

**RESOLUTION R-2016-25
LUZERNE COUNTY COUNCIL**

A RESOLUTION OF THE COUNTY COUNCIL OF LUZERNE COUNTY, PENNSYLVANIA, APPROVING THE FINANCING BY THE NORTHEASTERN PENNSYLVANIA HOSPITAL AND EDUCATION AUTHORITY OF A PROJECT FOR THE BENEFIT OF WILKES UNIVERSITY, A PENNSYLVANIA NOT-FOR-PROFIT EDUCATIONAL INSTITUTION; DECLARING THAT IT IS DESIRABLE FOR THE HEALTH, SAFETY AND WELFARE OF THE PEOPLE IN THE AREA SERVED BY THE PROJECT TO HAVE THE PROJECT FINANCED THROUGH THE AUTHORITY; DESIGNATING THE CHAIR, OR IN HER ABSENCE, THE VICE CHAIR OF THE LUZERNE COUNTY COUNCIL AS THE PERSON TO ACT ON BEHALF OF THE LUZERNE COUNTY COUNCIL AS THE "APPLICABLE ELECTED REPRESENTATIVE" WITHIN THE MEANING OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; AUTHORIZING SUCH CHAIR OR VICE CHAIR TO TAKE CERTAIN ACTIONS ON BEHALF OF THE LUZERNE COUNTY COUNCIL AS SUCH "APPLICABLE ELECTED REPRESENTATIVE" AND AUTHORIZING OTHER NECESSARY AND APPROPRIATE ACTION.

RECITALS

A. The Northeastern Pennsylvania Hospital and Education Authority (the "Authority") is a body corporate and politic organized by the County of Luzerne (the "County") under the Pennsylvania Municipality Authorities Act, Ch. 56, 2001 Pa. Laws 22 (53 Pa. Cons. §§ 5601-5622 (2002)), as amended (the "Act");

B. The Act permits the Authority to assist in the financing of buildings and facilities for eligible educational institutions; and

C. Wilkes University (the "University") has represented to the Authority that it operates as an eligible educational institution and is a not-for-profit, privately owned, non-sectarian institution of higher education located in the Commonwealth of Pennsylvania (the "Commonwealth") and approved by the Commonwealth Department of Education; and

D. The University has asked the Authority to finance a project (the "Project") consisting of the following components:

(1) the advance refunding of a portion of the outstanding City of Wilkes-Barre Finance Authority University Refunding Revenue Bonds (Wilkes University Project) Series 2007 (the "2007 Bonds") which had been issued in order to refinance (a) all of the then-outstanding Northeastern Pennsylvania Hospital and Education Authority University Revenue Bonds (Wilkes University Project), Series of 1993, (b) all of the then-outstanding Northeastern Pennsylvania Hospital and Education Authority Variable Rate University Revenue Bonds (Wilkes University Project), Series 2002A and Series 2002B, (c) all of the then-outstanding City of Wilkes-Barre Finance Authority Revenue Bond

Series 2006 (Wilkes University Project) and (d) certain then-outstanding conventional loans (the “Advance Refunding Project”);

(2) the proposed current refunding of all or a portion of the remaining 2007 Bonds (the “Current Refunding Project”);

(3) the possible future financing of certain capital projects and improvements located at various places on the University’s campus in Wilkes-Barre, and at the Ralston Athletic Complex in Edwardsville, Pennsylvania (the “Future Capital Improvements Project”);

(4) a deposit to a debt service reserve fund account relating to each series of Bonds (defined below), if necessary, and any other appropriate or necessary reserves and the cost of any credit or liquidity enhancement, if any, in connection with such Bonds;

(5) the future refunding or refinancing of any Bonds issued to finance the Advance Refunding Project, Current Refunding Project and Future Capital Improvements Project; and

(6) paying all or a portion of the costs and expenses associated with the issuance of the Bonds; and

E. In order to finance or refinance the Project, the University has requested that the Authority issue its revenue bonds in separate taxable and/or tax-exempt series (such series being collectively referred to herein as the “Bonds”), pursuant to a plan of finance, in an aggregate original principal amount not to exceed \$80,000,000; and

F. Pursuant to the Act, the University and the Authority have requested the County Council (the “County Council”) of the County to declare, by this resolution, that the Project is desirable for the health, safety and welfare of the people in the area served by the Project; and

G. Pursuant to the Internal Revenue Code of 1986, as amended (the “Code”), all debt issued by the Authority, such as the Bonds to be issued to finance the Project for the benefit of the University, 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

H. A public hearing regarding the issuance of the Bonds to finance the Project was held on April 12, 2016 and attached to this Resolution as Exhibit A is a report of such hearing; and

I. 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 the governmental unit on behalf of which the Authority acts or issues bonds or notes; and

J. The County is the governmental unit in which the Project is located and the governmental unit on behalf of which the Authority acts or issues bonds or notes and the County

Council is the “applicable elected representative” of the County within the meaning of the Code, as well as, within the meaning of the Luzerne County Home Rule Charter; and

K. The County desires to authorize and direct its Chair, or, in her absence, its Vice Chair to act on its behalf as such “applicable elected representative.”

NOW, THEREFORE, BE IT RESOLVED by the County Council of the County of Luzerne as follows:

Section 1. It is hereby determined and declared pursuant to the Act that it is desirable for the health, safety and welfare of the people in the area served by the Project for the Authority to undertake the financing of the Project.

Section 2. The County Council intends that this resolution shall constitute the “approval by a government unit” required by Section 147(f) of the Code.

Section 3. The adoption of this Resolution is not a pledge of any revenues or security by 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. Neither the credit nor the taxing power of the Commonwealth, the County or any other political subdivision, agency or instrumentality thereof is pledged for payment of the Bonds.

Section 4. This Resolution shall take effect immediately. All prior ordinances or resolutions or portions thereof inconsistent herewith are hereby repealed.

RESOLVED AND ADOPTED the 12th day of April, 2016, at a regular meeting of the County Council of the County of Luzerne, Pennsylvania.

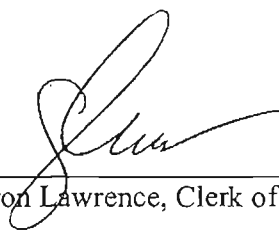
ROLL CALL VOTE (9-2)

YES: Haas, Kelleher, McGinley, Schnee, Sorokas, SA Urban, Waitkus, Williams, and Houck

NO: Brominski and Dobash

LUZERNE COUNTY COUNCIL

Attest:


Sharon Lawrence, Clerk of Council

By: 
Linda McClosky Houck, Chair

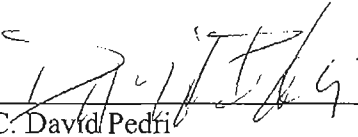
By: 
C. David Pedri
Acting County Manager

EXHIBIT A

NORTHEASTERN PENNSYLVANIA HOSPITAL AND EDUCATION AUTHORITY

SUMMARY OF PUBLIC COMMENTS

The Northeastern Pennsylvania Hospital and Education Authority (the "Authority") held a public hearing (the "Hearing") on April 12, 2016 at 4:30 P.M. in the Council Meeting Room located on the first floor of the Luzerne County Courthouse, 200 N. River Street, Wilkes-Barre, Pennsylvania 18711 with respect to the issuance by the Authority of its obligations to finance the project in the amount and on behalf of the applicant described below; the following is a summary of the public comments received by the Authority at the Hearing with respect to said project:

Applicant: Wilkes University

Amount of Proposed Issuance: Not to exceed \$80,000,000.

Nature of Facilities Being
Financed:

(1) the advance refunding of a portion of the outstanding City of Wilkes-Barre Finance Authority University Refunding Revenue Bonds (Wilkes University Project) Series 2007 (the "2007 Bonds") which had been issued in order to refinance (a) all of the then-outstanding Northeastern Pennsylvania Hospital and Education Authority University Revenue Bonds (Wilkes University Project), Series of 1993, (b) all of the then-outstanding Northeastern Pennsylvania Hospital and Education Authority Variable Rate University Revenue Bonds (Wilkes University Project), Series 2002A and Series 2002B, (c) all of the then-outstanding City of Wilkes-Barre Finance Authority Revenue Bond Series 2006 (Wilkes University Project) and (d) certain then-outstanding conventional loans (the "Advance Refunding Project"); (2) the proposed current refunding of all or a portion of the remaining 2007 Bonds (the "Current Refunding Project"); (3) the possible future financing of certain capital projects and improvements located at various places on the University's campus in Wilkes-Barre, and at the Ralston Athletic Complex in Edwardsville, Pennsylvania (the "Future Capital Improvements Project"); (4) a deposit to a debt service reserve fund account relating to each series of Bonds (defined below), if necessary, and any other appropriate or necessary reserves and the cost of any credit or liquidity enhancement, if any, in connection with such Bonds; (5) the future refunding or refinancing of any Bonds

issued to finance the Advance Refunding Project, Current Refunding Project and Future Capital Improvements Project; and (6) paying all or a portion of the costs and expenses associated with the issuance of the Bonds

Location of Facilities Being Financed:

The Project will be located on the University's campus in downtown Wilkes-Barre and at the Ralston Athletic Complex in Edwardsville, PA. The University's administrative office is located at 84 W. South Street, Wilkes-Barre, PA 18766.

Notice of Public Hearing:

Notice of the Hearing was published in the *Citizen's Voice* on March 25, 2016.

Public Comments:

No members of the public were present at the Hearing and no written questions or comments were submitted prior to or after the Hearing.