

COUNTY OF BUCKS
Commonwealth of Pennsylvania

ORDINANCE NO. 155

AN ORDINANCE OF THE COUNTY OF BUCKS APPROVING THE ISSUANCE BY THE BUCKS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY OF ITS GUARANTEED MULTI-FAMILY HOUSING REVENUE BONDS (NEW HOPE MANOR PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$6,500,000 FOR THE CURRENT REFUNDING OF THE AUTHORITY'S OUTSTANDING MULTI-FAMILY HOUSING REVENUE BONDS (NEW HOPE MANOR PROJECT) SERIES 2001A; AUTHORIZING THE ACCEPTANCE OF A PROPOSAL FOR THE PURCHASE OF THE 2017 BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A GUARANTY AGREEMENT IN WHICH THE COUNTY WILL GUARANTEE THE PAYMENT OF DEBT SERVICE ON THE 2017 BONDS; COVENANTING TO BUDGET, APPROPRIATE AND PAY AMOUNTS DUE UNDER SAID GUARANTY AGREEMENT; AUTHORIZING THE PREPARATION AND FILING OF A DEBT STATEMENT AND A TRANSCRIPT OF PROCEEDINGS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; AND AUTHORIZING OTHER NECESSARY ACTION.

WHEREAS, the County of Bucks, Pennsylvania (the "County"), is a local government unit, as defined in the Local Government Unit Debt Act, Act No. 177 of December 19, 1996, P.L. 1158, as amended (the "Act"); and

WHEREAS, under the Act, the County is authorized to make guaranties, payable out of taxes and other general revenues of the County, of bonds of authorities; and

WHEREAS, the Bucks County Industrial Development Authority (the "Authority") is a body politic and corporate organized and existing under the Pennsylvania Economic Development Financing Law, Act of August 23, 1967, P.L. 251, as amended, and is an authority as defined therein; and

WHEREAS, the Authority has previously issued its \$7,300,000 in original aggregate principal amount of Guaranteed Multi-Family Housing Revenue Bonds (New Hope Manor Project) Series 2001A (the "Prior Bonds"), which financed a portion of the costs of a project consisting of the construction by New Hope Senior Housing, L.P. (the "Borrower") of a senior citizen multifamily residential housing project located in the Borough of New Hope and Solebury Township (the "Project"); and

WHEREAS, the Authority has determined to (i) finance the current refunding of the outstanding Prior Bonds to achieve interest cost savings, and (ii) pay financing costs (collectively, the "Refunding Program"); and

WHEREAS, the Prior Bonds were issued under a Trust Indenture, dated as of September 1, 2001, by and between the Authority and T.D. Bank, N.A., as successor trustee (the "Trustee") (the "Existing Indenture"); and

WHEREAS, the Authority has determined to finance the Refunding Program using the proceeds of its Guaranteed Multi-Family Housing Revenue Bonds (New Hope Manor Project), to be issued in one or more series with an appropriate series designation, in an aggregate principal amount not to exceed \$6,500,000 (the "2017 Bonds"); and

WHEREAS, the 2017 Bonds will be issued under a supplemental trust indenture, which will supplement the Existing Indenture (together with the Existing Indenture, the "Indenture") between the Authority and the Trustee or a successor trustee; and

WHEREAS, the County has previously entered into a Guaranty Agreement dated as of September 1, 2001 with the Authority, under which the County unconditionally guaranteed, among other things, the full payment of principal of and interest on the Prior Bonds, and for the full and timely payment of the same, the County pledged its full faith, credit and taxing power; and

WHEREAS, the County has determined to execute a Guaranty Agreement to be dated the date of closing on the 2017 Bonds (the "2017 Guaranty Agreement") under which the County will guarantee the full and timely payment of the principal of and interest on the 2017 Bonds; and

WHEREAS, the County has agreed to guarantee the payment of the principal of and interest on the 2017 Bonds in order to enhance the marketability of the 2017 Bonds and to achieve interest cost savings for the benefit of the Borrower and the Project, and desires to authorize the execution and delivery of the Guaranty Agreement substantially in the form presented at this meeting; and

WHEREAS, the Authority expects to receive a commitment for the purchase of the 2017 Bonds (the "Bond Purchase Contract") from NW Capital Markets, Inc. (the "Underwriter"); and

WHEREAS, the County desires to take all action necessary to authorize and approve the issuance of the 2017 Bonds for the Refunding Program and the incurrence of lease rental debt under the 2017 Guaranty Agreement.

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED by the Board of Commissioners of the County of Bucks, Pennsylvania, as follows:

1. Approval of Refunding Program; Useful Life. The County hereby approves the Refunding Program of the Authority. The Refunding Program is being undertaken in order to reduce the total debt service (and corresponding lease rentals) over the life of the 2017 Bonds. It is hereby determined and stated that upon delivery of the 2017 Bonds, and the payment to the Trustee of the required amounts from the proceeds of the 2017 Bonds together with other available funds, the Authority's Prior Bonds shall no longer be deemed outstanding under Section 8250 of the Act, for purposes of determining net debt of the County. It is hereby determined that the remaining useful life of the Project is in excess of 25 years.

2. Approval of Financing and Sale of the 2017 Bonds. The County hereby approves the issuance by the Authority of the 2017 Bonds in the aggregate principal amount not to exceed \$6,500,000. The County hereby approves the acceptance by the Authority and the execution and delivery thereof by the County of a Bond Purchase Contract with the Underwriter, and if necessary or appropriate an addendum to such Bond Purchase Agreement for the purchase of the 2017 Bonds so long as the terms of the 2017 Bonds meet the parameters set forth in Exhibit A attached hereto. The Chairman of the Board of Commissioners or the Vice Chairman in the absence of the Chairman, is hereby authorized and directed to accept and to execute such Bond Purchase Agreement and any addendum thereto in the name and on behalf of the County and to cause the official seal of the County to be affixed thereto, and the Chief Clerk or any Acting Chief Clerk is hereby authorized and directed to attest to such acceptance and execution. The private sale by negotiation of the 2017 Bonds by the Authority to finance the Refunding Program is hereby determined to be in the best financial interest of the County.

3. Authorization of Lease Rental Debt Evidenced by the 2017 Guaranty Agreement. The County shall incur lease rental debt, as defined in the Act, which shall be evidenced by the 2017 Guaranty Agreement hereinafter authorized securing the Authority's 2017 Bonds. Incurrence of such lease rental debt is hereby authorized and approved. The maximum amount required to be paid by the County under the 2017 Guaranty Agreement in any year is equal to the debt service requirements with respect to the 2017 Bonds for those years, which shall not exceed the amount set forth on Exhibit A attached hereto; or in the event of the redemption of the 2017 Bonds, the aggregate redemption price of the 2017 Bonds being redeemed plus accrued interest. The 2017 Guaranty Agreement shall be dated the closing date of the 2017 Bonds, shall be between the County, as Guarantor, and the Authority, and shall provide, among other things, that:

(a) The County unconditionally guarantees the full and prompt payment of the principal of and interest on the 2017 Bonds; and

(b) The County covenants to include amounts payable under the Guaranty Agreement in its budget in each year (provided that at the time of the adoption of such budget, such amounts were due and owing under the 2017 Guaranty Agreement, or were reasonably anticipated to become payable during the period covered by such budget), and to duly and punctually appropriate and pay such amounts, and pledges its full faith, credit and taxing power for such budgeting, appropriation and payment.

Upon approval of the proceedings for the incurrence of lease rental debt by the

Department of Community and Economic Development of the Commonwealth of Pennsylvania, the Chairman or Vice Chairman of the Board of Commissioners and Chief Clerk or any Acting Chief Clerk of the County are hereby authorized and directed to execute, impress with the County seal and deliver the 2017 Guaranty Agreement, in such form consistent with this Ordinance and approved by the County Solicitor the County officers executing the same, such approval to be conclusively evidenced by their execution thereof.

4. Authorization of DCED Filing. The Chairman or Vice Chairman of the Board of Commissioners is hereby authorized to prepare, certify and file the Debt Statement and Borrowing Base Certificate required by Section 8110 of the Act and to prepare, certify, assemble, and file a self-liquidating debt report and other documents as may be required by Article II of the Act to exclude self-liquidating debt from the nonelectoral debt or lease rental debt of this County. Said officers, or any of them, are further authorized to apply to the Pennsylvania Department of Community and Economic Development for approval of the lease rental debt herein authorized and to file with such application a transcript of the proceedings including a certified copy of this Ordinance, the Debt Statement and a Borrowing Base Certificate, the self-liquidating debt report, if any, and the 2017 Guaranty Agreement, and to take any and all such further action to execute and deliver such other documents as may be necessary or proper to comply with all requirements of the Act or to carry out the intent and purpose of this Ordinance.

5. Official Statement. The County hereby authorizes the preparation of official statements to be prepared in connection with the offer and sale of the 2017 Bonds and authorizes the Underwriter to distribute the final Official Statement in connection with the offer and sale of the 2017 Bonds.

6. Continuing Disclosure. In order to assist the Underwriter in meeting its obligations under the United States Securities and Exchange Commission Rule 15c2-12, the County hereby authorizes and directs the appropriate officers of the County to execute and deliver a continuing disclosure undertaking relating to continuing disclosure for the 2017 Bonds, on such terms as such officers, with advice of counsel, may approve, their approval to be evidenced by their execution thereof.

7. Legal Advertisements. The advertisement of a summary of this Ordinance pursuant to the requirements of the Act is hereby approved, ratified and confirmed and the Chief Clerk or any Acting Chief Clerk is hereby directed to advertise or cause to be advertised a notice of the enactment of this Ordinance in accordance with the requirements of the Act.

8. Further Action. The proper officers of the County and their successors are hereby authorized to execute and deliver such other documents or certificates and to take such other action as may be necessary or proper to effect the purpose of the financing, the execution of the 2017 Guaranty Agreement, or the intent and purposes of this Ordinance.

9. Repeal of Inconsistent Ordinances. All other ordinances and parts of ordinances inconsistent herewith are hereby expressly repealed.

10. Severability. In case any one or more of the provisions contained in this Ordinance shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Ordinance and this Ordinance shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

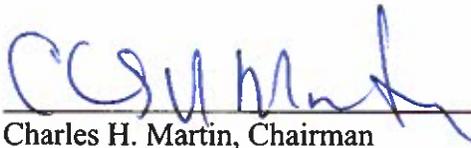
11. Effective Date. This Ordinance shall be valid and effective for all purposes on the fifth day following advertisement of final enactment hereof, as provided in the Act.

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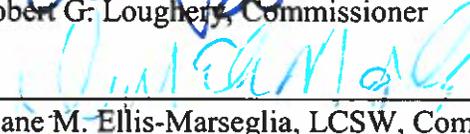
ORDAINED AND ENACTED this 20th day of September, 2017.

(SEAL)

COUNTY OF BUCKS

By: 
Charles H. Martin, Chairman
Board of Commissioners

By: 
Robert G. Loughery, Commissioner

By: 
Diane M. Ellis-Marseglia, LCSW, Commissioner

Attest:

By: 
[Acting] Chief Clerk

EXHIBIT A
BUCKS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
GUARANTEED MULTI-FAMILY HOUSING REVENUE BONDS
(NEW HOPE MANOR PROJECT)

MAXIMUM PRINCIPAL, INTEREST RATE
AND DEBT SERVICE SCHEDULE

<u>FISCAL YEAR (ENDING DECEMBER 31)</u>	<u>MAXIMUM ANNUAL PRINCIPAL AMOUNT OR MANDATORY REDEMPTION AMOUNT</u>	<u>MAXIMUM INTEREST RATE (%)</u>	<u>MAXIMUM ANNUAL DEBT SERVICE</u>
2018	\$220,000	3.000	\$529,500.00
2019	\$185,000	4.000	\$487,500.00
2020	\$195,000	4.000	\$489,900.00
2021	\$195,000	4.000	\$482,100.00
2022	\$205,000	4.000	\$484,100.00
2023	\$205,000	5.000	\$474,875.00
2024	\$210,000	5.000	\$469,500.00
2025	\$220,000	5.000	\$468,750.00
2026	\$225,000	5.000	\$462,625.00
2027	\$240,000	5.000	\$466,000.00
2028	\$250,000	5.000	\$463,750.00
2029	\$255,000	5.000	\$456,125.00
2030	\$265,000	5.000	\$453,125.00
2031	\$275,000	5.000	\$449,625.00
2032	\$290,000	5.000	\$450,500.00
2033	\$300,000	5.000	\$445,750.00
2034	\$310,000	5.000	\$440,500.00
2035	\$315,000	5.000	\$429,875.00
2036	\$325,000	5.000	\$423,875.00
2037	\$345,000	5.000	\$427,125.00
2038	\$350,000	5.000	\$414,750.00
2039	\$355,000	5.000	\$402,125.00
2040	\$375,000	5.000	\$403,875.00
2041	\$390,000	5.000	\$399,750.00
TOTAL:	\$6,500,000		\$10,875,600.00

CERTIFICATE

The undersigned, [Acting] Chief Clerk of the County of Bucks, Pennsylvania, DOES HEREBY CERTIFY that the foregoing is a true and correct copy of Ordinance No. 155, which was duly moved and seconded and adopted by a majority vote of the entire Board of Commissioners at a regular meeting thereof held after due public notice as required by law, on September 20, 2017, that said Ordinance was signed by the Commissioners and that the undersigned as [Acting] Chief Clerk affixed the corporate seal thereto and attested the same; and that said Ordinance has not been amended, modified, or repealed and is in full force and effect on the date of this Certificate.

WITNESS my hand and the seal of the County this 21st day of September, 2017.

(COUNTY SEAL)



[Acting] Chief Clerk