

RESOLUTION
CITY OF COLD SPRING, CAMPBELL COUNTY, KENTUCKY
NO. 21-02

**A RESOLUTION AUTHORIZING THE PURCHASE THE REAL PROPERTY
LOCATED AT 3725 ALEXANDRIA PIKE, COLD SPRING, KENTUCKY, AND
COMMONLY KNOWN AS THE DISABLED AMERICAN VETERANS
HEADQUARTERS PROPERTY CONTAINING 30.95 ACRES, MORE OR LESS
("DAV SITE")**

Whereas, the City of Cold Spring, since learning of the relocation of the DAV Headquarters, has sought to solicit health care providers to the DAV Site; and

Whereas, that the City of Cold Spring has met with various health care providers through the years, including St. Elizabeth Healthcare to locate a healthcare facility in the City of Cold Spring; and

Whereas, the provision of adequate local medical services are essential for the wellbeing of the residents of Cold Spring and Campbell County; and

Whereas, the DAV entertained offers from various entities interested in the DAV Site including the Campbell County Board of Education ("CCBOE") and Al Neyer, LLC, a Cincinnati based real estate developer ("Neyer"); and

Whereas, CCBOE and Neyer made various offers to the DAV to purchase the DAV Site with Neyer being chosen by the DAV to purchase the DAV Site with the DAV and Neyer entering into a purchase agreement for the DAV site on November 13, 2020 (the "Purchase Agreement"); and

Whereas, on December 20, 2020, Neyer and the City of Cold Spring entered into an assignment of the Purchase Agreement with respect to the DAV Site whereby the City of Cold Spring took an assignment of Neyer's obligations under the Purchase Agreement with respect to the DAV Site; and

Whereas, on December 20, 2020, the CCBOE filed eminent domain proceedings in the Campbell Circuit Court in which the CCBOE seeks to condemn the DAV Site; and

Whereas, the CCBOE refuses to acknowledge that the Purchase Agreement on the DAV Site has been assigned to the City of Cold Spring; and

Whereas, the City of Cold Spring is desirous authorizing the final sale and setting closing on the DAV Site, including authorizing any financing for the purchase; and

Whereas, the City of Cold Spring is also authorizing agreements with DAV for applicable use of the DAV Site after closing until the new DAV National Headquarters is completed; and

Whereas, the City of Cold Spring desires to authorize terms for Neyer and St. Elizabeth Healthcare to begin location of the proposed Health Care Facility and other components of the development; and

Whereas, this Resolution is adopted and approved to set forth all aspects of the purchase of the DAV property by the City of Cold Spring and to allow the Mayor to take all actions consistent herein.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF COLD SPRING, COUNTY OF CAMPBELL, COMMONWEALTH OF KENTUCKY, THAT:

That the City Council authorizes the Mayor to enter into the following contracts, purchase agreements, deed(s), closing statement, financing documents, lease, development agreements and/or any other documents contemplated by the actions set forth herein.

1. To execute all documents related to the Closing and purchase of the DAV site.
2. To execute all financing documents for the purchase of the DAV Site, including financing up to and including the agreed upon Purchase Price of \$6,500,000.
3. The DAV and the City of Cold Spring have discussed and may elect to defer the receipt of the Purchase Price for the DAV Site until the DAV's new National Headquarters is ready for occupancy by the DAV. In that event, the Mayor is authorized to execute such documents to memorialize the deferral of the Purchase Price and such other documents as needed to protect the interests of the City of Cold Spring and the DAV including, without limitation, a Promissory Note to the DAV and a Mortgage on the DAV Site to the DAV.
4. To execute any lease or other agreements with DAV for DAV's continued use and occupancy of the DAV Site after the City Cold Spring acquires the DAV Site for a period to extend until DAV's new National Headquarters is ready for occupancy by the DAV. During its tenancy following the sale of the DAV Site to the City of Cold Spring, DAV will continue to insure and maintain the DAV site as it currently does. The City of Cold Spring will be named as an additional insured with the DAV. During the period of occupancy of the DAV Site by DAV after the Closing if the Purchase Price is paid to the DAV, the DAV agrees to cover the cost of funds incurred by the City of Cold Spring.
5. To enter into agreements with Al. Neyer, LLC and/or St. Elizabeth, consistent with Assignment of Purchase Agreement between the City of Cold Spring and Al. Neyer, LLC, as amended, with the following modifications: (1) that the development rights shall cease after a period of three (3) years, unless development of the DAV property has commenced, and a subsequent Agreement has been reached; (2)

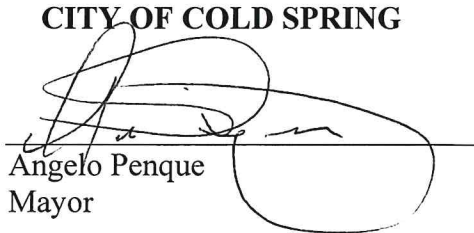
payment/reimbursement of all Cold Spring expenditures regarding the purchase of the property and/or execution of any applicable lease and/or PILOT payments, which must include payment in full of all applicable real estate taxes, which provide for payment in full of the City of Cold Spring's ownership cost of the property. That all such agreements shall provide for Neyer and/or St. Elizabeth to pay lease or similar payments consistent with any carrying costs for the project.

6. To enter into and/or join in any lease, development agreement, letter of intent and/or other agreement with Al. Neyer, LLC and/or St. Elizabeth Healthcare regarding placement of the Health Care Facility.
7. To enter into any other agreements, leases, easements, notes, mortgages, financing instruments or other documents, consistent with and/or associated with the purchase of the DAV property.
8. That the taking of each and every action, the expenditure of funds and the execution, acknowledgment, delivery, amendment and modification of each and every instrument in pursuance of the foregoing resolutions (i) shall be binding upon the City of Cold Spring for all intents and purposes whatsoever; and (ii) shall be conclusive evidence that the same has been fully authorized by these resolutions; and that any actions taken, any expenditure of funds and any instruments executed, acknowledged, delivered, amended or modified prior to the date of these resolutions are hereby approved, ratified and confirmed.

That the Mayor of Cold Spring is authorized to take all actions set forth herein, by authority granted this 29th day of March 2021. That Motion to Approve this Resolution was made by Councilperson Cavanaugh, with Councilperson Ampfer, seconding said Motion, with the following vote: 4 yes, 0, no. Councilperson Sandfoss abstained due to being an employee of St. Elizabeth.

CITY OF COLD SPRING

BY:


Angelo Penque
Mayor

ATTEST:


CLERK

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