

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND
Legislative Session 2016, Legislative Day No. 16

Resolution No. 100-16

Ms. Vicki Almond, Chairwoman
By Request of County Executive

By the County Council, September 19, 2016

A RESOLUTION authorizing the issuance and sale by Baltimore County, Maryland, pursuant to and in accordance with the Maryland Economic Development Revenue Bond Act, Sections 12-101 through 12-118, inclusive, of the Economic Development Article of the Annotated Code of Maryland, as amended, of its economic development revenue bonds, at one time or from time to time and in one or more issues or series, taxable or tax-exempt, as limited obligations and not upon its faith and credit, or pledge of its taxing power, in an aggregate principal amount not to exceed \$73,000,000, and to loan the proceeds from the sale of such bonds to Oak Crest Village, Inc., a not-for-profit corporation organized under the laws of the State of Maryland (the “Facility Applicant”), for the purpose of (i) refinancing a portion of the costs of the acquisition of the continuing care retirement community facility located on the Facility Applicant’s campus of Oak Crest Village at 8800 Walther Boulevard, Parkville, Maryland 21234 (the “Facility”) by refunding the Issuer’s Revenue Bonds (Oak Crest Village, Inc. Facility), Series 2007A (Tax-Exempt), currently outstanding in the aggregate principal amount of \$67,030,000 (the “Prior Bonds”), the proceeds of which were loaned to the Facility Applicant to refinance a portion of the costs of the acquisition of the Facility, (ii) funding a debt service reserve fund, if any, for all or a portion of the Bonds, and (iii) paying certain costs of issuance and other related costs; authorizing the County Executive to specify, prescribe, determine, provide for, approve, execute and deliver

any and all matters, details, forms, documents or procedures necessary or appropriate to effectuate the authorization, sale, security, issuance, delivery and payment of and for such bonds and the lending of the proceeds thereof; reserving certain rights in the County; and generally providing for and determining various matters in connection with such bonds and the lending of the proceeds thereof.

RECITALS

Whereas, the Maryland Economic Development Revenue Bond Act, Sections 12-101 through 12-118, inclusive, of the Economic Development Article of the Annotated Code of Maryland, as amended (the “Act”), empowers any public body (as defined in the Act) to issue and sell bonds (as defined in the Act), as its limited obligations and not upon its faith and credit or pledge of its taxing power, at any time and from time to time, and to loan the proceeds of the sale of such bonds to one or more facility users (as defined in the Act) to finance or refinance any costs of the improvement (as defined in the Act) of a facility (as defined in the Act) for a facility user (as defined in the Act), including the necessary expenses of preparing, printing, selling and issuing those bonds, the funding of reserves and the payment of interest with respect to financing and refinancing such improvement in such amounts, or for such period, as the public body deems reasonable.

Whereas, the Act states the declared legislative purpose of the General Assembly of Maryland to be to (i) relieve conditions of unemployment in the State of Maryland (the “State”); (ii) encourage the increase of industry and commerce and a balanced economy in the State; (iii) assist in the retention of existing industry and commerce in, and the attraction of new industry and commerce to, the State through, among other things, port development, the control or abatement of environmental pollution and the use and disposal of wastes; (iv) promote economic

development; (v) protect natural resources and encourage resource recovery; and (vi) generally promote the health, welfare and safety of the residents of the State.

Whereas, the Act provides that a public body may accomplish the financing or refinancing of any costs of the improvement of one or more facilities from the proceeds of the sale of its bonds by lending the proceeds of the sale of its bonds to one or more facility users under a loan agreement (as defined in the Act) to be used to finance or refinance one or more facilities.

Whereas, the Act provides that to implement the authority conferred upon it by the Act to issue bonds, the legislative body of any county (as defined in the Act) or municipal corporation (as defined in the Act) may adopt a resolution pursuant to which it shall: (i) specify and describe the facility or facilities; (ii) generally describe the public purpose to be served and the financing or refinancing transaction to be accomplished under the Act; (iii) specify the maximum principal amount of the bonds that may be issued; and (iv) impose any terms and conditions on the issuance and sale of the bonds it deems appropriate.

Whereas, the Act provides that the legislative body of any county by resolution may itself, or may authorize its chief executive officer (as defined in the Act) or any other designated administrative officer to, by executive order or otherwise, specify, determine, prescribe and approve such matters, documents and procedures as relate to the authorization, sale, security, issuance, delivery and payment of or for the bonds, including, without limitation, creation of security for the bonds and provision for the administration of bond issues such as through trust or other agreements with banks or trust companies regarding any countersignature or delivery of bonds or security for bonds.

Whereas, Baltimore County, Maryland, a body politic and corporate and a political subdivision of the State (the “County”), has previously issued and sold its revenue bonds, the

proceeds of which were loaned to Oak Crest Village, Inc., a Maryland not-for-profit corporation (the “Facility Applicant”), and used to refinance a portion of the costs of (i) the acquisition, construction and equipping of approximately 19 masonry buildings aggregating approximately 2.5 million square feet for use by the Facility Applicant as a continuing care retirement community, including approximately 1,520 independent living units, approximately 133 assisted living units and approximately 200 nursing care units together with supporting facilities, and (ii) the acquisition of such other interests in land, machinery and equipment necessary or suitable for the foregoing (the “Facilities”), all on the Oak Crest Village campus of the Facility Applicant at the Facility (the “Campus”).

Whereas, the County has received a letter from the Facility Applicant, dated August 5, 2016, a copy of which is attached hereto as Exhibit A and made a part hereof (the “Letter of Intent”), requesting the County to issue and sell its bonds pursuant to the Act and to loan the proceeds of the sale thereof to the Facility Applicant for the purpose of (i) refinancing a portion of the costs of the Facility by refunding the Prior Bonds, the proceeds of which were loaned to the Facility Applicant to refinance a portion of the costs of the acquisition of the Facility as described above, (ii) funding a debt service reserve fund, if any, for all or a portion of the Bonds, and (iii) paying certain costs of issuance and other related costs, from the issuance and sale by the County of revenue bonds in an aggregate principal amount not to exceed \$73,000,000, pursuant to and in accordance with the Act. The Facility Applicant acknowledges in the Letter of Intent that the County reserves certain rights concerning the issuance of the bonds as provided in Section 5 of this Resolution.

Whereas, a public hearing concerning the issuance of such bonds and the location and nature of the Facility has been held following reasonable public notice (within the meaning of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”)).

Whereas, the County, based upon the findings and determinations and subject to the reservation of certain rights as hereinafter set forth, has determined to issue and sell its bonds (within the meaning of the Act), at one time or from time to time and in one or more series, taxable or tax-exempt, in an aggregate principal amount not to exceed SEVENTY-THREE MILLION DOLLARS (\$73,000,000), hereinafter designated “Baltimore County, Maryland Revenue Bonds (Oak Crest Village, Inc. Facility)” (or otherwise appropriately designated) (the “Bonds”), and to loan the proceeds of the Bonds (the “Loan”) to the Facility Applicant on the terms and conditions as hereinafter provided in order to (i) finance and refinance, in whole or in part, the costs of the acquisition of the Facility by the Facility Applicant and (ii) fund certain reserve funds and certain costs incurred in issuing the Bonds and costs related thereto, to encourage economic development and to protect the health, welfare and safety of the citizens of the State and the County.

NOW, THEREFORE, IN ACCORDANCE WITH THE ACT:

1 **SECTION 1:** BE IT RESOLVED BY THE COUNTY COUNCIL OF BALTIMORE
2 COUNTY, MARYLAND, That acting pursuant to the Act, it is hereby found and determined as
3 follows:

4 (a) As evidenced by the Letter of Intent, a “letter of intent” within the meaning of the
5 Act, the issuance of the Bonds pursuant to the Act by the County, a “public body” within the
6 meaning of the Act, in order to loan the proceeds to the Facility Applicant, a “facility applicant”
7 within the meaning of the Act, for the sole and exclusive purpose of financing and refinancing the
8 “improvement,” within the meaning of the Act, of the Facility, “facilities” within the meaning of

1 the Act, for use by the Facility Applicant and funding of any reserve funds and the funding of
2 certain costs incurred in issuing the Bonds and costs related thereto, will facilitate the financing
3 and refinancing of the Facility by the Facility Applicant.

4 (b) The accomplishment of the transactions contemplated and authorized by this
5 Resolution, including the financing and refinancing of the Facility, will promote the declared
6 legislative purposes of the Act by (i) creating and sustaining jobs and employment, thereby
7 relieving conditions of unemployment in the County and the State; (ii) encouraging the increase
8 of industry and commerce and a balanced economy in the County and the State; (iii) assisting in
9 the retention of existing industry and commerce in the County and the State; (iv) promoting
10 economic development; and (v) generally promoting the health, welfare and safety of the residents
11 of the County and the State.

12 (c) Neither the Bonds, nor the interest thereon, shall ever constitute an indebtedness or
13 a charge against the general credit or taxing powers of the County within the meaning of any
14 constitutional or charter provision or statutory limitation and neither shall ever constitute or give
15 rise to any pecuniary liability of the County. The Bonds and the interest thereon shall be limited
16 obligations of the County, payable by the County solely from the revenues derived from Loan
17 repayments (both principal and interest) made to the County by the Facility Applicant on account
18 of the Loan and from any other moneys made available to the County for such purpose. No such
19 moneys will be commingled with the County's funds or will be subject to the absolute control of
20 the County, but will be subject only to such limited supervision and checks as are deemed
21 necessary or desirable by the County to insure that the proceeds of the Bonds are used to
22 accomplish the public purposes of the Act and this Resolution. The transactions authorized hereby

1 do not constitute any physical public betterment or improvement or the acquisition of property for
2 public use or the purchase of equipment for public use.

3 (d) The County Executive of the County (the “County Executive”) is the chief
4 executive officer of the County within the meaning of the Act and shall undertake on behalf of the
5 County certain responsibilities described in the Act and hereinafter specified.

6 (e) The Bonds may be sold at one time or from time to time, taxable or tax-exempt, in
7 one or more issues or series, either by private (negotiated) sale or at public sale, and at, above or
8 below par, in any event in such manner and upon such terms as the County Executive, in his sole
9 and absolute discretion, deems to be in the best interests of the County.

10 (f) All or a portion of the Bonds may be issued as “qualified 501(c)(3) bonds” within
11 the meaning of Section 145 of the Code.

12 **SECTION 2:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
13 BALTIMORE COUNTY, MARYLAND, That this Resolution is intended to be, and shall
14 constitute, evidence of the present intent of the County to issue and deliver the Bonds authorized
15 hereby in accordance with the terms and provisions hereof. Notwithstanding the foregoing,
16 nothing in this Resolution shall be deemed to constitute (i) an undertaking by the County to expend
17 any of its funds (other than the proceeds from the sale of the Bonds, revenues derived from the
18 Loan repayments made to the County on account of the Loan and any other moneys made available
19 to the County for such purpose) to effect the transactions described herein or (ii) an assurance by
20 the County as to the availability of one or more ready, willing and able purchasers for the Bonds
21 or as to the availability of one or more purchasers of the Bonds to whom the Bonds may lawfully
22 be sold under, among others, applicable federal and state securities and legal investment laws.

1 **SECTION 3:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
2 BALTIMORE COUNTY, MARYLAND, That, as described in the Letter of Intent, the County
3 will not incur any liability, direct or indirect, or any cost, direct or indirect, in connection with the
4 issuance and sale of the Bonds and the making of the Loan; accordingly, the Facility Applicant
5 shall pay all costs incurred by or on behalf of the County in connection with the issuance and sale
6 of the Bonds, the making of the Loan, including the administration thereof, including (without
7 limitation) all costs incurred in connection with the development of the appropriate legal
8 documents necessary to effectuate the proposed financing, including (without limitation) the fees
9 of bond counsel, all costs in connection with publication of notices of any public hearings to be
10 held in connection therewith and compensation to any other person (other than full-time employees
11 of the County) performing services by or on behalf of the County in connection with the
12 transactions contemplated by this Resolution, whether or not the proposed financing is
13 consummated.

14 **SECTION 4:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
15 BALTIMORE COUNTY, MARYLAND, That the issuance, sale and delivery by the County of
16 the Bonds, at one time or from time to time, taxable or tax-exempt, and in one or more series, in
17 an aggregate principal amount not to exceed SEVENTY-THREE MILLION DOLLARS
18 (\$73,000,000), are hereby authorized, subject to the provisions of the Act and this Resolution. The
19 County will lend or otherwise make available the proceeds of the Bonds to the Facility Applicant,
20 as permitted by the Act, pursuant to the terms and provisions of a loan agreement, financing
21 agreement or similar agreement to be entered into between the County and the Facility Applicant
22 (the "Loan Agreement"), to be used by the Facility Applicant for the sole and exclusive purpose
23 of financing and refinancing the Facility, funding any reserve funds for the Bonds and paying

1 certain costs of issuance of the Bonds and other related costs to the extent permitted by the Act
2 and the Code. The Bonds and the interest thereon shall be limited obligations of the County,
3 repayable by the County solely from the revenue derived from Loan repayments (principal and
4 interest) made to the County by the Facility Applicant and from any other moneys made available
5 to the County for such purpose. The maximum principal amount of Bonds which may be issued,
6 sold and delivered pursuant to this Resolution is SEVENTY-THREE MILLION DOLLARS
7 (\$73,000,000), unless such amount shall be increased by a resolution supplemental hereto.

8 The Facility is specified and described in the Recitals set forth above. The public purpose
9 to be served by the issuance and sale of the Bonds is described in Section 1 of this Resolution and
10 in the Recitals set forth above.

11 The authority to issue the Bonds is intended to and shall include the authority to issue
12 refunding revenue bonds. References herein to the “Bonds” shall include refunding revenue bonds
13 where appropriate. In the event that any refunding revenue bonds are issued pursuant to this
14 Resolution, the outstanding principal amount of any “refunded bonds” (as hereinafter defined)
15 shall not be taken into account in determining the aggregate principal amount of Bonds issued,
16 sold and delivered hereunder. The term “refunded bonds” means any Bonds (i) for the payment of
17 which (both principal and interest) provision has been made from the proceeds (including any
18 earnings on the investment thereof) of Bonds issued pursuant to this Resolution or (ii) which have
19 been paid from such proceeds, whether such provision for payment, or such payment, is made at
20 or prior to the maturity of such Bonds.

21 **SECTION 5:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
22 BALTIMORE COUNTY, MARYLAND, That the County reserves the right, in its sole and
23 absolute discretion, to take any actions which it may deem necessary in order to ensure that the

1 County (i) complies with all federal and State laws, whether proposed or enacted, which may apply
2 to or restrict the issuance of its revenue bonds, and (ii) issues such bonds to finance or refinance
3 facilities which the County determines, in its sole and absolute discretion, will provide the greatest
4 benefit to the County. Specifically, the County reserves the right to choose to issue its revenue
5 bonds to finance or refinance facilities other than the Facility and to issue or not to issue such
6 bonds at such times and in the order of priority which the County Executive, in his sole and
7 absolute discretion, may determine.

8 Pursuant to the provisions of this Section 5, the County reserves the right in its sole and
9 absolute discretion, to, among other things, (i) never issue the Bonds, (ii) issue only a portion of
10 the aggregate principal amount of the Bonds required by the Facility Applicant, (iii) restrict the
11 use of the proceeds of the Bonds, (iv) delay indefinitely the issuance of the Bonds or (v) take any
12 other actions deemed necessary by the County, in its sole discretion, in order to ensure that the
13 County achieves the goals set forth in the Act and in this Resolution.

14 **SECTION 6:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
15 BALTIMORE COUNTY, MARYLAND, That the Bonds shall each be designated “Baltimore
16 County, Maryland Revenue Bonds (Oak Crest Village, Inc. Facility)” (or otherwise appropriately
17 designated). The Bonds may be further identified by the year of issue and/or such other appropriate
18 designations as the County Executive may approve.

19 The Bonds shall mature on such date or dates as may be approved by the County Executive;
20 provided that the Bonds shall mature not later than 30 years from their date of issuance.

21 The Bonds of any series shall be sold at a negotiated public sale at par, or above or below
22 par, unless the County Executive deems it to be in the best interests of the County, with the consent
23 of the Facility Applicant to place or sell the Bonds of any series at private (negotiated) sale and at

1 par, in either or both of which events, the Bonds of such series shall be sold in such manner and
2 upon such terms as the County Executive deems to be in the best interests of the County.

3 Each of the Bonds shall be executed in the name of the County and on its behalf by the
4 manual or facsimile signature of the County Executive of the County and by the Director of Budget
5 and Finance, by his or her manual or facsimile signature, and the seal of the County or a facsimile
6 thereof shall be affixed to each of the Bonds, and attested by the manual or facsimile signature of
7 the Executive Secretary to the County Executive or the Secretary of the County Council, by his or
8 her manual or facsimile signature. If deemed appropriate by the County Executive, each of the
9 Bonds may also be authenticated by the manual or facsimile signature of a trustee, registrar or
10 paying agent. At least one of such signatures on each Bond shall be a manual signature.

11 **SECTION 7:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
12 BALTIMORE COUNTY, MARYLAND, That if deemed advisable by the County Executive, the
13 County will enter into a bond trust indenture, financing agreement or similar agreement (the “Trust
14 Agreement”) with a bank in its capacity as owner of the Bonds or in its capacity as trustee (the
15 “Bank”) for the protection of the holders of the Bonds, to be approved by the County Executive
16 and, pursuant to the Trust Agreement, the County will assign to the Bank (among other things) (i)
17 all of the County’s right, title and interest in and to and remedies under the Loan Agreement,
18 including (without limitation) any and all collateral referred to therein, excepting only the right of
19 the County to indemnification by the Facility Applicant, taxes paid by the Facility Applicant to the
20 County and payments to the County for the County’s administrative fees or expenses, if any; (ii)
21 the receipts and revenues of the County from the Loan; (iii) certain monies which may be at any
22 time or from time to time on deposit with the Bank; and (iv) all of the County’s right, title and

1 interest in and to and remedies under such documents as the County Executive shall deem
2 necessary or expedient to effectuate the issuance, sale and delivery of the Bonds.

3 **SECTION 8:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
4 BALTIMORE COUNTY, MARYLAND, That in connection with the transactions described
5 herein, the County Executive is hereby authorized and empowered, by executive order or
6 otherwise:

7 (a) to accept the Letter of Intent, in order to further evidence the present intent of the
8 County to participate in financing and refinancing the costs of the Facility;

9 (b) to approve the form and provisions of, execute and deliver the Bonds, the Loan
10 Agreement, the Trust Agreement and such other documents, including (without limitation)
11 assignments, mortgages, deeds of trust, guaranties and security instruments to which the County
12 is a party and which may be necessary or desirable to effectuate the issuance, sale and delivery of
13 the Bonds of such series;

14 (c) to approve the form and provisions of any Preliminary Official Statement, final
15 Official Statement or other offering document with respect to the Bonds;

16 (d) to execute and deliver a contract or contracts for the purchase and sale or placement
17 of the Bonds of any series (or any portion thereof) in form and content satisfactory to the County
18 Executive;

19 (e) to determine the time of execution, issuance, sale and delivery of the Bonds of such
20 series and prescribe any and all other details of the Bonds of such series;

21 (f) to determine the method, and to approve the terms, of the sale of the Bonds of such
22 series, as provided in Section 6 of this Resolution;

23 (g) if necessary, to appoint a trustee or trustees, a bond registrar and paying agent or

1 agents for the Bonds;

2 (h) to provide for the direct payment by the Facility Applicant of all costs, fees and
3 expenses incurred by or on behalf of the County in connection with the issuance, sale and delivery
4 of the Bonds, including (without limitation) costs of printing (if any) and issuing the Bonds, legal
5 expenses (including the fees of bond counsel) and compensation to any person (other than full-
6 time employees of the County) performing services by or on behalf of the County in connection
7 therewith;

8 (i) to provide for the issuance and sale (subject to the passage at the time of any
9 appropriate resolution authorizing the same) of one or more series of additional bonds (which may
10 be on a parity with, or subordinate to, the Bonds) and one or more series of refunding bonds;

11 (j) to provide for the funding of reserves for the Bonds of such series and for the
12 payment of interest on the Bonds of such series in such amounts and for such period as the County
13 Executive deems reasonable; and

14 (k) to specify, prescribe, determine, provide for, approve, execute and deliver (where
15 applicable) such other matters, details, forms, documents or procedures, including (without
16 limitation) bond purchase agreements, deeds of trust, assignments and financing statements, and
17 such other documents as are necessary or appropriate to effectuate the authorization, sale, security,
18 issuance, delivery or payment of or for the Bonds and the making of the Loan.

19 The County Executive is hereby authorized to prescribe procedures to facilitate the prompt
20 determination and approval of one or more of the matters set forth above. Such procedures may
21 include telephonic approval and subsequent written confirmation by facsimile transmission or
22 otherwise of one or more of such matters by a designated officer of the County within guidelines
23 or parameters prescribed by the County Executive. The County Executive is further authorized to

1 (i) establish procedures for the utilization of variable or floating rates of interest, (ii) enter into
2 arrangements with a bank or other appropriate institution to facilitate the purchase, repurchase,
3 sale, transfer or payment of Bonds, including (without limitation) the use of general or standby
4 letters of credit, revolving credit facilities, repurchase agreements or other similar arrangements,
5 and (iii) take such actions as may be necessary to implement a program for the issuance of Bonds
6 in the nature of commercial paper, demand notes or floating rate obligations.

7 Orders issued pursuant to this Resolution shall be deemed to be of an administrative nature
8 and shall be effective upon the effective date specified therein.

9 **SECTION 9:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
10 BALTIMORE COUNTY, MARYLAND, That before or after the issuance, sale and delivery of
11 the Bonds of any series, regardless of the date on which such bonds are issued, the County
12 Executive is hereby authorized and empowered, by executive order or otherwise, to supplement
13 the executive order provided for by Section 8 of this Resolution and thereby approve on behalf of
14 the County any amendments or supplements to or substitutes for the forms and provisions of the
15 Bonds, the Loan Agreement, any trust agreement or similar agreement and all other documents
16 executed and delivered on behalf of the County in connection with the issuance, sale and delivery
17 of the Bonds pursuant to the provisions of such documents, provided that (i) each such
18 supplemental executive order or orders and each amendment, supplement or substitute to such
19 document shall be in accordance with the provisions of the Act, this Resolution and the documents
20 executed and delivered in connection with the Bonds and then in effect and (ii) all of the foregoing
21 shall be subject to any approval by the County Council as may be required pursuant to federal tax
22 law.

1 **SECTION 10:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
2 BALTIMORE COUNTY, MARYLAND, That in satisfaction of the requirements of Section
3 147(f) of the Code, the County hereby approves the financing and refinancing of the Facility and
4 the issuance of the Bonds.

5 **SECTION 11:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
6 BALTIMORE COUNTY, MARYLAND, That the County Executive, the Director of Budget and
7 Finance, the County Administrative Officer, the Secretary to the County Council, the Executive
8 Secretary to the County Executive and other officials of the County, for and on behalf of the
9 County, are hereby authorized and empowered to do all things, execute all instruments, and
10 otherwise take all such action as the County Executive may determine by executive order or
11 otherwise to be necessary, proper or expedient to carry out the authority conferred by this
12 Resolution, including (without limitation) the execution of a certificate and/or agreement pursuant
13 to Section 148 of the Code and the U.S. Treasury Regulations prescribed thereunder, subject to the
14 limitations set forth in the Act and this Resolution.

15 **SECTION 12:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
16 BALTIMORE COUNTY, MARYLAND, That unless previously exercised, the authority to issue
17 the Bonds contained in this Resolution shall expire on the date which is one (1) year from the
18 effective date of this Resolution, unless such authority shall have been extended by a resolution
19 supplemental hereto.

20 **SECTION 13:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
21 BALTIMORE COUNTY, MARYLAND, That in accordance with the Act, this Resolution takes
22 effect immediately upon its adoption by the County Council and approval by the County
23 Executive.

1 **SECTION 14:** AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF
2 BALTIMORE COUNTY, MARYLAND, that the County hereby approves McGuireWoods LLP
3 as Bond Counsel in connection with the issuance and sale of the Bonds and the other transactions
4 contemplated by the Resolution.

Exhibit A

Letter of Intent

(to be attached)

OAK CREST VILLAGE, INC.
8800 Walther Boulevard
Parkville, Maryland 21234

August 5, 2016

The Honorable Kevin Kamenetz
County Executive
Baltimore County, Maryland
Historic Courthouse
400 Washington Avenue
Towson, Maryland 21204

Re: Baltimore County, Maryland Revenue Bonds (Oak Crest Village, Inc. Facility)
Series 2016; Letter of Intent

Dear Mr. Kamenetz:

Pursuant to provisions of the Maryland Economic Development Revenue Bond Act, Sections 12-101 through 12-118, inclusive, of the Economic Development Article of the Annotated Code of Maryland, as amended (the "Act"), Oak Crest Village, Inc., a Maryland corporation and a nonprofit organization described under Section 501(c)(3) of the Internal Revenue Code, or such other related entity as it shall designate (collectively, the "Facility Applicant"), respectfully requests that Baltimore County, Maryland (the "County") authorize, issue, sell and deliver its revenue bonds (within the meaning of the Act) as its limited obligation (and not upon either its full faith and credit or as a pledge of its taxing power), at any time or from time to time, and in one or more issues or series, tax-exempt or taxable, in an aggregate principal amount not to exceed \$73,000,000 (the "Bonds"), for the purpose of (i) refinancing a portion of the costs of the acquisition of the continuing care retirement community facility located on the Facility Applicant's campus of Oak Crest Village at 8800 Walther Boulevard, Parkville, Maryland 21234 (the "Facility") by refunding the County's Revenue Bonds (Oak Crest Village, Inc. Facility), Series 2007A (Tax-Exempt), currently outstanding in the aggregate principal amount of \$67,030,000, the proceeds of which were loaned to the Facility Applicant to refinance a portion of the costs of the acquisition of the Facility; (ii) funding a debt service reserve fund for all or a portion of the Bonds; and (iii) paying certain costs of issuance and other related costs. It is intended that this letter, if accepted by the County, shall constitute a "letter of intent" as contemplated by Section 12-101(f) of the Act.

Baltimore County, Maryland, a body corporate and politic and a political subdivision of the State of Maryland (the "State"), is a "public body" within the meaning of the Act. The Facility Applicant is a "facility applicant" within the meaning of the Act. The Facility Applicant owns and operates Oak Crest Village, a continuing care retirement community. The principal place of business of the Facility Applicant is 8800 Walther Boulevard, Parkville, Maryland 21234.

The Oak Crest Village continuing care retirement community is comprised of 21 masonry buildings covering approximately 2.5 million square feet, including independent living, assisted living and nursing care units with common areas, located on approximately 87.5 acres.

The financing and refinancing of the Facility with the proceeds of the Bonds will promote the declared legislative purposes of the Act by (i) sustaining jobs and employment and thereby relieving conditions of unemployment in the State and in the County; (ii) encouraging the increase of industry and commerce and a balanced economy in the State and in the County; (iii) promoting economic development in the State and in the County by stimulating the local economy; and (iv) generally promoting the health, welfare and safety of the residents of the State and the County.

It is expressly agreed and understood that the County will not incur any liability, direct or indirect, or any cost, direct or indirect, in connection with the financing and refinancing of the Facility and the issuance of the Bonds, including, without limitation, any costs incurred in connection with the development of certain legal documents necessary to effectuate the proposed financing, including (without limitation) the fees of bond counsel and of legal counsel to the purchasers of the Bonds and of the County, and compensation to any other person (other than full-time employees of the County) performing services by or on behalf of the County, in connection with the transactions contemplated by this letter of intent, whether or not the proposed financing is consummated. The Facility Applicant hereby agrees to indemnify and hold harmless the County and all of its employees, agents and representatives from any and all claims, damages, expenses, fees and costs of any nature whatsoever in connection with the financing and refinancing of the Facility and the issuance of the Bonds.

The acceptance of this letter of intent by the County will evidence the intent, but not the commitment, of the County to issue the Bonds for the purposes described herein. The Facility Applicant recognizes that the County cannot make any assurances as to the availability of a ready, willing and able purchaser of the Bonds. Furthermore, the County cannot make any guaranty, promise or assurance that the terms and conditions of the Bonds (including but not limited to, the aggregate principal amount of the bonds to be issued, the rate or rates of interest the Bonds are to bear, the times or times and place or places that the interest on the Bonds is to be paid, the redemption provisions for the Bonds, the time that the Bonds are to be executed, issued and delivered and the form, tenor and denominations of the Bonds) as actually authorized to be issued, will be acceptable to the Facility Applicant. The Facility Applicant understands and agrees that the proposal contained herein is subject to: (i) the approval and appropriate action by the County Council of the County and the County Executive of the County and (ii) the approval of detailed provisions of all documents pertaining to the financing.

The County's adoption of a bond authorizing resolution (within the meaning of the Act) providing for the issuance and sale of the Bonds and its acceptance of this letter of intent are intended solely to implement the financing contemplated by the issuance and sale by the County of the Bonds. Neither the acceptance of this letter of intent nor the adoption of such a resolution shall constitute any assurance by the County that (i) the Facility Applicant will have the ability to make payments sufficient to enable the County to repay the Bonds or (ii) the financing or refinancing of the Facility is or will be in compliance with applicable local, state or federal laws.

Neither the Bonds nor the interest or premium, if any, thereon shall ever constitute an indebtedness or a charge against the general credit or taxing powers of the County within the

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County Executive, Baltimore County, Maryland
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meaning of any constitutional or chartered provision or statutory limitation, and neither shall ever constitute or give rise to any pecuniary liability of the County.

The County reserves the right, in its sole and absolute discretion, to take any actions it deems necessary in order to ensure that it: (i) complies with present (and pending or future) federal or State legislation which may affect or restrict (by volume limitation, or in any other way) the issuance of private activity bonds and (ii) issues its private activity bonds within the limits imposed by federal, State and local legislation or regulations to finance facilities which it determines, in its sole and absolute discretion, will provide the greatest benefit to the residents of the County and the State of Maryland.

If at any time the Facility Applicant decides not to proceed with the issuance, sale and delivery of the Bonds, it will promptly notify the County Council and the County Executive in writing of such determination, stating the reasons therefor.

[Continued on the Following Page]

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The County has designated the firm of McGuireWoods LLP as bond counsel and counsel to the County for the authorization, issuance, sale and delivery of the Bonds, and the Facility Applicant agrees to indemnify and hold the County (and its agents, representatives and employees) harmless from any and all claims, damages, expenses, fees and costs of any nature connected with the financing and refinancing of the Facility and the issuance of the Bonds.

Very truly yours,

WITNESS

OAK CREST VILLAGE, INC.

By: _____

John Hall
Assistant Treasurer

* * * * *

Accepted on the ____ day of _____, 2016, pursuant to and in accordance with Resolution No. _____ approved on the ____ day of _____, 2016.

BALTIMORE COUNTY, MARYLAND

By: _____

Kevin Kamenetz
County Executive