

RESOLUTION NO. 2014-05

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$8,800,000 OF REVENUE BONDS OF THE WARREN COUNTY PORT AUTHORITY, FOR THE PURPOSE OF FINANCING COSTS OF "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE FOR THE USE OF RALPH J. STOLLE COUNTRYSIDE YMCA AND REFUNDING BONDS PREVIOUSLY ISSUED FOR THE USE OF RALPH J. STOLLE COUNTRYSIDE YMCA; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AND LOAN AGREEMENT; AND APPROVING RELATED MATTERS.

WHEREAS, the Warren County Port Authority (the "Port Authority"), a body corporate and politic duly organized and validly existing under the laws of the State of Ohio (the "State"), is authorized and empowered, by virtue of the laws of the State, including without limitation, Section 13 of Article VIII, Ohio Constitution, Chapter 4582, Ohio Revised Code, (a) to issue its revenue bonds for the purposes of (i) assisting the Ralph J. Stolle Countryside Young Men's Christian Association of Warren County, Lebanon, Ohio (the "Borrower") in financing the costs of acquiring, constructing, equipping, installing, and improving a recreation center located at 1699 Deerfield Road, Lebanon, Ohio 45036, consisting generally of recreation facilities, parking facilities, studios and community meeting rooms, a discovery zone, a child care facility and childwatch area, locker rooms, and additional recreation facilities, together with all appurtenances thereto, all of which facilities constitute "port authority facilities", as defined in Section 4582.21, Ohio Revised Code, located within the boundaries of the County of Warren, Ohio, (ii) refunding the entire outstanding principal amount of County of Warren, Ohio Economic Development Revenue Refunding Bonds (Ralph J. Stolle Countryside YMCA Project) dated July 30, 2009 previously issued for the purpose of acquiring, constructing, equipping, and installing additional recreational facilities located at 1699 Deerfield Road Lebanon, Ohio 45036, and (iii) to pay certain expenses incurred in connection with the issuance of the Bonds, not to exceed two percent (2%) of the sale proceeds thereof, (b) to enter into agreements with respect to the financing, acquisition, construction, equipping, improvement and installation of such facilities and to provide for a pledge of certain revenues sufficient to pay the principal of and interest and any premium on those revenue bonds, (c) to secure those revenue bonds by a Bond Purchase and Loan Agreement, as provided herein, (d) to enact this Bond Legislation and to enter into the Bond Purchase and Loan Agreement, each as defined in Section 1, upon the terms and conditions provided herein and therein; and

WHEREAS, after advice from the administrative officers of the Port Authority, this Legislative Authority has determined that it is necessary and proper and in the best interest of the Port Authority to issue revenue bonds in the maximum aggregate principal amount of \$8,800,000 at this time to finance port authority facilities and refund bonds previously issued for the benefit of the Borrower by lending the proceeds thereof pursuant to the Bond Purchase and Loan Agreement to the Borrower, as defined in Section 1;

NOW, THEREFORE, Be It Resolved by the Board of Directors of the Warren County Port Authority:

Section 1. Definitions. In addition to the words and terms elsewhere defined in this Bond Legislation, the following words and terms as used in this Bond Legislation shall have the following meanings unless otherwise provided and unless the context or use indicates another or different meaning or intent:

“Act” means Sections 4582.21 to 4582.59, inclusive, Ohio Revised Code, as enacted and amended from time to time pursuant to Section 13 of Article VIII of the Ohio Constitution.

“Bank” means LCNB National Bank, Lebanon, Ohio.

“Bond Legislation” means this resolution and the Certificate of Award executed pursuant to this resolution.

“Bond Purchase and Loan Agreement” means the Bond Purchase and Loan Agreement dated as of the date designated in the Certificate of Award by and among the Port Authority, the Borrower, and the Bank, as it may be duly amended or supplemented from time to time.

“Bond Service Charges” means, for any period or payable at any time, the principal of and interest and any premium on the Bonds for that period or payable at that time, whether due at maturity or upon acceleration or redemption.

“Bonds” means the Port Authority revenue bonds authorized by the Bond Legislation to be issued in the maximum aggregate principal amount of \$8,800,000 pursuant to the Bond Purchase and Loan Agreement.

“Borrower” means Ralph J. Stolle Countryside Young Men’s Christian Association of Warren County, Lebanon, Ohio, a non-profit corporation organized under the laws of the State, and its lawful successors and assigns to the extent permitted by the Bond Purchase and Loan Agreement.

“Certificate of Award” means the certificate executed by the Executive or the Fiscal Officer pursuant to Section 3 of this Bond Legislation.

“Code” means the Internal Revenue Code of 1986, as amended, including, when appropriate, the statutory predecessor of the Code, and all applicable regulations (whether proposed, temporary or final) under that Code and the statutory predecessor of the Code, and any official rulings and judicial determinations under the foregoing applicable to the Bonds.

“Executive” means the Executive Director of the Port Authority.

“Fiscal Officer” means the Fiscal Officer of the Port Authority.

“Interest Payment Date” means, as to the Bonds, each date on which interest is to be paid on the Bonds, as set forth in the Bond Purchase and Loan Agreement.

“Legislative Authority” means the Board of Directors of the Port Authority.

“Note” means the promissory note dated the date as the Bond Purchase and Loan Agreement issued by the Borrower to the Port Authority in the amount of \$8,800,000 to evidence the repayment of the loan.

“Pledged Revenues” means revenues derived from payments made by the Borrower under the Bond Purchase and Loan Agreement and the Note, which revenues have been pledged and assigned to secure the payment of the Bonds in the Bond Purchase and Loan Agreement.

“Prior Bonds” means the County of Warren, Ohio Economic Development Revenue Refunding Bonds (Ralph J. Stolle Countryside YMCA Project) dated July 30, 2009.

“Project” means the Project, as defined in the Bond Purchase and Loan Agreement, being a “port authority facility” as defined in the Act, and as more fully described in the Bond Purchase and Loan Agreement.

“Project Fund” means the Project Fund established in Section 5 hereof to be held in the custody of the Bank and applied to pay the costs of the Project pursuant to the terms of the Bond Purchase and Loan Agreement.

The captions and headings in this Bond Legislation are solely for convenience of reference and do not define, limit or describe the scope or intent of any provisions or Sections of this Bond Legislation. Words or terms used herein with initial capital letters and not defined herein shall have the meanings given to them in the Bond Purchase and Loan Agreement.

Section 2. Determinations by Legislative Authority. This Legislative Authority determines that: (i) it is necessary and proper and in the best interest of the Port Authority to, and the Port Authority shall, issue, sell and deliver the Bonds in the maximum aggregate principal amount of \$8,800,000 at this time, as provided and authorized herein and in the Bond Purchase and Loan Agreement, and pursuant to the authority of the Act, for the purposes of assisting the Borrower in financing the costs of acquiring, constructing, equipping, installing, and improving the Project, refunding the entire outstanding principal amount of the Prior Bonds, and paying certain expenses incurred in connection with the issuance of the Bonds, not to exceed two percent (2%) of the sale proceeds thereof; (ii) the Project is a “port authority facility” as defined in the Act, and the financing of the Project and the refunding of the Prior Bonds is consistent with the purposes of the Act and Section 13 of Article VIII, Ohio Constitution; (iii) the utilization of the Project is in furtherance of the purposes of the Act and will benefit the people of the State by creating jobs and employment opportunities and improving the economic welfare of the people of the State; and (iv) provision of the Project requires the issuance, sale and delivery of the Bonds.

This Legislative Authority also determines that, following reasonable notice and prior to delivery of the Bonds, a public hearing has been held by the Port Authority with respect to the issuance of the Bonds, all as required by Section 147(f) of the Code.

### Section 3. Terms and Provisions of the Bonds.

(a) Generally. The Bonds (i) shall be issued in the form set forth as an exhibit to the Bond Purchase and Loan Agreement, and may be issued in more than one series as set forth in the Certificate of Award; (ii) shall be subject to optional and mandatory sinking fund redemption in the amounts and at the times and prices for which provision is made in the Certificate of Award and in the manner set forth in this Bond Legislation and upon the conditions set forth in the Bond Purchase and Loan Agreement; and (iii) shall be dated as of the date designated in the Certificate of Award. The Bonds shall bear interest, payable on the Interest Payment Dates, from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from their dates. The Bonds shall be designated "Warren County Port Authority Development Revenue Bonds, Section 2014 (Ralph J. Stolle Countryside YMCA Project)" and, if issued in more than one series, shall include a series designation.

(b) Interest Rates and Principal Maturities. The Bonds shall bear interest at the annual rate or rates per year, payable on each Interest Payment Dates (provided that the Certificate of Award may provide for a delay of not to exceed 24 months in the first Interest Payment Date), and shall mature and be subject to mandatory redemption on the dates and in the years and in the principal amounts, all as shall be set forth in the Certificate of Award; provided that no rate of interest therein specified shall exceed twelve percent (12%) per year, the first payment of principal on Bonds shall be made not later than January 1, 2015 and all Bonds shall have been retired not later than January 1, 2035. In the Certificate of Award, the Executive or Fiscal Officer shall fix the principal amount of the Bonds to be issued of each series if more than one series of Bonds are to be issued, provided that the aggregate principal amount of Bonds shall not exceed \$8,800,000, that will provide the moneys necessary to pay costs of financing the Project, refund the Prior Bonds, and pay the costs of issuance of the Bonds to the extent that those costs will be paid from the Bond proceeds. The Certificate of Award shall fix the maturity or maturities and the mandatory and optional redemption provisions of the Bonds so as to provide to the Port Authority the lowest feasible interest cost but within the amount that is reasonably expected to be realized from payments under the Bond Purchase and Loan Agreement. Other terms of the Bonds may be specified in the Certificate of Award or the Bond Purchase and Loan Agreement. All matters determined in the Certificate of Award, as the same may be amended or supplemented, shall be conclusive and binding.

(c) Execution. The Bonds shall be signed by the Executive and the Fiscal Officer in their official capacities, provided that one but not both of such signatures may be a facsimile, and may bear the corporate seal, or a facsimile thereof, of the Port Authority.

Section 4. Sale of the Bonds. The Bonds are awarded and sold to the Bank at the purchase price set forth in the Certificate of Award, plus any accrued interest from their date to the date of delivery of and payment therefor. The purchase price of the Bonds, expressed as a percentage of the principal amount of the Bonds, shall be established in the Certificate of Award, provided that such purchase price shall provide for a discount of not more than 5% of the

principal amount of the Bonds issued as purchasers discount and any remaining discount, not to exceed 20% of the principal amount of the Bonds, shall be original issue discount for federal income tax purposes, all as determined in the Certificate of Award which determination shall be in the best interests of the Port Authority. Any fees payable pursuant to the Bond Purchase and Loan Agreement in connection with the issuance and sale of the Bonds shall be paid from the proceeds of the Bonds, which amounts are hereby appropriated for that purpose.

The Executive and the Fiscal Officer are directed to make the necessary arrangements on behalf of the Port Authority to establish the date, location, procedure and conditions for the delivery of the Bonds to the Bank. Those officers are further directed to take all actions necessary to effect due execution, authentication and delivery of the Bonds under the terms of this Bond Legislation and the Bond Purchase and Loan Agreement.

It is determined by this Legislative Authority that the price for and the terms of the Bonds, and the sale thereof, all as provided in this Bond Legislation and the Bond Purchase and Loan Agreement, are in the best interests of the Port Authority and are in compliance with all legal requirements.

Section 5. Application of Proceeds of the Bonds. The Project Fund is hereby created as a fund to be held in the custody of the Bank. The proceeds of sale of the Bonds shall be deposited in the Project Fund and shall be allocated as set forth in the Certificate of Award. The bond proceeds to be deposited by the Bank shall remain in the Project Fund until the proceeds are disbursed from the Project Fund in accordance with the provisions for disbursement of funds for costs of the Project in the Bond Purchase and Loan Agreement.

Section 6. Security for the Bonds. As provided in the Bond Purchase and Loan Agreement, the Bonds shall be payable solely from the Pledged Revenues and shall be secured equally and ratably by an assignment of and a lien on the Pledged Revenues and such collateral as may from time to time be assigned, provided, however, that any assignment of or lien on any fund, account, receivables, revenues, money or other intangible property not in the custody of the Bank shall be valid and enforceable only to the extent permitted by law. Nothing in the Bond Legislation, the Bonds or the Bond Purchase and Loan Agreement shall constitute a general obligation, debt or bonded indebtedness of the Port Authority; neither the general resources of the Port Authority shall be required to be used, nor the general credit of the Port Authority pledged, for the performance of any duty under this Bond Legislation, the Bonds or the Bond Purchase and Loan Agreement; and further, nothing therein gives the Bondholder, and it does not have, the right to have excises or taxes levied by this Legislative Authority, or by the State or the taxing authority of any other political subdivision, for the payment of principal of, redemption premium, if any, and interest on the Bonds, but the Bonds are payable from the Pledged Revenues as provided herein and in the Bond Purchase and Loan Agreement, and each Bond shall contain a statement to that effect; provided, however, that nothing in this Bond Legislation shall be deemed to prohibit the Port Authority, of its own volition, from using to the extent it is lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of the Bond Purchase and Loan Agreement, this Bond Legislation or the Bonds.

Section 7. Covenants of Port Authority. The Port Authority, by issuance of the Bonds, covenants and agrees with the Holders of the Bonds, that:

(a) Use of Proceeds. The Port Authority will use, or cause to be used, the proceeds of the Bonds to pay costs of financing the Project, refund the Prior Bonds, and pay costs of issuance of the Bonds.

(b) Segregation of Funds. The Port Authority will segregate, for accounting purposes, the Pledged Revenues from all other revenues and funds of the Port Authority.

(c) Transcript of Proceedings. The Fiscal Officer, or other appropriate officer of the Port Authority, will furnish to the Bank a true transcript of proceedings, certified by the Fiscal Officer or other officer, of all proceedings had with reference to the issuance of the Bonds together with such information from the Port Authority's records as is necessary to determine the regularity and validity of such issuance.

(d) Further Actions and Delivery of Instruments. The Port Authority will, at any and all times, cause to be done all such further acts and things and cause to be executed and delivered all such further instruments as may be necessary to carry out the purpose of the Bonds and the Bond Legislation or as may be required by Section 13, Article VIII of the Constitution of the State and will comply with all requirements of law applicable to the Bonds.

(e) Observance and Performance of Agreements and Obligations. The Port Authority will observe and perform all its agreements and obligations provided for by the Bonds, the Bond Purchase and Loan Agreement or this Bond Legislation. All of the obligations under this Bond Legislation and the Bond Purchase and Loan Agreement are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon the Port Authority within the meaning of Section 2731.01, Ohio Revised Code.

(f) Arbitrage Provisions and Information Return. The Port Authority covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code. The Executive or the Fiscal Officer, or any other officer of the Port Authority having responsibility for the issuance of the Bonds, alone or in conjunction with the Borrower or any officer, employee, agent of or consultant to the Borrower, shall give:

(i) an appropriate certificate of the Port Authority for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the Port Authority regarding the amount and use of all of the proceeds of the Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Bonds, as provided by the Borrower, all as of the date of delivery of and payment for the Bonds; and

(ii) the statement setting forth the information required by Section 149(e) of the Code, which shall be based on the relevant information provided by the Borrower including an appropriate certificate, if required, setting forth information regarding the volume cap applicable to the Port Authority for use in obtaining the certification required by Section 149(e)(2)(F) of the Code.

The Port Authority covenants that it (a) will take or cause to be taken such actions which may be required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or permit to be taken any actions that would adversely affect that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Bonds to the purpose of the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely rebate payments to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Executive, the Fiscal Officer and other appropriate officers are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications, as may be appropriate to assure such exclusion of that interest.

Section 8. Bond Purchase and Loan Agreement. To secure the payment of the Bond Service Charges on the Bonds as the same shall become due and payable and the performance of the Port Authority as provided in this Bond Legislation, the Bonds and the Bond Purchase and Loan Agreement, and to provide for the sale of the Bonds, the Executive and the Fiscal Officer are hereby authorized and directed, for and in the name of the Port Authority and on its behalf and as security for the Bonds, to execute and deliver to the Bank and the Borrower, the Bond Purchase and Loan Agreement, in such form as shall be consistent with the Bond Legislation. The form of the aforesaid document is approved with such changes therein as are not inconsistent with the Bond Legislation and not substantially adverse to the Port Authority and which are permitted by the Act and shall be approved by the officers executing those documents. The approval of such changes, and that such changes are not substantially adverse to the Port Authority, shall be conclusively evidenced by the execution of those documents by those officials.

Section 9. Other Documents. The Executive and the Fiscal Officer are authorized and directed to execute any certifications, financing statements, assignments, agreements and instruments that are necessary or appropriate to perfect the assignments contemplated in the Bond Purchase and Loan Agreement and to consummate the transactions contemplated in the Bond Legislation and in the Bond Purchase and Loan Agreement.

Section 10. Acquisition, Construction and Improvement. It is hereby determined by this Legislative Authority that the acquisition and financing of the Project and of any improvements in connection with it, including those paid from the proceeds of the Bonds, shall be undertaken by the Borrower.

Section 11. Severability. Each section of this Bond Legislation and each subdivision or paragraph of any section thereof is hereby declared to be independent and the finding or holding of any section or any subdivision or paragraph of any section thereof to be invalid or void shall not be deemed or held to affect the validity of any other section, subdivision or paragraph of this Bond Legislation. If the Executive determines that refunding the Prior Bonds cannot be accomplished, the Port Authority may proceed with the issuance of Bonds for the purpose of acquisition of the Project pursuant to this Bond Legislation.

Section 12. Compliance with Open Meeting Law. It is found and determined that all formal actions of this Legislative Authority concerning and relating to the adoption of this Bond Legislation were taken in an open meeting of this Legislative Authority, and that all deliberations of this Legislative Authority and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

Section 13. Effective Date. This Bond Legislation shall be in full force and effect upon its adoption.

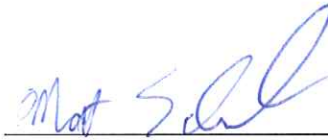


The resolution was adopted.

Yeas: Mr. Bolton, Mr. Gully, Ms. Reindl-Johnson, Mr. Sample

Nays: None

Adopted: June 6, 2014

A handwritten signature in blue ink, appearing to read "Matt S. [unclear]", is written over a horizontal line.

Secretary