

**RESOLUTION R-2018-108  
LUZERNE COUNTY COUNCIL**

A RESOLUTION OF THE COUNCIL OF THE COUNTY OF LUZERNE, PENNSYLVANIA, APPROVING THE FINANCING BY THE NORTHEASTERN PENNSYLVANIA HOSPITAL AND EDUCATION AUTHORITY OF CERTAIN PROJECTS FOR THE BENEFIT OF UMH NY CORP., UMH PA CORP., UNITED METHODIST HOMES FOUNDATION, AND UMH MANAGEMENT SERVICES CORP., EACH A NOT-FOR-PROFIT CORPORATION OR TRUST; DECLARING THAT IT IS DESIRABLE FOR THE HEALTH, SAFETY AND WELFARE OF THE PEOPLE OF THE COUNTY OF LUZERNE, PENNSYLVANIA, AND THE AREA SERVED BY UMH NY CORP., UMH PA CORP., UNITED METHODIST HOMES FOUNDATION, AND UMH MANAGEMENT SERVICES CORP. TO HAVE THE PROJECTS PROVIDED BY AND FINANCED THROUGH THE AUTHORITY; AND AUTHORIZING OTHER NECESSARY AND APPROPRIATE ACTION.

WHEREAS, the Northeastern Pennsylvania Hospital and Education Authority (the "Authority") is a municipality authority incorporated pursuant to a resolution of the County of Luzerne, Pennsylvania (the "County"), and is existing under and governed by the provisions of the Municipality Authorities Act of the Commonwealth of Pennsylvania, 53 Pa. C.S. §5601, et. seq., Act 22 of 2001, effective June 19, 2001, which codifies and amends the Municipality Authorities Act of 1945, amended and supplemented (the "Authorities Act"); and

WHEREAS, the Authorities Act permits the Authority to assist in the financing and/or refinancing of buildings and facilities constituting "health centers"; and

WHEREAS, UMH NY Corp., UMH PA Corp., United Methodist Homes Foundation and UMH Management Services Corp. (collectively, the "Borrowers") have represented to the Authority that the Borrowers own and operate facilities and/or provide services or support which constitute a "health center" within the meaning of the Authorities Act and is a not-for-profit corporation or trust; and

WHEREAS, UMH NY Corp., UMH PA Corp., United Methodist Homes Foundation and UMH Management Services Corp. are requesting that the Authority finance, refinance and/or reimburse a project (the "Project") consisting of all or any of the following: (a) designing, acquiring, constructing, renovating, improving, furnishing and equipping of new facilities and existing facilities of the Borrowers, including, but not limited to, designing, acquiring, constructing, furnishing and equipping of an expansion of the UMH PA Corp.'s Brooks Estates independent living project for an additional 70-75 cottage units adjacent to the existing 103 cottage unit project; (b) designing, acquiring, constructing and equipping of site, infrastructure and parking improvements and various other capital improvements to the Borrowers' existing facilities and acquiring various capital equipment for use in or in connection with the facilities of the Borrowers; (c) funding, if applicable, necessary reserves and capitalized interest on the hereinafter defined Bonds; and (c) funding contingencies and paying all or a portion of the costs and expenses of issuance of the Bonds, including credit enhancement, if advantageous to the Borrowers; and

WHEREAS, in order to finance the Project, the Authority will issue one or more series of its revenue bonds or notes (collectively, the "Bonds") on behalf of the Borrowers; and

WHEREAS, the County approves the financing of the Project for the benefit of the Borrowers, and has determined that it is in the best interests of the people in the County and the area served by the Borrowers and the Project, and is desirable for the health, safety and welfare of the people in the County and in the area served by the Borrowers and the Project to have the Project provided, and undertaken, by the Authority; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), all debt issued by the Authority, such as the Bonds of the Authority to be issued to finance the Project for the benefit of the Borrowers, must be approved by the "applicable elected representative" of the governmental unit in which the Project is located and of the governmental unit on behalf of which the Authority acts or issues bonds after a public hearing following reasonable public notice; and

WHEREAS, pursuant to the Code, the term "applicable elected representative" means, among other things, the elected legislative body of the governmental unit in which the Project is located and of the governmental unit on behalf of which the Authority acts or issues bonds or notes; and

WHEREAS, the Council of the County is the "applicable elected representative" of the County within the meaning of the Code; and

WHEREAS, in accordance with Section 147(f) of the Code, a public hearing was held by the Authority at 3:00 p.m. local time on July 10, 2018, in connection with the issuance of the Bonds and a report of such hearing has been presented to this Council; and

WHEREAS, the approval by the Council, as evidenced by this Resolution, will permit the Authority to finance the Project with no risk or liability to this County or its citizens and taxpayers.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE COUNTY, AS FOLLOWS:

1. In connection with the financing of the Project by the Authority, the Council of the County hereby declares it to be desirable for the health, safety and welfare of the people of the County and in the area served by the Borrowers and the Project, to have the Project provided by, and financed through, the Authority.

2. The Council of the County hereby approves the issuance of the Bonds by the Authority in an aggregate principal amount not in excess of \$26,000,000 and the use of the proceeds of the Bonds to finance the Project is hereby approved.

3. THE APPROVAL GRANTED HEREBY SHALL NOT IN ANY WAY PLEDGE OR OBLIGATE THE CREDIT OR TAXING POWER OF THE COUNTY, NOR SHALL THE COUNTY BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, OR INTEREST ON, ANY OBLIGATIONS ISSUED BY THE AUTHORITY, INCLUDING, BUT NOT LIMITED TO, THE BONDS TO BE ISSUED BY THE AUTHORITY TO FINANCE THE PROJECT.

4. The County acknowledges that the Authority is entitled to rely upon, and will rely upon, the findings and determinations of the County as set forth in Paragraph 1 above.

5. This Resolution shall become effective immediately.

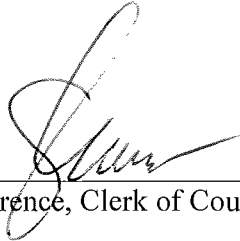
6. In the event that any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence or clause of this Resolution, it being the intent of the County that such remainder shall be and remain in full force and effect.

7. All resolutions or parts of resolutions inconsistent herewith are hereby repealed.

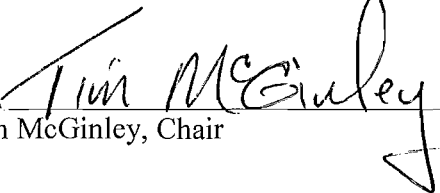
ADOPTED at a meeting of the Luzerne County Council held on July 24, 2018.

ROLL CALL VOTE (10-0)

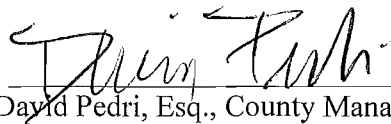
YES: Brominski, Haas, Houck, Kelleher, McGinley, Perry, Schnee, SA Urban, Vough and Waitkus

Attest:   
Sharon Lawrence, Clerk of Council

LUZERNE COUNTY COUNCIL

By:   
Tim McGinley, Chair

LUZERNE COUNTY MANAGER

By:   
C. David Pedri, Esq., County Manager