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**RESOLUTION NO. 03-2014**

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF DAUPHIN, APPROVING THE FINANCING BY THE CUMBERLAND COUNTY MUNICIPAL AUTHORITY OF CERTAIN PROJECTS FOR THE BENEFIT OF DIAKON LUTHERAN SOCIAL MINISTRIES WHICH PROJECTS CONSIST OF, AMONG OTHER THINGS, THE REFUNDING AND PURCHASE OF CERTAIN OUTSTANDING BONDS OF THE AUTHORITY ISSUED FOR THE BENEFIT OF DIAKON LUTHERAN SOCIAL MINISTRIES AND THE ACQUISITION, CONSTRUCTION, INSTALLATION, RENOVATION AND EQUIPPING OF CERTAIN HEALTH CENTER FACILITIES OF DIAKON LUTHERAN SOCIAL MINISTRIES LOCATED IN DAUPHIN COUNTY AND THE PAYMENT OF THE COSTS AND EXPENSES RELATED TO SUCH FINANCING; DECLARING THAT IT IS DESIRABLE FOR THE HEALTH, SAFETY AND WELFARE OF THE PEOPLE IN DAUPHIN COUNTY SERVED BY DIAKON LUTHERAN SOCIAL MINISTRIES, TO HAVE THE PROJECT LOCATED IN DAUPHIN COUNTY PROVIDED BY AND FINANCED THROUGH THE AUTHORITY; DESIGNATING THE CHAIRMAN OF THE BOARD OF COMMISSIONERS OR, IN HIS ABSENCE, ANY OTHER MEMBER OF THE BOARD OF COMMISSIONERS AS THE PERSON TO ACT ON BEHALF OF THE BOARD OF COMMISSIONERS AS THE "APPLICABLE ELECTED REPRESENTATIVE" WITHIN THE MEANING OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; AUTHORIZING SUCH CHAIRMAN OR ANY SUCH MEMBER OF THE BOARD OF COMMISSIONERS TO TAKE CERTAIN ACTIONS ON BEHALF OF THE BOARD OF COMMISSIONERS AS SUCH "APPLICABLE REPRESENTATIVE;" AND AUTHORIZING OTHER NECESSARY AND APPROPRIATE ACTION.

**WHEREAS**, The Cumberland County Municipal Authority (the "Authority") is a municipal authority incorporated pursuant to a resolution of the Board of Commissioners of the County of Cumberland, Pennsylvania, and is existing under and governed by the provisions of the Pennsylvania Municipality Authorities Act (Act 22 of 2001), as amended and supplemented (the "Authorities Act"); and

**WHEREAS**, The Authorities Act permits the Authority to assist in the financing of buildings and facilities for health centers; and

**WHEREAS**, Diakon Lutheran Social Ministries, a Pennsylvania nonprofit corporation ("DLSM") has requested that the Authority finance a project (the "Project") which consists of,

among other things: (1) the current refunding of the Authority's Variable Rate Demand Bonds (LSN/TLS Obligated Group Project) Series A and C of 2003 (the "2003 Bonds"); (2) the current refunding of a portion of the Authority's Revenue Bonds, Series of 2009 (Diakon Lutheran Social Ministries Project) (the "2009 Bonds"); (3) the purchase of a portion of the 2009 Bonds and the Authority's Revenue Bonds, Series A of 2007 (Diakon Lutheran Social Ministries Project) (the "2007 Bonds"); (4) the acquisition, construction, renovation, improvement and equipping of administrative, skilled nursing, personal care and independent living facilities known as (i) Cumberland Crossings Retirement Community located in Cumberland County; (ii) Buffalo Valley Lutheran Village located in Union County; (iii) Frey Village located in Dauphin County; (iv) Luther Crest located in Lehigh County; (v) Manatawny Manor located in Chester County; (vi) Ohesson located in Mifflin County; (vii) Twining Village located in Bucks County; and (viii) The Lutheran Home at Topton located in Berks County; and (5) the payment of the costs and expenses incident to the issuance of the 2014 Bonds (as hereinafter defined); and

**WHEREAS**, DLSM has represented to the Authority that (i) it owns the facilities comprising the Project, (ii) proceeds of the 2003 Bonds, the 2007 Bonds and the 2009 Bonds were used to finance or refinance the acquisition, construction, renovation, improvement and equipping of the skilled nursing, personal care and independent living facilities identified in the Project described above; and (iii) such Project is a "health center" in that it constitutes integrated facilities which provide substantial health care services on a nonsectarian basis and reasonably related services and which is operated by a nonprofit corporation existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"); and

**WHEREAS**, In order to finance the Project, DLSM has requested that the Authority issue its Revenue Bonds or Notes (Diakon Lutheran Social Ministries Project) Series of 2014 (the "2014 Bonds"); and

**WHEREAS**, The County of Dauphin (the "County") approves the financing of the Project located in the County (the "Frey Village Project") for the benefit of DLSM, and has determined that it is in the best interests of the people in the County, and is desirable for the health, safety and welfare of the people in County to have the Frey Village Project (as part of the Project) provided, and undertaken, by the Authority; and

**WHEREAS**, Pursuant to the Internal Revenue Code of 1986, as amended (the "Code"), all bonds to be executed by the Authority, such as the 2014 Bonds to be issued to finance the Project for the benefit of DLSM, must be approved by the "applicable elected representative" of the governmental units in which the Project is located 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 Project is located; and

**WHEREAS**, A portion of the Project, comprising the Frey Village project, is located in the County; and

**WHEREAS,** The Board of Commissioners of the County (the "Board") is the "applicable elected representative" of the County within the meaning of the Code; and

**WHEREAS,** The Board desires to authorize and direct any member of its Board to act on its behalf as such "applicable elected representative."

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD, AS FOLLOWS:**

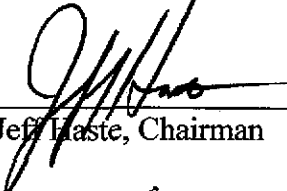
1. In connection with the financing of the Project by the Authority, this Board of Commissioners hereby declares it to be desirable for the health, safety and welfare of the people in Dauphin County, to have the Frey Village Project (as part of the Project) provided by, and financed through, the Authority.
2. The Board hereby empowers, authorizes and directs any of its members, to execute and deliver an "approval of applicable representative" in the form attached hereto; provided that, such approval shall be delivered only following a public hearing, held on behalf of the County, which has followed reasonable public notice, with respect to the Project (described on such approval). The Board intends that this resolution and the subsequent execution and delivery of the approval of "applicable elected representative" by any Commissioner of this 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.
4. The County acknowledges that the Authority is entitled to rely upon, and will rely upon, the findings and determinations of this County as set forth in Paragraph 1 above.

**ADOPTED** this 29<sup>th</sup> day of January, 2014 by the Board of Commissioners of the County of Dauphin, in lawful session duly assembled.

**ATTEST:**

  
\_\_\_\_\_  
Laura Cullison, Esquire  
Chief Clerk/Chief of Staff

**DAUPHIN COUNTY  
BOARD OF COMMISSIONERS**

  
\_\_\_\_\_  
Jeff Haste, Chairman

  
\_\_\_\_\_  
Mike Pries, Vice Chairman

  
\_\_\_\_\_  
George P. Hartwick, III, Secretary

(SEAL)

I, Laura Cullison, Esquire, Chief Clerk to the County of Dauphin, Pennsylvania, do hereby affirm that the above resolution was passed unanimously by the Dauphin County Board of Commissioners on the 29<sup>th</sup> day of January, 2014.

ATTEST:



\_\_\_\_\_  
CHIEF CLERK  
COUNTY OF DAUPHIN, PENNSYLVANIA

Date: January 29<sup>th</sup>, 2014

**APPROVAL OF APPLICABLE ELECTED REPRESENTATIVE**

I, Jeff Haste, Chairman of the Board of Commissioners of Dauphin County, Pennsylvania having been designated and empowered by the Dauphin County Board of Commissioners to approve the execution hereof, hereby approve of the following Project located in Dauphin County for the Applicant described below comprising part of a Project financed with tax-exempt obligations issued by the Cumberland County Municipal Authority (the "Authority") described below:

NAME AND ADDRESS OF OWNER AND OPERATOR OF FACILITIES TO BE FINANCED:

Diakon Lutheran Social Ministries ("Applicant")  
798 Hausman Road, Suite 300  
Allentown, Pa. 18104-9108

ADDRESSES OF PROJECT:

Lutheran Home at Topton  
One South Home Avenue  
Topton (Berks County), PA 19562

Luther Crest  
800 Hausman Road  
Allentown (Lehigh County), PA 18104

Manatawny Manor  
Rt. 724 at Old Schuylkill Road, Pottstown (Chester County), PA 19465

Buffalo Vallet Lutheran Village  
189 E. Tressler Blvd.  
Lewisburg (Union County), PA 17837

Ohesson  
276 Green Avenue Extended  
Lewistown (Mifflin County), PA 17044-1699

Frey Village  
1020 N. Union Street  
Middletown (Dauphin County), PA 17057-2199

Twining Village  
280 Middle Holland Road  
Holland (Bucks County), PA 18966

Cumberland Crossings Retirement Village  
1 Longsdorff Way  
Carlisle (Cumberland County), PA 17013

TOTAL COST OF PROJECT:

Not to exceed \$90,000,000.00 in the aggregate and for each project described below.

MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF DEBT TO BE ISSUED:


Not to exceed \$90,000,000.00 in the aggregate and for each project described below.

PROJECT DESCRIPTION:

Proceeds of the debt will be used on behalf of the Applicant to finance among other things: (1) the current refunding of the Authority's Variable Rate Demand Bonds (LSN/TLS Obligated Group Project) Series A and C of 2003 (the "2003 Bonds"); (2) the current refunding of a portion of the Authority's Revenue Bonds, Series of 2009 (Diakon Lutheran Social Ministries Project) (the "2009 Bonds"); (3) the purchase of a portion of the 2009 Bonds and the Authority's Revenue Bonds, Series A of 2007 (Diakon Lutheran Social Ministries Project) (the "2007 Bonds"); (4) the acquisition, construction, renovation, improvement and equipping of administrative, skilled nursing, personal care and independent living facilities known as (i) Cumberland Crossings Retirement Community located in Cumberland County; (ii) Buffalo Valley Lutheran Village located in Union County; (iii) Frey Village located in Dauphin County; (iv) Luther Crest located in Lehigh County; (v) Manatawny Manor located in Chester County; (vi) Ohesson located in Mifflin County; (vii) Twining Village located in Bucks County; and (viii) The Lutheran Home at Topton located in Berks County; and (5) the payment of the costs and expenses in connection with the issuance of the debt.

COUNTY OF DAUPHIN

By: \_\_\_\_\_

  
Jeff Haste, Chairman  
Board of County Commissioners of the  
County of Dauphin

Dated: January 29<sup>th</sup>, 2014