

**CITY OF FALCON HEIGHTS
COUNCIL RESOLUTION**

February 28, 2024

No. 24-13

**RESOLUTION CONSENTING TO THE ISSUANCE OF REVENUE OBLIGATIONS BY
THE CITY OF BETHEL TO REFUND THE SENIOR HOUSING REVENUE
REFUNDING NOTE (PINES OF HUTCHINSON, LLC PROJECT), SERIES 2013**

WHEREAS, Pursuant to Minnesota Statutes, Chapter 462C, as amended (the “Housing Act”), the City is authorized to carry out the public purposes described in the Housing Act by providing for the issuance of revenue bonds to provide funds to finance or refinance multifamily housing developments; and

WHEREAS, Minnesota Statutes, Section 471.656, as amended, authorizes a municipality to issue obligations to finance the acquisition or improvement of property located outside of the corporate boundaries of such municipality if the obligations are issued under a joint powers agreement between the municipality issuing the obligations and the municipality in which the property to be acquired or improved is located. Pursuant to Minnesota Statutes, Section 471.59, as amended, by the terms of a joint powers agreement entered into through action of their governing bodies, two or more municipalities may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised and the joint powers agreement may provide for the exercise of such powers by one or more of the participating governmental units on behalf of the other participating units; and

WHEREAS, Second Century Housing, a Minnesota nonprofit corporation (“Second Century Housing”), Owatonna Senior Living, LLC, a Minnesota limited liability company (“Owatonna Senior Living”), and Pines of Hutchinson, LLC, a Minnesota limited liability company (“Pines of Hutchinson,” and collectively with Second Century Housing and Owatonna Senior Living, the “Borrowers”), the sole member of each of Second Century Housing, Owatonna Senior Living, and Pines of Hutchinson is Ecumen, a Minnesota nonprofit corporation (“Ecumen”), have proposed that the City approve the issuance by the City of Bethel, Minnesota (collectively, the “Issuer”) of one or more series of tax-exempt and taxable revenue obligations (the “Bonds”) in the estimated aggregate principal amount not to exceed \$25,000,000. The Bonds will be issued in accordance with the terms of the Housing Act and Minnesota Statutes, Sections 471.59 and 471.656, as amended (the “Joint Powers Act,” and together with the Housing Act, the “Act”); and

WHEREAS, The Borrowers intend to apply a portion of the proceeds of the Bonds to refund the outstanding principal amount of the Senior Housing Revenue Refunding Note (Pines of Hutchinson, LLC Project), Series 2013 (the “Series 2013 Note”), issued by the City in the original aggregate principal amount of \$4,400,000 on January 4, 2013 pursuant to the Act, the proceeds of which were used to refinance Ecumen Pines, a 50-unit independent living and assisted living community located at 1015 Century Avenue SW, Hutchinson, Minnesota, which is owned by Pines of Hutchinson and managed by Ecumen; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Falcon Heights, Minnesota (the “City”), as follows:


1. The City Council hereby consents to the issuance of the Bonds by the Issuer to, among other things, refund the City's outstanding Series 2013 Note, subject to final approval by the governing body of the Issuer, following the preparation of bond documents and a determination by the Issuer to issue the Bonds.

2. The Borrowers will pay and upon demand, reimburse the City for payment of, any and all costs incurred by the City in connection with the refunding the City's outstanding Series 2013 Note and the issuance of the Bonds, whether or not the Bonds are issued.

3. This Resolution shall be in full force and effect from and after its passage.

Adopted by the City Council of the City of Falcon Heights, Minnesota, this 28th day of February, 2024.

Moved by: Meyer

Approved by: 
Randall Gustafson
Mayor

GUSTAFSON 4 In Favor
MEYER
LEEHY 0 Against
WASSENBERG
MIELKE

Attested by: 
Jack Linehan
City Administrator