

HEARING, AUTHORIZATION, AND  
ISSUANCE PROCEEDINGS

Scott County, Iowa

May 14, 2020

The Board of Supervisors of Scott County, Iowa, met telephonically in regular session on the above date at 5 o'clock, p.m. The Board is conducting this meeting telephonically due to federal and state government recommendations in response to COVID-19 pandemic conditions, and Governor Reynolds' Proclamation of Disaster Emergency dated March 19, 2020, and a telephone conference number was included in the posted agenda of this public meeting.

The meeting was called to order and there were present the Chair and the following named Board Members:

Present: \_\_\_\_\_

Absent: \_\_\_\_\_.

**\*\*Other Business\*\***

The Board investigated and found that notice of intention to issue revenue bonds or notes, in one or more series, (the "Bonds") on behalf of WellSpire, LLC in an aggregate principal amount not to exceed \$3,000,000 had, as directed by the Board, been duly given according to law.

This being the time and place specified in the notice for the conduct of a public hearing on the proposal to issue such Bonds, the Chair announced that all local residents attending the hearing would now be given an opportunity to express their views for or against the proposal to issue the Bonds. The following local residents attending the hearing expressed their views as follows:

[None or describe]

The following local residents who had submitted written comments prior to the hearing expressed their views in such written comments as follows:

[None or describe]

After all local residents who appeared at the hearing who desired to do so had expressed their views for or against the proposal to issue the Bonds, Board Member \_\_\_\_\_ introduced the following resolution and moved its adoption, seconded by Board Member \_\_\_\_\_; and after due consideration thereof by the Board, the Chair put the question on the motion and upon the roll being called, the following named Board Members voted:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_.

Whereupon, the Chair declared said motion duly carried and the resolution adopted as follows:

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$3,000,000 AGGREGATE PRINCIPAL AMOUNT OF HEALTHCARE FACILITIES REVENUE BOND (WELLSPIRE PROJECT), SERIES 2020B; THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT PROVIDING FOR THE REPAYMENT OF THE LOAN; THE SALE OF SAID BONDS; THE EXECUTION OF AN ASSIGNMENT AND PLEDGE AGREEMENT; AND THE EXECUTION OF OTHER DOCUMENTS RELATED THERETO

WHEREAS, Scott County, State of Iowa (the “Issuer”), is a county and political subdivision of the State of Iowa authorized and empowered by the provisions of Chapter 419 of the Code of Iowa, as amended (the “Act”), to issue revenue bonds or notes for a project located within, or within eight miles of, the Issuer for the purpose of financing the cost of acquiring, by construction or purchase, land, buildings, improvements and equipment, or any interest therein, suitable for the use of any facility for an organization described in Section 501(c)(3) of the Internal Revenue Code (the “Code”) which is exempt from federal income tax under Section 501(a) of the Code (a “Tax Exempt Organization”), to refund any bonds issued pursuant to the Act, and to retire any existing indebtedness on a facility for a Tax Exempt Organization; and

WHEREAS, the Issuer has been requested by WellSpire, LLC or an affiliate thereof (the “Borrower”), a Tax Exempt Organization, to issue revenue bonds or notes, in one or more series, in an aggregate principal amount not to exceed \$3,000,000 (the “Bonds”) pursuant to the Act for the purpose of providing funds to the Borrower (a) to finance a portion of the costs of constructing, equipping and furnishing facilities of a senior living campus consisting of approximately 100 independent living apartments, 32 assisted living suites and a 40 bed nursing facility, including the retirement of any existing indebtedness related thereto (the “Project”) to be located at the intersection of 53rd Avenue and Middle Road, Bettendorf, Iowa and (b) to pay costs of issuance of the Bonds; and

WHEREAS, pursuant to published notice of intention, this Board has conducted a public hearing, as required by Section 419.9 of the Act and Section 147(f) of the Code with respect to the Bonds; and

WHEREAS, the Issuer has determined that the amount necessary to defray all or a portion of the cost of the foregoing will require the issuance by the Issuer of the Bonds, pursuant to the provisions of the Act, and it is proposed that the Issuer loan the proceeds of the Bonds to the Borrower pursuant to a Loan Agreement between the Issuer and the Borrower pursuant to which loan payments will be made by the Borrower in amounts sufficient to pay the principal of and interest and premium, if any, on the Bonds, as and when the same shall be due; and

WHEREAS, the Bonds, if and when issued, shall be a limited obligation of the Issuer, and shall not constitute nor give rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing powers, and the principal of and interest and premium, if any, on the Bonds shall be payable solely out of the revenues derived from the aforementioned Loan Agreement or otherwise as provided therein; and

WHEREAS, pursuant to published notice of intention, this Board has previously conducted a public hearing, as required by Section 419.9 of the Act and Section 147(f) of the Internal Revenue Code, and this Board deems it necessary and advisable to proceed with the issuance of the Bonds and the loan of the proceeds of the Bonds to the Borrower; and

WHEREAS, the Borrower is negotiating with West Bank (or such other lead lender selected by the Borrower, the “Lender”) to purchase the Bonds;

NOW, THEREFORE, Be It Resolved by the Board of Scott County, Iowa, as follows:

Section 1. In order to finance the Project, retire any existing debt, and pay costs of issuance associated thereto, the Bonds, in an aggregate principal amount not to exceed \$3,000,000, are hereby authorized and ordered to be issued by the Issuer in substantially the form as has been presented to and considered by this Board and containing substantially the terms and provisions set forth therein, the Bonds actually issued to be in an aggregate principal amount not to exceed \$3,000,000 and an initial interest rate which will produce an initial net interest cost of not to exceed 5% per annum as may be determined by the Borrower and the Lender on or prior to the date of issuance and delivery of the Bonds. The execution and delivery of the Bonds by the Chair and County Auditor shall constitute approval thereof by the Issuer and the Chair and County Auditor are hereby authorized and directed to approve such amount and rates, within the foregoing limits by and on behalf of the Issuer.

Section 2. The Issuer shall loan to the Borrower the proceeds of the Bonds pursuant to the Loan Agreement in substantially the form as has been presented to and considered by this Board.

Section 3. Pursuant to an Assignment and Pledge Agreement (the “Pledge Agreement”) to be entered into between the Issuer and the Lender, the Issuer, among other things, will grant to the Lender a security interest in all of the Issuer's rights, title and interest in and to the Loan Agreement, including, but not limited to, the right to receive Loan Repayments (as defined in the Loan Agreement).

Section 4. The Bonds will be special limited obligations of the Issuer. The Bonds shall not be payable from or charged upon any funds other than the revenues pledged to the payment thereof, nor shall the Issuer be subject to any liability thereon. No holder of the Bonds shall ever have the right to compel any exercise of the taxing power of the Issuer to pay the Bonds or the interest thereon, nor to enforce payment thereof against any property of the Issuer. The Bonds shall not constitute an indebtedness of the Issuer within the meaning of any state constitutional provision or statutory limitation and shall not constitute nor give rise to a pecuniary liability of said Issuer or a charge against its general credit or taxing powers. All costs and expenses incident to the issuance and sale of the Bonds, including but not limited to, accounting, legal, Bond Counsel and Issuer’s Counsel fees, printing fees and filing fees, shall be paid from Bond proceeds or directly by the Borrower.

Section 5. The Loan Agreement, the Pledge Agreement and the Bonds are hereby made a part of this Resolution as though fully set forth herein and are hereby approved in substantially the forms presented to the Board. The Chair and County Auditor are authorized and directed to execute, acknowledge, and deliver said documents on behalf of the Issuer with

such changes, modifications, deletions or additions therein as the Borrower, the Lender and Bond Counsel may deem appropriate, such execution to be conclusive evidence of approval of such documents in accordance with the terms hereof.

Section 6. The Chair and County Auditor are authorized and directed to execute and deliver all other agreements, certificates and documents which may be required under the terms of the Loan Agreement, Pledge Agreement, and the Bonds, or by Bond Counsel, and to take any other action as may be required or deemed appropriate for the performance of the duties imposed thereby to carry out the purposes thereof.

Section 7. In order to qualify the Bonds as “qualified tax exempt obligations” within the meaning of Section 265(b)(3) of the Code, the Issuer hereby makes the following factual statements and representations:

(A) The Issuer hereby designates the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code;

(B) The reasonably anticipated amount of tax-exempt obligations (other than obligations described in clause (ii) of Section 265(b)(3)(c) of the Code) which will be issued by the Issuer (and all entities whose obligations will be aggregated with those of the Issuer) during this calendar year 2020 will not exceed \$10,000,000; and

(C) Not more than \$10,000,000 of obligations issued by the Issuer during this calendar year 2020 (including the Bonds) have been designated for purposes of Section 265(b)(3) of the Code.

Section 8. That the provisions of this Resolution are hereby declared to be separable and if any action, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 9. All resolutions or parts thereof in conflict herewith are repealed, to the extent of such conflict.

Section 10. That this Resolution shall become effective immediately upon its passage and approval.

Passed and approved May 14, 2020.

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Chair

Attest:

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County Auditor

\* \* \* Other Business \* \* \*

On motion and vote, the meeting adjourned.

