

**RESOLUTION R-2013-16
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, UMH MANAGEMENT SERVICES CORP., UMH ECM CORP. AND UMH JGJ 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, UMH MANAGEMENT SERVICES CORP., UMH ECM CORP. AND UMH JGJ CORP. TO HAVE THE PROJECTS PROVIDED BY AND FINANCED THROUGH THE AUTHORITY; DESIGNATING THE CHAIR OR VICE-CHAIR OF THE COUNCIL OF THE COUNTY, AS THE PERSON TO ACT ON BEHALF OF THE COUNCIL OF THE COUNTY AS THE "APPLICABLE ELECTED REPRESENTATIVE" WITHIN THE MEANING OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; AUTHORIZING SUCH CHAIR OR VICE-CHAIR OF THE COUNCIL OF THE COUNTY TO TAKE CERTAIN ACTIONS ON BEHALF OF THE COUNCIL OF THE COUNTY AS SUCH "APPLICABLE ELECTED REPRESENTATIVE"; 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. have represented to the Authority that each of UMH NY Corp., UMH PA Corp., United Methodist Homes Foundation, UMH Management Services Corp., UMH ECM Corp. and UMH JGJ Corp. (collectively, the "Borrowers") own and operate facilities and/or provide services 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 "2013 Project") consisting of all or any of the following: (i) refunding (a)

the outstanding Luzerne County Industrial Development Authority Revenue Bonds, 2003 Series (The Methodist Homes for the Aging of the Wyoming Conference Project), (b) the outstanding Broome County Industrial Development Agency Civic Facility Revenue Bonds, 2003 Series (Elizabeth Church Manor Nursing Home Project), and/or (c) the outstanding Broome County Industrial Development Agency Civic Facility Revenue Bonds, 2003 Series (The Methodist Homes for the Aging of the Wyoming Conference in the State of New York Project), issued for the benefit of, among others, UMH NY Corp., UMH PA Corp., United Methodist Homes Foundation, UMH Management Services Corp., and UMH ECM Corp.; (ii) designing, acquiring, constructing, installing, furnishing and equipping of alterations, renovations, additions and/or improvements to the facilities and infrastructure of the Borrowers; (iii) acquiring various capital equipment for use in or in connection with the facilities of the Borrowers; (iv) funding necessary reserves and capitalized interest for the debt; and (v) paying the costs and expenses of issuance of the hereinafter defined Bonds; and

WHEREAS, in order to finance the Project, the Authority will issue its Revenue Bonds (UMH Project), Series 2013 (the "Bonds") on behalf of the Borrowers; and

WHEREAS, the County approves the financing of the 2013 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 2013 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 2013 Project to have the 2013 Project provided, and undertaken, by the Authority; and

WHEREAS, pursuant to 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 2013 Project for the benefit of the Borrowers, must be approved by the "applicable elected representative" of the governmental unit in which the 2013 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 2013 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, the County desires to authorize and direct the Chair or Vice-Chair of the Council of the County to act on its behalf as such "applicable elected representative."

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

1. In connection with the financing of the 2013 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 2013 Project, to have the 2013 Project provided by, and financed through, the Authority.

2. The Council of the County hereby empowers, authorizes and directs the Chair or Vice-Chair of the Council of the County, to execute and deliver an "approval of applicable elected representative" in the form attached hereto; provided, that, such approval shall be delivered only following a public hearing, held on behalf of the County by the Authority or its representative, which has followed reasonable public notice, with respect to the 2013 Project (described on such approval). The Council of the County intends that this resolution and the subsequent execution and delivery of the approval of "applicable elected representative" by the Chair or Vice-Chair of the Council of the County shall constitute the "approval by a government unit" required by Section 147(f) of the Code.

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 in connection with the 2013 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.

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DULY ADOPTED this 9th day of April, 2013, by the Council of the County of Luzerne, Pennsylvania, in lawful regular session duly assembled.

COUNTY OF LUZERNE, PENNSYLVANIA



Chair, County Council



County Manager

(SEAL)

Attest:



Clerk of County Council