



City of North Canton, Ohio

Council Office
145 North Main Street
North Canton, Ohio 44720-2587
330.499.3986 - 330.499.2960 Fax

www.northcantonohio.com
email: citycouncil@northcantonohio.com

NOTICE OF MEETING

Council Meeting Agenda Monday, July 9, 2012 - 7:00 p.m.

1. Call to Order: 7:00 p.m.
2. Opening Prayer:
3. Pledge of Allegiance
4. Roll Call
5. Consideration

Council Meeting Minutes – June 11, 2012
Council Meeting Minutes – June 25, 2012

6. Committee Minutes
7. Recognition of Visitors

OLD BUSINESS:

8. **Resolution No. 61-12 – 2nd Reading – Finance & Property**
A resolution of submission of question of a renewal of a tax levy for the purpose of providing additional funds for the City's portion of ambulance service, emergency medical service or both, in the City of North Canton, Stark County, Ohio, and declaring the same to be an emergency.
9. **Ordinance No. 63-12 – 1st Reading – Finance & Property**
(Tabled prior to the 1st reading 6/25/12)
An ordinance authorizing the Mayor of the City of North Canton to enter into a Second Addendum to the Lease by and between the City of North Canton ("City") and R & S Golf Properties, Inc., an Ohio corporation and Robert C. Purcell and David Scott DeMuesy as individuals ("Lessee") executed on December 22, 2008, for the premises known as The Fairways fra Arrowhead Country Club, and declaring the same to be an emergency.

**10. Ordinance No. 67-12 – 1st Reading – Ordinance, Rules & Claims
(Tabled prior to the 1st reading 6/25/12)**

An ordinance amending PART FIVE – GENERAL OFFENSES CODE of the Codified Ordinances of the City of North Canton to include Chapter 559 – Graffiti, requiring property owners to remove and restore any exterior surface where graffiti appears.

NEW BUSINESS:

11. Ordinance No. 68-12 – 1st Reading – Community & Economic Development

An ordinance authorizing the Mayor of the City of North Canton to enter into an Industrial and Commercial Retention Grant for Crowl, Montgomery & Clark, Inc.

12. Ordinance No. 69-12 – 1st Reading – Water, Sewer & Rubbish

An ordinance amending Section 3. of Ordinance No.28-12, Water Tower 1 Exterior Painting Project, by an increase in the amount of the allocations for the project, at a total cost not to exceed \$475,000, and declaring the same to be an emergency.

13. Ordinance No. 70-12 – 1st Reading – Finance & Property

An ordinance authorizing the Director of Administration of the City of North Canton to advertise and receive bids according to specifications now on file in the office of the Director of Administration and for the Mayor of the City of North Canton to be authorized, through the Board of Control, to enter into a tax-exempt Lease Purchase Agreement; or in the alternative, a Purchase Agreement for the installation and purchase of a telephone system and related communication equipment to establish (and/or enhance) a data and voice network throughout the City, at a cost not to exceed \$100,000, and declaring the same to be an emergency.

14. Ordinance No. 71-12 – 1st Reading – Finance & Property

An ordinance authorizing the issuance and sale of an amount not to exceed \$18,500,000 in principal amount of City of North Canton, Ohio Healthcare Facilities Revenue Refunding Bonds, Series 2012 (St. Luke Lutheran Community Project), for the purpose of refinancing costs of hospital facilities; authorizing the signing and delivery of a Base Lease, Lease, and a Trust Agreement to provide for the issuance of, and securing the payment of bond service charges payable on, the bonds; authorizing the signing and delivery of a Bond Purchase Agreement in connection with the sale of the bonds and of certain other documents and instruments in connection with, and the taking of actions necessary or desirable to effect the issuance of, the bonds; and authorizing and approving related matters, and declaring an emergency.

**Council Meeting
Agenda**

**July 9, 2012
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REPORTS:

Director of Law
Mayor

Director of Finance
City Engineer

Director of Administration
Dir. of Administrative Services

REPORTS – COUNCIL:

Mark Cerreta At Large
Dan Griffith At Large
Marcia Kiesling At Large

Doug Foltz Ward 1
Daniel Peters Ward 2
Tim Fox Ward 3
Jon Snyder Ward 4

FINAL CALL FOR NEW BUSINESS:

ADJOURN:

Gail M. Kalpac
Clerk of Council

7/5/12-gmk

c: Council, Director of Law
Mayor, D/Administration
D/Finance, City Engineer
D/Administrative Services
Supt. P&I, Police Chief
Fire/EMS Chief, Press



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EXECUTIVE SESSION MEETING MINUTES

The Personnel & Safety Committee of North Canton City Council met Monday, July 2, 2012 at 6:30 p.m. in the Council Chamber at North Canton City Hall.

Present for the Meeting were: Chairman Peters, Vice Chairman Snyder, Member Griffith, Council Members Cerreta, Foltz, Fox and Kiesling.

Also present for the meeting was: Attorney Batista.

Upon a roll call vote of Council, all present moved into an executive session at 6:30 p.m. for the purpose of discussing personnel matters pertaining to the appointment, employment, dismissal, discipline, promotion, demotion or compensation of a public employee or official. Subsequent to the discussion, the executive session adjourned at 7:00 p.m.

Respectfully submitted,

Jeff Peters, Chairman

Jon Snyder, Vice Chairman

Dan Griffith

7/3/12-gmk

c: Council, Director of Law
Mayor, D/Administration
D/Finance, City Engineer
Supt. P&I, Police Chief
Fire/EMS Chief, Press



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COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE MEETING MINUTES

The Community & Economic Development Committee of North Canton City Council met as part of the Committee of the Whole Monday, July 2, 2012 in the Council Chambers at North Canton City Hall.

Present for the meeting were: Chairperson Kiesling, Vice Chairman Cerreta, Member Fox, Council Members Foltz, Griffith, Peters and Snyder.

Also present were: Mayor Held, Director of Administration Grimes, Director of Law Nilges, Director of Finance Alger, Director of Administrative Services Bartos, City Engineer Benekos and Director of Permits & Development Bowles.

Items discussed:

- a. Retention Grant; Crowl, Montgomery & Clark, Inc.: The Committee authorized legislation, authorizing the Mayor to enter into an Industrial and Commercial Retention Grant for Crowl, Montgomery & Clark, Inc.
- b. Discussion – Stark Development Board Monetary Support Request: Item was discussed. Director of Law Nilges to research the matter of funding and report back to Council at a later date.

Respectfully submitted,

Marcia Kiesling, Chairperson

Mark Cerreta, Vice Chairman

Tim Fox, Member

7/3/12-gmk



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FINANCE & PROPERTY COMMITTEE MEETING MINUTES

The Finance & Property Committee of North Canton City Council met as part of the Committee of the Whole Monday, July 2, 2012 in the Council Chamber at North Canton City Hall.

Present for the meeting were: Chairman Snyder, Vice Chairperson Kiesling, Member Cerreta, Council Members Fox, Foltz, Griffith and Peters. Also present were: Mayor Held, Director of Administration Grimes, Director of Law Nilges, Director of Finance Alger, City Engineer Benekos, Director of Permits & Development Bowles, and Director of Administrative Services Bartos.

Items discussed:

- a. Data & Telephone Communication Project: The Committee authorized legislation, on an emergency basis, authorizing the Director of Administration to advertise and receive bids and for the Mayor to be authorized, through the Board of Control, to enter into a tax-exempt Lease Purchase Agreement; or in the alternative, a Purchase Agreement for the installation and purchase of a telephone system and related communication equipment to establish (and/or enhance) a data and voice network throughout the City, at a cost not to exceed \$100,000.
- b. St. Luke's Refinancing Bond: The Committee authorized legislation, on an emergency basis, authorizing the issuance and sale of an amount not to exceed \$18,500,000 in principal amount of City of North Canton, Ohio Healthcare Facilities Revenue Refunding Bonds, Series 2012 (St. Luke Lutheran Community Project), for the purpose of refinancing costs of hospital facilities; authorizing the signing and delivery of a Base Lease, Lease, and a Trust Agreement to provide for the issuance of, and securing the payment of bond service charges payable on, the bonds; authorizing the signing and delivery of a Bond Purchase Agreement in connection with the sale of the bonds and of certain other documents and instruments in connection with, and the taking of actions necessary or desirable to effect the issuance of, the bonds.

Respectfully submitted,

Jon Snyder, Chairman

Marcia Kiesling, Vice Chairperson

Mark Cerreta, Member



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PARK & RECREATION COMMITTEE MINUTES

The Park & Recreation Committee of North Canton City Council met as part of the Committee of the Whole Monday, July 2, 2012 in the Council Chamber at North Canton City Hall.

Present for the meeting were: Chairman Foltz, Vice Chairman Griffith, Member Peters, Council Members Cerreta, Fox, Kiesling and Snyder.

Also present were: Mayor Held, Director of Administration Grimes, Director of Law Nilges, Director of Finance Alger, City Engineer Benekos, Director of Permits & Development Bowles, and Director of Administrative Services Bartos.

Item discussed:

- a. Request to Waive Civic Center Rental Fee: After a discussion, the Committee and Council elected not to waive the Civic Center Rental fee on October 7, 2012 for the Slater Lecture in the Classics.

Chairman Foltz requested the Clerk of Council send Ms. Slater a letter advising of Council's decision not to waive the fee.

Respectfully submitted,

Doug Foltz, Chairman

Dan Griffith, Vice Chairman

Daniel Peters, Member

7/3/12-gmk

g:\2012 committee report minutes\7-2-12 p&r.docx



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WATER, SEWER & RUBBISH COMMITTEE MEETING MINUTES

The Water, Sewer & Rubbish Committee of North Canton City Council met as part of the Committee of the Whole Monday, July 2, 2012 in the Council Chamber at North Canton City Hall.

Present for the meeting were: Chairman Cerreta, Vice Chairman Fox and Member Snyder, Council Members Foltz, Griffith, Kiesling and Peters.

Also present were: Mayor Held, Director of Administration Grimes, Director of Law Nilges, Director of Finance Alger, City Engineer Benekos, Director of Permits & Development Bowles, and Director of Administrative Services Bartos.

Item discussed:

- a. Water Tower #1 Exterior Painting Project; Increase in Allocation: The Committee authorized legislation, on an emergency basis, amending Section 3. of Ordinance No.28-12, Water Tower 1 Exterior Painting Project, by an increase in the amount of the allocations for the project, at a total cost not to exceed \$475,000.

Respectfully submitted,

Mark Cerreta, Chairman

Tim Fox, Vice Chairman

Jon Snyder, Member

RECORD OF ORDINANCES

Dayton Legal Blank, Inc.

Form No. 30043

Ordinance No. _____

Passed _____, 20____

7/3/12-gmk
(Comm. & Econ. Dev.)

Ordinance No. 68-12

An ordinance authorizing the Mayor of the City of North Canton to enter into an Industrial and Commercial Retention Grant for Crawl, Montgomery & Clark, Inc.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH CANTON, COUNTY OF STARK, STATE OF OHIO:

Section 1. That the Mayor of the City of North Canton, be, and is hereby authorized to enter into an Industrial and Commercial Retention Grant for Crawl, Montgomery & Clark, Inc.

Section 2. That this ordinance shall take effect and be in full force from and after the earliest period allowed by law.

North Canton, OH
Passed:

MAYOR

SIGNED: _____, 2012

ATTEST:

CLERK OF COUNCIL

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RECORD OF ORDINANCES

Dayton Legal Blank, Inc.

Form No. 30043

Ordinance No. _____ Passed _____, 20____

7/3/12-gmk
(Water, Sewer & Rubbish)

Ordinance No. 69-12

An ordinance amending Section 3. of Ordinance No.28-12, Water Tower 1 Exterior Painting Project, by an increase in the amount of the allocations for the project, at a total cost not to exceed \$475,000, and declaring the same to be an emergency.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH CANTON, COUNTY OF STARK, STATE OF OHIO:

Section 1. That Section 3. of Ordinance No. 28-12, Water Tower 1 Exterior Painting Project, be, and the same is hereby amended to read as follows:

"Section 3.

That the Director of Finance of the City of North Canton, be, and is hereby authorized to draw fund necessary for the payment of the above specified contract from the following appropriation:

650	WATER REVENUE FUND	
650.768.5230	Maintenance of Equipment	\$475,000

upon receipt of vouchers duly approved by the proper departmental authority."

Section 2. That if a provision of this ordinance is or becomes illegal, invalid or unenforceable, that shall not affect the validity or enforceability of any other provision of this ordinance.

Section 3. That this ordinance is hereby declared to be an emergency measure necessary for the preservation of the health, safety and peace of the City of North Canton and further necessary to ensure funding for the timely completion of the Water Tower 1 Exterior Painting Project; wherefore, provided it receives the affirmative vote of six (6) or more members of Council elected thereto, this ordinance shall take effect and be in full force immediately upon its adoption by Council and approval by the Mayor. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

North Canton, OH
Passed:

MAYOR

SIGNED: _____, 2012

ATTEST:

CLERK OF COUNCIL

RECORD OF ORDINANCES

Dayton Legal Blank, Inc.

Form No. 30043

Ordinance No. _____ Passed _____, 20____

7/3/12-gmk
(Finance & Property)

Ordinance No. 70-12

An ordinance authorizing the Director of Administration of the City of North Canton to advertise and receive bids according to specifications now on file in the office of the Director of Administration and for the Mayor of the City of North Canton to be authorized, through the Board of Control, to enter into a tax-exempt Lease Purchase Agreement; or in the alternative, a Purchase Agreement for the installation and purchase of a telephone system and related communication equipment to establish (and/or enhance) a data and voice network throughout the City, at a cost not to exceed \$100,000, and declaring the same to be an emergency.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH CANTON, COUNTY OF STARK, STATE OF OHIO:

Section 1. That the Director of Administration of the City of North Canton, be, and is hereby authorized to advertise and receive bids according to specifications now on file in the office of the Director of Administration.

Section 2. That the Mayor of the City of North Canton, through the Board of Control, be, and is hereby authorized to enter into a tax-exempt Lease Purchase Agreement for the installation and purchase of a telephone system and related communication equipment to establish (and/or enhance) a data and voice network throughout the City, at a cost not to exceed \$100,000.

Section 3. That the Mayor of the City of North Canton, through the Board of Control, be, and is hereby authorized to enter into a Purchase Agreement for the installation and purchase of a telephone system and related communication equipment to establish (and/or enhance) a data and voice network throughout the City, at a cost not to exceed \$100,000.

Section 4. That the Director of Finance of the City of North Canton, be, and is hereby authorized to draw funds necessary for the payment of the above specified agreement from the following appropriations:

330	CAPITAL IMPROVEMENT FUND		
330.627.5500	Equipment		\$ 50,000
650	WATER REVENUE FUND		
650.765.5500	Equipment		\$ 25,000
652	SEWER REVENUE FUND		
652.778.5500	Equipment		<u>\$ 25,000</u>
			\$100,000

upon receipt of vouchers duly approved by the proper departmental authority.

Section 5. That if a provision of this ordinance is or becomes illegal, invalid or unenforceable, that shall not affect the validity or enforceability of any other provision of this ordinance.

RECORD OF ORDINANCES

Dayton Legal Blank, Inc.

Form No. 30043

Ordinance No. _____ Passed _____, 20____

Section 4. That this ordinance is hereby declared to be an emergency measure necessary for the preservation of the health, safety, and peace of the City of North Canton and further necessary for the timely purchase and installation of said telephone / data equipment and to ensure the continued efficient operation of the City; wherefore, provided it receives the affirmative vote of six (6) or more members of Council elected thereto, this ordinance shall take effect and be in full force immediately upon its adoption by Council and approval by the Mayor. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

North Canton, OH

Passed:

MAYOR

SIGNED: _____, 2012

ATTEST:

CLERK OF COUNCIL

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RECORD OF ORDINANCES

Dayton Legal Blank, Inc.

Form No. 31043

Ordinance No. _____ Passed _____, 20____

7/3/12-bdblwa
(Finance & Property)

Ordinance No. 71-12

An ordinance authorizing the issuance and sale of an amount not to exceed \$18,500,000 in principal amount of City of North Canton, Ohio Healthcare Facilities Revenue Refunding Bonds, Series 2012 (St. Luke Lutheran Community Project), for the purpose of refinancing costs of hospital facilities; authorizing the signing and delivery of a Base Lease, Lease, and a Trust Agreement to provide for the issuance of, and securing the payment of bond service charges payable on, the bonds; authorizing the signing and delivery of a Bond Purchase Agreement in connection with the sale of the bonds and of certain other documents and instruments in connection with, and the taking of actions necessary or desirable to effect the issuance of, the bonds; and authorizing and approving related matters, and declaring an emergency.

WHEREAS, the City, a municipal corporation and political subdivision established under the laws of the State of Ohio (the "City"), by virtue of the laws of the State of Ohio, including Chapter 140 of the Ohio Revised Code (the "Act") and its Charter, is authorized and empowered (a) to issue its bonds for the purpose of refunding prior bonds which were originally issued for the purpose of assisting in financing costs for the acquiring, constructing, improving, and equipping of "hospital facilities" as defined in the Act, (b) to enter into a lease agreement to evidence such indebtedness and to provide for "revenues", as defined in said Section 140.01, sufficient to pay the principal of, premium, if any, and interest on its Bonds, (c) to secure the Bonds by a pledge and assignment of revenues, (d) to secure those revenue bonds by a Trust Agreement and pledge of those revenues, and (e) to enact this Bond Legislation and to enter into the Base Lease, the Lease Agreement, the Tax Agreement, the Bond Purchase Agreement, and the other documents and instruments hereby approved, all as defined below; and

WHEREAS, St. Luke Lutheran Home for the Aging ("St. Luke North Canton"), St. Luke Lutheran Community-Portage Lakes (St. Luke Portage Lakes"), and The Waterford at St. Luke (the "Waterford" and, together with St. Luke North Canton and St. Luke Portage Lakes, the "Company"), each an Ohio nonprofit corporation, have requested that the City issue its revenue bonds (the "Bonds") pursuant to the Act to assist the Company in providing funds to refund its \$8,220,000 Health Care Facilities Revenue Refunding Bonds, Series 1998 (The Waterford at St. Luke Project) dated June 15, 1998 (the "Series 1998 Bonds"), to refund its \$13,500,000 Variable Rate Healthcare Facilities Revenue Bonds, Series 2007 (St. Luke Lutheran Community Project) dated April 24, 2007 (the "Series 2007 Bonds" and, collectively with the Series 1998 Bonds, the "Prior Bonds"), and to pay the costs of issuance of the Bonds. The Series 1998 Bonds were used by Waterford to: (a) refund the City's \$7,280,000 Health Care Facilities Revenue Bonds, Series 1992 (The Waterford at St. Luke Project) dated December 15, 1992, the proceeds of which were used to finance the acquisition, construction, and equipping of a 67 unit housing facility for older adults located in the City and operated by Waterford, (b) fund the debt service reserve fund for the Series 1998 Bonds, and (c) pay the issuance costs of the Series 1998 Bonds. The Series 2007 Bonds were used to assist St. Luke North Canton and St. Luke Portage Lakes in the payment of the costs of the acquisition, construction, installation, and equipping of St. Luke North Canton's 235-bed nursing home and assisted living care facility at 200 and 220 Applegrove Street N.E. North Canton, Ohio 44720 and St. Luke Portage Lakes's 56-bed nursing home facility located at 615 Latham Lane, Akron, Ohio 44319, all comprising hospital facilities under the Act, including: (a) the refinancing of the City's Health Care Facilities Revenue Refunding Bonds, Series 1997A and Series 1997B (St. Luke Lutheran Home for the Aging Project), the proceeds of which were used to advance refund the City's Economic Development Revenue Bonds, Series 1984 (FHA Insured Mortgage Loan-St. Luke Lutheran Home for the Aging Project) which were issued to finance a 64,000 square foot addition and improvement to the St. Luke North Canton facility, (b) to refinance loans made to St. Luke Portage Lakes to finance a 4,450 square foot addition and improvement to the St. Luke Portage Lakes facility, (c) to finance and refinance general maintenance capital expenditures to St. Luke North Canton and St. Luke Portage Lakes, and (d) to pay the issuance costs of the Series 2007 Bonds.

RECORD OF ORDINANCES

Dayton Legal Blank, Inc.

Form No. 30047

Ordinance No. _____ Passed _____, 20____

WHEREAS, the "hospital facilities" owned by St. Luke Portage Lakes are located in Summit County, Ohio ("Summit County"), and in order to permit the City to issue its bonds in connection with those facilities, the City must enter into a public hospital agencies agreement with Summit County under which Summit County will authorize the City to issue bonds allocable to the St. Luke Portage Lakes.

NOW, THEREFORE, BE IT BE IT ORDAINED BY THE CITY OF NORTH CANTON, COUNTY OF STARK, STATE OF OHIO, that:

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

"Act" means Chapter 140 of the Revised Code.

"Assignment" means the Assignment of Rights Under Lease, dated as of even date with the Trust Agreement, from the City, as assignor, to the Trustee, as assignee, as amended or supplemented from time to time.

"Base Lease" means the Base Lease, dated as of even date with the Trust Agreement, between the Company, as lessor, and the City, as lessee, as amended or supplemented from time to time.

"Bond Fund" means each Bond Fund created under the Trust Agreement and held by the Trustee.

"Bond Legislation" means the ordinance adopted by the City providing for the issuance of the Bonds and the approval of the Base Lease, the Lease, the Assignment, the Trust Agreement, the Bond Purchase Agreement and related matters, as that ordinance may from time to time be amended or supplemented.

"Bond Purchase Agreement" means the Bond Purchase Agreement, dated _____, 2012, providing for the sale of the Bonds between and among the Original Purchaser, the Company, and the City.

"Bond Service Charges" means, for any period or payable at any time, the principal of (whether on an Interest Payment Date, at stated maturity, by mandatory sinking fund redemption, if any, by acceleration or otherwise) and premium, if any, and interest on the Bonds for that period or due and payable at that time as the case may be.

"Bonds" means the \$18,500,000 Healthcare Facilities Revenue Refunding Bonds, Series 2012 (St. Luke Lutheran Community Project), issued by the City pursuant to this Bond Legislation and the Trust Agreement.

"City" means the City of North Canton, Ohio, a municipal corporation and political subdivision of the State of Ohio.

"Clerk" means the City's Clerk of Council.

"Closing Date" means the date of delivery of and payment for the Bonds.

"Code" means the Internal Revenue Code of 1986, the Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a section of the Code includes any applicable successor section or provision and such applicable Regulations, rulings, announcements, notices, procedures and determinations pertinent to that section.

RECORD OF ORDINANCES

Dayton Legal Blank, Inc.

Form No. 30043

Ordinance No. _____ Passed _____, 20____

"Company" means, collectively, St. Luke North Canton, St. Luke Portage Lakes, and the Waterford, each an Ohio nonprofit corporation and a nonprofit hospital agency, as defined in the Act, and its lawful successors and assigns, including without limitation any surviving, resulting, or transferee corporation or entity, as permitted under the Lease.

"Cooperative Agreement" means the Public Hospital Agencies Agreement between the City, Summit County, and the Company.

"Director of Finance" means the Director of Finance of the City.

"Escrow Agreement" means the Escrow Agreement between the City, the Waterford, and The Huntington National Bank, as escrow trustee, under which funds will be deposited with the escrow trustee to defease the Series 1998 Bonds.

"Guaranty" means the Guaranty Agreement, dated as of even date with the Trust Agreement, between the Company, St. Luke Foundation, St. Luke Lutheran Community, and the Trustee, as amended or supplemented from time to time.

"Holder" means the Person in whose name a Bond is registered on the Register.

"Holder" means as to any Bond, the person in whose name such Bond is registered on the Register.

"Interest Payment Date(s)" means the Interest Payment Dates for the Bonds as defined in the Trust Agreement.

"Lease" means the Lease Agreement, dated of even date with the Trust Agreement, between the City, as lessor, and the Company, as lessor, as amended or supplemented.

"Mayor" means the Mayor of the City.

"Original Purchaser" means PNC Bank National Association, as the initial purchaser of the Bonds.

"Prior Bonds" means the outstanding portion of Series 1998 Bonds and the Series 2007 Bonds.

"Project" means the Project Facilities and the Project Site, including, as applicable, the interests of the City in and to the Project, and constituting a "project" as defined by the Act.

"Project Facilities" means the hospital facilities generally identified in Exhibit A of the Lease, including any additions, improvements, modifications, substitutions, and renewals thereof, and further includes other facilities and uses as are permitted by the Act and the Lease.

"Project Fund" means the Project Fund created in the Trust Agreement.

"Project Site" means the real estate described in Exhibit B of the Lease, together with any additions thereto and less any removals therefrom, in the manner and to the extent provided in the Lease and the Trust Agreement.

"Rental Payments" means the amounts required to be paid by the Company to the Trustee pursuant to the Lease and the Assignment.

"Revenues" means: (a) Rental Payments, (b) amounts held in, or for the credit of, the Special Funds, (c) all amounts payable to the Trustee with respect to Bond Service Charges on the Bonds (d) all other rentals, revenue,

RECORD OF ORDINANCES

Dayton Legal Blank, Inc.

Form No. 30043

Ordinance No. _____

Passed _____, 20____

income, charges and money received or to be received by the City, or the Trustee for the account of the City, from the lease, sale or other disposition of the Project and (e) all income and profit from the investment of the Rental Payments and the Special Funds and such other money. The term "Revenues" does not include any money or investments in the Rebate Fund, the Bond Purchase Fund, or the Issuance Expenses Fund.

"Series 1998 Bonds" means the City's \$8,220,000 Health Care Facilities Revenue Refunding Bonds, Series 1998 (The Waterford at St. Luke Project) dated June 15, 1998.

"Series 2007 Bonds" means the City's \$13,500,000 Variable Rate Healthcare Facilities Revenue Bonds, Series 2007 (St. Luke Lutheran Community Project) dated April 24, 2007.

"St. Luke North Canton" means St. Luke Lutheran Home for the Aging, an Ohio nonprofit corporation and a nonprofit "hospital agency" as defined in the Act.

"St. Luke Portage Lakes" means St. Luke Lutheran Community-Portage Lakes, an Ohio nonprofit corporation and a nonprofit "hospital agency" as defined in the Act.

"Summit County" means Summit County, Ohio.

"Tax Agreement" means the Tax Regulatory Agreement, relating to the Bonds, by and between the City, the Company, and the Trustee, as amended or supplemented from time to time.

"Trust Agreement" means the Trust Agreement, dated as of August 1, 2012, securing the Bonds, between the City and the Trustee, as amended or supplemented from time to time.

"Trustee" means the Trustee under the Trust Agreement, originally The Huntington National Bank, a national banking association duly organized and validly existing under the laws of the United States of America, and any successor Trustee, as determined or designated under the Trust Agreement.

"Waterford" means The Waterford at St. Luke, an Ohio nonprofit corporation and a nonprofit "hospital agency" as defined in the Act.

Any reference herein to the City, to this Council, or to any officers thereof, shall include those which succeed to their functions, duties, or responsibilities pursuant to or by operation of law or who are lawfully performing their functions. Any reference to a section or provision of the Ohio Constitution or to a section, provision, or chapter of the Ohio Revised Code or the Charter of the City shall include such section or provision or chapter as from time to time may be amended, modified, revised, supplemented, or superseded; provided, that no such change in the Constitution or laws shall be deemed applicable by reason of this provision if such change would in any way constitute an impairment of the rights or obligations of the City, the Company, the Trustee, or a Holder under this Bond Legislation, under the Trust Agreement, or with respect to the Bonds.

Unless the context shall otherwise indicate, words importing the singular number shall include the plural number, and vice versa. The terms "hereof", "herein", "hereby", "hereto", "hereunder", and similar terms, mean this Bond Legislation as a whole and not any particular section or subsection. Words of the masculine and neuter genders shall be deemed and construed to include correlative words of the masculine, feminine, and neuter genders.

Section 2.

Findings and Determinations: Authorization of Cooperative Agreement. Based upon the representations of the Company, this Council makes the following determinations: (a) the Project constitutes "hospital facilities" as defined in the Act; (b) the current use and proposed use of the Project is in furtherance of the

RECORD OF ORDINANCES

Dayton Legal Blank, Inc.

Form No. 30043

Ordinance No. _____

Passed _____, 20____

purposes of the Act and will benefit the people of the City, of Summit County, and of the State of Ohio by enhancing the availability, efficiency, and economy of "hospital facilities" and the service rendered thereby and by facilitating hospital facilities to be available to or for the service of the general public without discrimination by reason of race, creed, color, or national origin; and (c) the provision of assistance in financing costs of the Project will require the issuance, sale, and delivery of the Bonds in a principal amount not to exceed \$18,500,000.

In addition, this Council authorizes the Cooperative Agreement with Summit County, substantially in the form of the Public Hospital Agencies Agreement now on file with the Clerk.

Section 3. Authorization of the Bonds. The City determines it to be necessary, and the City shall issue, sell, and deliver the Bonds for the purpose of assisting the Company in providing funds to pay the "costs of hospital facilities" as provided and authorized herein and in the Act and in the Trust Agreement. The Project shall be leased to the Company pursuant to the Lease.

Section 4. Bond Documents. The Bonds shall be issued under the terms of the Trust Agreement between the City and the Trustee, as trustee, provided that another bank or trust company may be selected to serve as trustee if the Company determines that it is in the best interest of the Company and not prejudicial to the City or the Holders, and the Mayor approves that bank or trust company as Trustee as evidenced by the signing of the Trust Agreement. The Project will be leased by the Company, as lessor, to the City, as lessee, pursuant to the Base Lease and in consideration for the City's issuance of the Bonds. The Project will be leased back to the Company, as lessee, by the City, as lessor, pursuant to the Lease and in consideration of the Company's agreements, among others, to maintain the Project as required by the Lease and to pay Bond Service Charges in amounts sufficient to pay the principal of, and any premium and the interest on, the Bonds. The City will assign its rights under the Base Lease and the Lease to the Trustee for the security of the Bonds pursuant to the Assignment. Payment of the Bond Service Charges will be guaranteed under the Guaranty. If the Bonds are issued in more than one series, the above documents may be prepared for each such series, and references herein to those documents include the documents for each series of Bonds.

Section 5. Terms of Bonds.

(a) Generally. The Bonds shall be issued in an aggregate principal amount not to exceed \$18,500,000 or in such lesser amount as shall be specified in the Bond Purchase Agreement between the Original Purchaser, the City, and the Company. The Bonds shall be issued only in fully registered form, shall be numbered in such manner as determined by the Trustee in order to distinguish each Bond from any other Bond, shall be in the authorized denominations and shall be dated and designated, all as provided in the Trust Agreement. The Bonds, the certificate of authentication, and the form of assignment shall be substantially in the respective forms thereof set forth in Exhibit A to the Trust Agreement. The Bonds shall be negotiable instruments in accordance with the Act and shall express on their faces the purpose for which they are issued and such other statements or legends as may be required by law. The Bonds may be issued under a book entry system as and to the extent provided in the Trust Agreement. The Mayor or the Director of Finance of the City is authorized and directed to sign the necessary documents relating to that book entry system. The Bonds shall be signed by the Mayor and the Director of Finance in their official capacities (provided that either or both of those signatures may be facsimiles).

(b) Interest Rates and Maturities. The Bonds shall mature in the years and principal amounts, shall bear interest in the years they are outstanding at the rates per year, and shall be payable as to principal and interest on the dates, all as provided in the Trust Agreement; provided that the maturity of the Bonds shall not exceed 40 years, the

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weighted average interest rate for the Bonds shall not exceed 25% (except as required under any bank, credit, liquidity or similar agreement).

- (c) Redemption Terms. The Bonds of one or more maturities may be term bonds subject to mandatory redemption prior to maturity pursuant to the mandatory sinking fund requirements of the Trust Agreement, on the dates and in the years and principal amounts as provided in the Trust Agreement. The Bonds are subject to optional redemption prior to maturity, on the dates, in the years, and at the redemption prices (expressed as a percentage of the principal amount redeemed), plus accrued interest to the redemption date, all as set forth in the Trust Agreement. The Bonds shall be subject to extraordinary optional redemption and optional and mandatory tender for purchase prior to maturity as provided in the Trust Agreement.

Section 6. Sale of Bonds. At the time of the signing of the Bond Purchase Agreement setting forth the final terms of the Bonds, the Mayor or the Director of Finance each is authorized and directed to award and sell the Bonds to the Original Purchaser at the purchase price established in and in accordance with the terms and provisions of the Bond Purchase Agreement. The purchase price so established shall be not less than 97% of an amount equal to the aggregate principal amount of the Bonds, less any original issue discount, plus (ii) any accrued interest on the aggregate principal amount of the Bonds from the date of the Bonds to the date of payment for the Bonds by the Original Purchaser. The original issue discount, if any, shall not exceed 10% with respect to any maturity of the Bonds, except for Bonds issued as capital appreciation bonds as set forth in the Bond Purchase Agreement and in accordance with the provisions of the Trust Agreement. Mayor or the Director of Finance is authorized and directed to sign, acknowledge, and deliver, in the name of and on behalf of the City, the Bond Purchase Agreement in substantially the form presented to the City, which instrument is hereby approved, with such changes, to be approved by the Mayor or the Director of Finance signing the same on behalf of the City, as are required by the terms of the Bonds, not inconsistent with this ordinance and not substantially adverse to the City as may be permitted by the Act. The approval of such changes by the Mayor or Director of Finance, and that such are not substantially adverse to the City, shall be conclusively evidenced by the signing of the Bond Purchase Agreement.

The Mayor or Director of Finance each is authorized and directed to make the necessary arrangements on behalf of the City to establish the date, location, procedure, and conditions for the delivery of the Bonds to the Original Purchaser, and to take all steps necessary to effect due signing, authentication, and delivery to the Original Purchaser of the Bonds under the terms of this ordinance, the Bond Purchase Agreement, and the Trust Agreement. It is determined that the purchase price to be paid by the Original Purchaser and the terms of the Bonds, and the sale thereof, all as provided for in this ordinance, are in the best interest of the State and the City and in compliance with all legal requirements and will carry out the public purposes specified in the Act.

Section 7. Security for Bonds. To the extent provided in and except as otherwise permitted by the Trust Agreement, (i) the Bonds shall be special obligations of the State and the Bond Service Charges thereon shall be payable equally and ratably solely from the Revenues, as defined and provided in the Trust Agreement and being generally the Rental Payments to be made by the Company to the Trustee pursuant to the Base Lease and the Lease and the Assignment, and the money and investments in the Special Funds established under the Trust Agreement and held by the Trustee, and (ii) the payment of Bond Service Charges shall be secured by an assignment of and grant of a security interest in the Revenues and the assignment of the Lease (save for the Unassigned Rights thereunder) pursuant to the Trust Agreement and the Assignment. The Bonds may be further secured by a policy of municipal bond

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insurance or a letter of credit (or other credit, liquidity or similar agreement) if so provided in the Bond Purchase Agreement and the Trust Agreement. The Mayor or the Director of Finance are authorized to enter into such insurance or credit agreements if so requested by the Company.

Notwithstanding anything to the contrary in this ordinance, the Bonds, or the Trust Agreement, the Bonds do not and shall not represent or constitute a debt or pledge of the faith and credit of the City, the State, or of any political subdivision thereof, and the Holders have no right to have taxes levied by the General Assembly of the State or the taxing authority of any political subdivision of the State for the payment of the Bond Service Charges. Nothing herein shall be deemed, however, to prohibit the City, of its own volition, from using to the extent lawfully authorized to do so any other resources for the fulfillment of any of the terms, conditions, or obligations of the Trust Agreement, this Bond Legislation, or any of the Bonds.

Section 8. Funds and Allocation of Bond Proceeds to Funds; Refunding of Prior Bonds. The Trust Agreement creates the Bond Fund and the Improvement Fund as Special Funds to be held by the Trustee and included in the Revenues given as security for the Bonds. The Trust Agreement further creates the Issuance Expenses Fund and the Rebate Fund as funds to be held by the Trustee but not to be included in the Revenues given as security for the Bonds. The amount paid under the Bond Purchase Agreement as the purchase price for the Bonds shall be received and receipted on behalf of the City by the Trustee and transferred to the Trustee whereupon it shall be allocated, deposited, and credited by the Trustee in accordance with the Trust Agreement.

The Prior Bonds shall be redeemed prior to maturity in accordance with the terms of the applicable trust indentures.

Section 9. Covenants and Agreements of City. In addition to the other covenants and agreements of the City in this ordinance and the Trust Agreement, the City covenants and agrees as set forth in this section.

(a) Arbitrage Provisions and City Information Return. The City covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code. Any of the Chairman, Vice Chairman, Secretary, or Deputy Secretary, alone or in conjunction with the Company or any officer, employee, or agent of or consultant to the Company, shall give an appropriate certificate of the City that sets forth the reasonable expectations of the City regarding the amount and use of the proceeds of the Bonds, the facts, estimates, and circumstances on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Bonds, including the Tax Agreement.

The City covenants that it: (i) will take, or require to be taken, all actions that 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 (ii) will not take or authorize to be taken any actions that would adversely affect that exclusion under the provisions of the Code. The Mayor or Director of Finance are hereby authorized and directed to take any and all actions and make or give such reports and certifications as may be appropriate to assure such exclusions of that interest.

(b) Transcript of Proceedings. The City shall furnish to the Original Purchaser a true transcript of proceedings for the Bonds along with such information for the records as is necessary to determine the regularity and validity of the issuance of the Bonds.

Section 10. Direct Placement. As the Bonds are being placed directly with the Original Purchaser, an Offering Circular relating to the original issuance of the Bonds will not be prepared by the Company.

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Section 11. Bond Documents of the City. To provide for the issuance and sale of the Bonds and the consummation of the transactions to be consummated thereby, the Mayor or the Director of Finance each is authorized and directed to sign, acknowledge, and deliver, in the name and on behalf of the City, the Trust Agreement, the Base Lease, the Lease, the Assignment, the Tax Agreement, the Cooperative Agreement, the Escrow Agreement, and the Bond Purchase Agreement, all in substantially the forms herewith presented to the City. Those instruments are approved with changes therein not inconsistent with this Bond Legislation and not substantially adverse to the City that are permitted by the Act and shall be approved by the Mayor or the Director of Finance signing the same on behalf of the City; provided that the approval of those changes by the Mayor or the Director of Finance, and their character as not being substantially adverse to the City, shall be conclusively evidenced by the signing of those instruments. The final form of those documents shall be included in the transcript of proceedings and filed with the City.

Section 12. Other Documents and Actions. The Mayor, the Director of Finance, or the Clerk, as appropriate, each is further authorized and directed to sign, and the City shall enter into, any certifications, financing statements, assignments, other documents, and instruments, and to take such actions as are, in the opinion of Bond Counsel, necessary or appropriate to perfect the assignments set forth in the Trust Agreement and to consummate the transactions contemplated by this Bond Legislation, the Trust Agreement, and the Lease, including the marketing and sale of the Bonds. The Mayor or the Director of Finance, as appropriate, each is further authorized to take any actions on behalf of the City that are required or permitted to be taken by the City under or pursuant to the Bond Documents during the period those Bond Documents are in effect. Bond Counsel is hereby authorized to date or redate all certificates and other documents, including but not limited to those set forth in Section 11 and this Section 12, to be included in the transcript of proceedings.

Section 13. The City to Use Best Efforts to Issue Bonds. This Council agrees and covenants that the City will use its best efforts to effect the issuance of the Bonds, subject to compliance with the applicable requirements of the Internal Revenue Code of 1986, as amended, and the Act.

Section 14. Compliance with Open Meeting Requirements. This Council finds and determines that all formal actions of this Council or committees concerning and relating to the enactment of this Bond Legislation were taken in open meetings of this Council or committees and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with the law, including Section 121.22 of the Ohio Revised Code.

Section 15. Emergency and Effective Date. This Bond Legislation is hereby determined to be an emergency measure necessary for the immediate preservation of the public peace, health, and safety of the City and for the further reason that this Bond Legislation must be immediately effective in order that the Company will be able to take advantage of favorable financing that will benefit the Project; wherefore, this Bond Legislation shall take effect and be in full force from and after its passage, provided it receives the affirmative vote of at least a majority of the members of this Council; otherwise, it shall take effect from and after the earliest period allowed by law.

North Canton, Ohio
Adopted:

MAYOR

SIGNED: _____, 2012

ATTEST:

CLERK OF COUNCIL

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