



To: MAYOR AND COUNCIL

Agenda Item #: IV. N.

From: Eric Roggeman, Finance Director

Action

Discussion

Date: June 17, 2015

Information

Subject: Resolution No. 2015-59 Calling Public Hearing For Consent For Fairview Southdale Hospital Bond Issue

Action Requested:

Adopt Resolution No. 2015-59 to call for a public hearing on an issue of revenue bonds by City of Minneapolis on behalf of Fairview Health Services.

Information / Background:

Fairview Health Services and the City of Minneapolis have reached out to the City of Edina regarding a financing for Fairview being undertaken by the City of Minneapolis. Since a portion of the facilities proposed to be financed and refinanced by the City of Minneapolis bonds are located at the Southdale campus in Edina, Edina's consent is needed in order to issue the bonds.

The bonds are not being issued by the City of Edina and are not an obligation of the City of Edina. Edina's bond attorney and financial advisors are aware of the proposed financing and have not raised any issues.

The public hearing is a required step in the process and would take place on July 7. We have asked for a representative from Fairview Health Services to be present for the public hearing.

Attachment:

Resolution No. 2015-59 Calling for a public hearing on an issue of revenue bonds by City of Minneapolis on behalf of Fairview Health Services.

Resolution No. 2015-59
RESOLUTION CALLING FOR A PUBLIC HEARING ON AN
ISSUE OF REVENUE BONDS BY CITY OF MINNEAPOLIS
ON BEHALF OF FAIRVIEW HEALTH SERVICES

BE IT RESOLVED by the City Council of the City of Edina, Minnesota (the “City”), as follows:

1. With the approval of this Council and at the request of Fairview Health Services, a Minnesota nonprofit corporation (“Fairview”), the Minnesota Agricultural and Economic Development Board (the “Board”) has issued its Health Care System Revenue Bonds, Series 1997A (Fairview Hospital and Healthcare Services) (the “Series 1997A Bonds”), a portion of which were used to refund bonds issued by the City and finance the acquisition of cooling towers and chillers at Fairview Southdale Hospital, an acute care hospital and other health care-related facilities located at 6401 and 6400 France Avenue South in the City (the “Edina Facilities”).
2. With the approval of this Council and at the request of Fairview, the Board has also issued its Health Care System Revenue Bonds, Series 2000A (Fairview Health Services) (the “Series 2000A Bonds”), a portion of which were used to finance an addition to the Edina Facilities and the acquisition and installation of items of equipment therein and construction of a new parking ramp to serve the Edina Facilities.
3. With the approval of this Council and at the request of Fairview, the City of Minneapolis (“Minneapolis”) issued its Health Care System Revenue Bonds (Fairview Health Services), Series 2005D (the “2005 Bonds”), to finance the construction of improvements to and remodeling of the Edina Facilities and the acquisition and installation of items of equipment therein.
4. Fairview has advised this Council of its desire to refund all or a portion of the outstanding Series 1997A Bonds, the Series 2000A Bonds and Series 2005 Bonds (together, the “Refunded Bonds”) with revenue bonds issued by Minneapolis under the authority of Minnesota Statutes, Sections 469.152 through 469.165 (the “Revenue Bonds”).
5. Fairview has also advised this Council of its desire finance a project consisting of, among other things, the acquisition, improvement and equipping of the Edina Facilities, including the construction of a new and expanded emergency department (the “Project”) with the Revenue Bonds.
6. The portion of the Refunded Bonds allocable to the Edina Facilities and the portion of the Revenue Bonds allocable to the Project is herein referred to as the “Edina Portion.” Section 147(f) of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder, require that prior to the issuance of the Revenue Bonds, this Council approve the issuance of the Revenue Bonds by Minneapolis after conducting a public hearing thereon. A public hearing on the proposal that Minneapolis issue the Revenue Bonds to finance the Edina Portion is hereby called and shall be held on July 7, 2015, at 7:00 P.M., at the City Hall.

7. The City Clerk shall cause notice of the public hearing, in substantially the form attached hereto as Exhibit A, to be published in a newspaper of general circulation in the City, once not less than 14 days prior to the date fixed for the public hearing.

Adopted by the City Council of the City of Edina on this ____ day of June, 2015.

Approved this 17th day of June, 2015.

Attest: _____
Debra A. Mangen, City Clerk

James B. Hovland, Mayor

STATE OF MINNESOTA)
COUNTY OF HENNEPIN) SS
CITY OF EDINA)

CERTIFICATE OF CITY CLERK

I, the undersigned duly appointed and acting City Clerk for the City of Edina do hereby certify that the attached and foregoing Resolution was duly adopted by the Edina City Council at its Regular Meeting of June 17, 2015 and as recorded in the Minutes of said Regular Meeting.

WITNESS my hand and seal of said City this _____ day of _____, 20__.

City Clerk