

ORDINANCE NO. 87-11 AC CMS

AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A COOPERATIVE AGREEMENT WITH THE COUNTY OF MARION, OHIO, TO PROVIDE FOR THE ISSUANCE OF REVENUE BONDS OF THAT COUNTY, PURSUANT TO CHAPTER 140 OF THE REVISED CODE, A PORTION OF THE PROCEEDS OF WHICH WILL BE USED TO BENEFIT THE ALLEN MEMORIAL HOSPITAL, LOCATED WITHIN THIS CITY, AND DECLARING AN EMERGENCY.

WHEREAS, the County of Marion, Ohio, as a "public hospital agency" as defined in Chapter 140 of the Revised Code, is authorized and empowered by such Chapter to (a) acquire, construct, improve and equip "hospital facilities", and (b) issue its revenue bonds to pay costs of "hospital facilities"; and

WHEREAS, pursuant to Sections 140.03 and 140.05 of the Revised Code, Marion County has undertaken a Hospital Equipment and Construction Lease Program pursuant to which it will issue its revenue bonds for the purpose of paying the costs of hospital facilities and will lease such hospital facilities to "nonprofit hospital agencies", as defined in Revised Code Chapter 140, located within the State of Ohio; and

WHEREAS, Allen Memorial Hospital, a nonprofit hospital agency, has requested that the City approve and enter into a cooperative agreement with Marion County to provide for the issuance of revenue bonds by that County and the use of a portion of the proceeds of those revenue bonds to finance or refinance the costs of hospital facilities located within the boundaries of the City of Oberlin for the benefit of Allen Memorial Hospital, all as provided in and contemplated by Revised Code Sections 140.03 and 140.05; and

WHEREAS, this City has previously issued its 1973 Series Hospital Revenue Refunding Bonds, the proceeds of which were used to finance the costs of hospital facilities for Allen Memorial Hospital; and

WHEREAS, in connection with the issuance of the 1973 Series Bonds, the City entered into an Indenture of Trust with Cleveland Trust Company (now AmeriTrust Company National Association), as Trustee, dated December 1, 1973 (herein referred to as the "1973 Indenture"), and a First Supplemental Lease with Allen Memorial Hospital, dated December 1, 1973, amending a Lease between the City and Allen Memorial Hospital, dated December 1, 1970 (those two leases being herein collectively referred to as the "1973 Lease"); and

WHEREAS, the City has made the Trustee for the 1973 Series Bonds aware of the Allen Memorial Hospital's request; and

WHEREAS, AmeriTrust Company National Association, Cleveland, Ohio, as Trustee for the 1973 Series Bonds has provided the City with its acknowledgment, as Trustee, that the proposed transaction, the Cooperative Agreement and any security interests which may be granted in the Allen Memorial Hospital and in hospital facilities financed by Marion County will not interfere with the

full use and enjoyment of the hospital facilities by the City, will not constitute an "Event of Default" under the 1973 Lease or the 1973 Indenture, will not prejudice the rights of the holders of the 1973 Series Bonds and will constitute "Permitted Liens and Encumbrances" within the meaning of the 1973 Indenture and 1973 Lease; and

WHEREAS, the Trustee has also certified to the City that, upon the City's granting consent to the leasing of the hospital facilities financed by Marion County, the transaction contemplated under the Cooperative Agreement referred to in Section 2 hereof will not violate the terms of the 1973 Lease or the 1973 Indenture; and

WHEREAS, Allen Memorial Hospital has provided an opinion of counsel that the proposed transaction is to pay the cost of hospital facilities which are financeable under Chapter 140 of the Revised Code; and

WHEREAS, in reliance on the aforesaid documents, this Council deems it appropriate and proper to take all actions required by the 1973 Indenture and the 1973 Lease to approve the actions to be taken by the County of Marion and Allen Memorial Hospital in connection with the issuance of County of Marion's Hospital Revenue Bonds to finance the costs of hospital facilities for Allen Memorial Hospital to benefit the citizens of this community;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio, that:

Section 1. Findings and Determinations. For the reasons stated and in reliance upon the documents referred to in the preambles hereto, this Council hereby finds, determines and declares that the proposed financings under the Cooperative Agreement will promote the public purpose stated in Revised Code Section 140.02, that Allen Memorial Hospital constitutes a nonprofit hospital agency and that the equipment and improvements described on Exhibit A to the Cooperative Agreement (described in Section 2 hereof) constitute hospital facilities, the costs of which are financeable under Chapter 140 of the Revised Code.

Section 2. Execution of Cooperative Agreement. The City Manager and Auditor are hereby authorized and directed to execute a Cooperative Agreement in substantially the form attached hereto, with such changes as are permitted by the Revised Code and not adverse to the City, which changes shall be first approved by the persons executing the same. The approval of such changes, and that such are not substantially adverse to this City, shall be conclusively evidenced by the execution thereof. Upon execution thereof, the Clerk of this Council shall deliver an executed copy of the Cooperative Agreement to Marion County for execution by its Board of County Commissioners.

Section 3. Approval under 1973 Lease and 1973 Indenture. After review of and reliance on the documents referred to in the preambles hereto, this Council hereby consents to the leasing to Marion County of the hospital facilities to be financed with the proceeds of the Marion County Hospital Revenue Bonds, all to the extent required by Section 5(f) of the 1973 Lease, and finds and determines that security interests, if any, granted in the Allen


Memorial Hospital and in the hospital facilities financed by the County of Marion Hospital Revenue Bonds will not interfere with the full use and enjoyment of the Allen Memorial Hospital Facilities (as defined in the 1973 Indenture) by the City for the operation of a general hospital and are therefore "Permitted Liens and Encumbrances" within the meaning of the 1973 Indenture and 1973 Lease.

Section 4. Execution of Approval. The execution by the City Manager of an approval of the acquisition and lease of the improvements and equipment described in Exhibit A to the Cooperative Agreement as required by Section 7(a) of the 1973 Lease, is hereby authorized and approved.


Section 5. Compliance with Open Meeting Requirements. It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with the law.

Section 6. Emergency. This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of this City, and for the further reason that the immediate effectiveness of this ordinance is necessary in order to timely execute and file the Cooperative Agreement with the County of Marion and thereby continue to provide adequate modern health care for the people of the City of Oberlin; wherefore, this ordinance shall be in full force and effect from and immediately after its passage.

Passed: March 16, 1987

  
Chairman of Council

Attest:

  
Clerk of Council

Posted: March 17, 1987

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