

RESOLUTION NO. 21-R-2012

**RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF CLARK COUNTY, INDIANA, AUTHORIZING THE PUBLICATION OF NOTICE OF A PUBLIC HEARING, AND THE HOLDING OF SUCH HEARING, TO ALLOW FOR COMMENTS CONCERNING THE LEASE RENTAL REVENUE BONDS SERIES 2009 AND RATIFYING THE INITIAL APPROVAL OF THE SERIES 2009 BONDS**

WHEREAS, the Board of County Commissioners of Clark County, Indiana (the "Commissioners"), has previously given consideration to the financing, refinancing, acquisition, renovation, construction, equipping and/or leasing of certain improvements to the Clark Memorial Hospital facilities (the "Project") by the Clark County Hospital Association (the "Association"); and

WHEREAS, the Commissioners, being duly advised, found that it was in the best interests of Clark County, Indiana (the "County"), and its citizens, for the purpose of financing all or any portion of the Project, for the County to approve the terms and conditions of a lease, entered into by and among Clark County, The Board of Trustees of Clark Memorial Hospital (the "Hospital"), and the Clark County Hospital Association (the "Lease"), pursuant to Indiana Code §§ 16-22-6-18 and 16-22-6-39, and that following the holding of a public hearing on the Lease held on August 6, 2009 pursuant to Ind. Code § 16-22-6-18, the Commissioners authorized the execution of the Lease pursuant to Ind. Code § 16-22-6-19 and approved plans, specifications, and estimates of cost for the Project, and approved the issuance sale and delivery by the Association of its bonds, in the aggregate principal amount not to exceed \$52,000,000, the proceeds of which were used to finance the Project (the "Bonds"); and

WHEREAS, the Bonds were issued on November 24, 2009 as tax-exempt governmental purpose bonds, the interest on which is exempt from federal income tax under Sections 103 and 141 through 150 of the Internal Revenue Code (the "Code"); Section 141 of the Code limits the extent to which assets financed with such bonds may be used for private business use, including use by qualified Section 501(c)(3) organizations; and

WHEREAS, the Hospital is currently in discussions with a qualified Section 501(c)(3) entity with respect to an affiliation which, if consummated, would include use of the Project by the qualified Section 501(c)(3) entity or an affiliated Section 501(c)(3) organization; and

WHEREAS, section 1.141-12 of the Treasury Regulations provide certain "remedial actions" which may be taken in the event that a change in use of the bond financed assets occurs that would otherwise result in the bonds being declared taxable, including an "Alternative Use" remedial action, under which bonds are treated as "reissued," for certain federal income tax purposes, as of the date of the deliberate action as tax-exempt "Qualified 501(c)(3) Bonds" (rather than governmental purpose bonds) but require the Bonds satisfy the applicable requirements for tax-exemption applicable to Qualified 501(c)(3) Bonds, both at the time of the reissuance and throughout their remaining term, including the public approval requirement set forth in Section 147(f) of the Code; and

WHEREAS, the Commissioners desire to satisfy the public approval requirement applicable to the Bonds; and

WHEREAS, pursuant to the provisions of Section 147(f) of the Code, a public hearing on the Bonds was held on December 20, 2012 by the Commissioners, prior to the adoption of this Resolution, pursuant to notice caused to be published on December 6, 2012 in *The News and Tribune*, being a newspaper of general circulation published in Jeffersonville, Indiana;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CLARK COUNTY, INDIANA, AS FOLLOWS:

Section 1. The Commissioners hereby incorporate the statements and findings set forth in the WHEREAS clauses of this resolution into this resolution by this reference.

Section 2. Any member of the Commissioners and the Auditor are hereby authorized, empowered and directed, on behalf of the County, to take any action as such individual deems necessary or desirable to effectuate the foregoing resolutions including, but not limited to, the publication of notice of a public hearing on the Bonds and the holding of such a public hearing in accordance with Section 147(f) of the Code, and any actions heretofore made or taken be, and hereby are, ratified and approved.

Section 3. For purposes of Section 147(f) of the Code, the Commissioners hereby ratify the approval of the issuance, sale and delivery by the Association of the Bonds, in the aggregate principal amount not to exceed \$52,000,000 used to finance the Project and approve the reissuance of the Bonds.

Section 4. This Resolution shall be in full force and effect immediately upon adoption.

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DULY ADOPTED on this 20th day of December, 2012, by the Board of Commissioners of Clark County, Indiana.

BOARD OF COMMISSIONERS OF  
CLARK COUNTY, INDIANA

*Mr. Edward Meyer*  
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*John Perkins*  
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ATTEST:

*R. Monty Duff*  
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Clark County Auditor