and the Bond will bear interest at an initial rate not to exceed 6% per annum as may be determined by the Borrower and the Lender prior to the issuance thereof and as adjusted from time to time as provided in the Bond and Loan Agreement and the Bond. The execution and delivery of the Bond by the Chairperson and the County Auditor shall constitute approval thereof by the Issuer and the Chairperson and the County Auditor are hereby authorized and directed to execute the Bond and deliver the same to the Lender.

Section 2. The Issuer shall loan to the Borrower the proceeds of the Bond pursuant to the Bond and Loan Agreement and the Bond, each in substantially the form as has been presented to and considered by this Board and containing substantially the terms and provisions set forth therein, and the Chairperson and the County Auditor are hereby authorized and directed to execute and deliver the Bond and Loan Agreement, the Bond and the Tax Agreement with such changes, modifications, deletions or additions as deemed appropriate by Bond Counsel.

Section 3. The Bond will be a special limited obligation of the Issuer. The Bond shall not be payable from or a charge upon any funds other than the revenues derived from the Bond and Loan Agreement and the debt obligations of the Borrower thereunder pledged to the

payment thereof, nor shall the Issuer be subject to any liability thereon. No holder of the Bond shall ever have the right to compel any exercise of the taxing power of the Issuer to pay the Bond or the interest thereon, nor to enforce payment thereof against any property of the Issuer. The Bond shall not constitute a debt of the Issuer within the meaning of any constitutional or statutory provision or limitation and shall never constitute nor give rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing powers.

Section 4. The Bond and Loan Agreement and the Bond are hereby made a part of this Resolution as though fully set forth herein and are hereby approved in substantially the forms presented to the Board. The Chairperson and the County Auditor are authorized and directed to execute, acknowledge, and deliver said documents on behalf of the Issuer with such changes, insertions and omissions therein as Bond Counsel may deem appropriate, such execution to be conclusive evidence of approval of such documents in accordance with the terms hereof.

Section 5. The Chairperson and the County Auditor are authorized and directed to execute and deliver all other documents which may be required under the terms of the Bond and Loan Agreement or by Bond Counsel (including, without limitation, the execution and delivery of a tax exemption agreement), and to take any other action as may be required or deemed appropriate for the performance of the duties imposed thereby to carry out the purposes thereof. The Borrower, pursuant to the documents related to the issuance of the Bond, shall agree to comply with certain requirements of the Code regarding use and investment of the proceeds of the Bond and certain other moneys related to the Bond (collectively, the "Continuing Requirements") and the Borrower shall agree to monitor compliance with the Continuing Requirements and take remedial action with respect to any failure to comply with the Continuing Requirements.

Section 6. In order to qualify the Bond as a "qualified tax exempt obligation" within the meaning of Section 265(b)(3) of the Code, the Issuer hereby makes the following factual statements and representations:

(A) The Issuer hereby designates the Bond as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code;

(B) The reasonably anticipated amount of tax-exempt obligations (other than any obligations described in clause (ii) of Section 265(b)(3)(C) of the Code) which will be issued by the Issuer (and all entities whose obligations will be aggregated with those of the Issuer) during this calendar year 2020 will not exceed \$10,000,000; and

(C) Not more than \$10,000,000 of obligations issued by the Issuer during this calendar year 2020 (including the Bond) have been designated for purposes of Section 265(b)(3) of the Code.

The Issuer shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

Section 7. The provisions of this Resolution are hereby declared to be separable and if any action, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

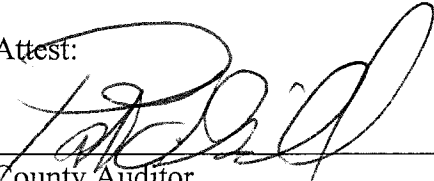
Section 8. All resolutions or parts thereof in conflict herewith are repealed, to the extent of such conflict.

Section 9. This Resolution shall become effective immediately upon its passage and approval.

Passed and approved November 17, 2020.

WOODBURY COUNTY, IOWA

By: 
Chairperson, Board of Supervisors

Attest: 
County Auditor

(Seal)

* * * Other Business * * *

On motion and vote, the meeting adjourned.

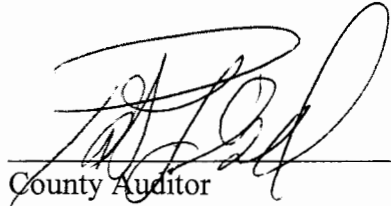
STATE OF IOWA

SS:

COUNTY OF WOODBURY

I, the undersigned, being first duly sworn, do hereby depose and certify that I am the duly appointed, qualified and acting County Auditor of the aforementioned County and that as such I have in my possession, or have access to, the complete corporate records of said County and of its Board of Supervisors and its officers; that I have carefully compared the transcript hereto attached with the aforesaid corporate records; and that said transcript hereto attached is a true, correct and complete copy of the all the corporate records in relation to the adoption of a Resolution authorizing the issuance and sale of a Healthcare Facilities Refunding Revenue Bond in an aggregate principal amount not to exceed \$5,500,000.

WITNESS my hand and the corporate seal of said County hereto affixed this 17th day of November, 2020.



County Auditor

(Seal)