

Memorandum of Agreement and Setting
Date for Hearing

Williamsburg, Iowa

June 24, 2002

The City Council of Williamsburg, Iowa, met in regular session on the 24th day of June, 2002 at 7:30 o'clock, p.m., at the City Hall in Williamsburg, Iowa. The meeting was called to order and there were present the Mayor and the following named Council Members:

Present: Kirkpatrick, Phillips, Greiner

Absent: VonAhsen, Wanner

Matters were discussed relative to a financing for Williamsburg Retirement Community, Inc., pursuant to Chapter 419 of the Iowa Code. Whereupon, Council Member Phillips introduced the following resolution and moved its adoption, seconded by Council Member Greiner; and after due consideration thereof by the Council, the Mayor put the question upon the motion and the roll being called, the following named members of the Council voted:

Ayes: Kirkpatrick, Phillips, Greiner

Nays: _____

Whereupon, the Mayor declared the said motion duly carried and the resolution adopted as follows:

RESOLUTION 20-6-02

A Resolution authorizing the execution of a Memorandum of Agreement with Williamsburg Retirement Community, Inc. and fixing a date for a hearing on the proposed issuance of Independent and Assisted Living Facilities Revenue Bonds (Williamsburg Retirement Community, Inc. Project) in one or more series.

WHEREAS, the City of Williamsburg, State of Iowa (the "Issuer"), is a City authorized and empowered by the provisions of Chapter 419 of the Code of Iowa, 2001, as amended (the "Act"), to issue revenue bonds for the purpose of acquiring, constructing, renovating, equipping and improving a facility located within, or within eight miles of, the Issuer for an organization described in Section 501(c)(3) of the Internal Revenue Code (the "Code"), which is exempt from federal income tax under Section 501(a) of the Code (a "Tax Exempt Organization"); and

WHEREAS, the Issuer has been requested by Williamsburg Retirement Community, Inc. (the "Borrower"), a Tax Exempt Organization, to issue its Independent and Assisted Living Facilities Revenue Bonds (Williamsburg Retirement Community, Inc. Project), in one or more series, in an aggregate principal amount not to exceed \$11,000,000 (the "Bonds") pursuant to the Act, for the purpose of financing the costs of constructing and furnishing a housing complex containing approximately 50 independent living units and 51 assisted living units to be located at the southwest corner of the intersection of Cyclone Drive and Industrial Park Drive, Williamsburg, Iowa (the "Project"), and paying for costs of issuance and certain other costs associated with the issuance of the Bonds; and

WHEREAS, it is proposed to finance the foregoing through the issuance of the Bonds, in one or more series, and to loan the proceeds from the sale of the Bonds to the Borrower under one or more Loan Agreements between the Issuer and the Borrower, the obligations of which will be sufficient to pay the principal of, premium, if any, and interest on the Bonds as and when the same shall be due and payable; and

WHEREAS, before the Bonds may be issued, it is necessary to conduct a public hearing on the proposal to issue the Bonds, all as required and provided for by Section 419.9 of the Act and Section 147(f) of the Internal Revenue Code; and

WHEREAS, a Memorandum of Agreement in the form and with the contents set forth in Exhibit A attached hereto, has been presented to the Issuer under the terms of which the Issuer agrees, subject to the provisions of such Agreement, to pursue proceedings necessary under the Act to issue the Bonds for such purpose; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the "Regulations") dealing with the issuance of the Bonds, all or a portion of the proceeds of which are to be used to reimburse the Borrower for Project expenditures made

by the Borrower prior to the date of issuance of the Bonds, and the Regulations generally require that the Issuer make a prior declaration of its official intent for the Borrower to reimburse itself for such prior expenditures out of the proceeds of the Bonds and that the Bonds be issued and the reimbursement allocation be made from the proceeds of the Bonds within a certain period after the payment of the expenditure or the date the Project is placed in service; and

WHEREAS, the Issuer desires to comply with requirements of the Regulations with respect to the Project and the Bonds;

NOW, THEREFORE, IT IS RESOLVED by the City Council of the Issuer, as follows:

Section 1. The Memorandum of Agreement in the form and with the contents set forth in Exhibit A attached hereto is hereby approved, and the Mayor is hereby authorized to execute said Memorandum of Agreement and the City Clerk is hereby authorized to attest the same and to affix the seal of the Issuer thereto; said Memorandum of Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit A attached hereto.

Section 2. Officials of the Issuer are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of the Memorandum of Agreement.

Section 3. This Council shall meet on the 22nd day of July, 2002, at the City Hall, Williamsburg, Iowa, at 8:15 o'clock p.m., at which time and place any resident or property owner of the Issuer may present oral or written objections on the proposal to issue the Bonds referred to in the preamble hereof.

Section 4. The Clerk is hereby directed to give notice of intention to issue the Bonds, setting forth the amount and purpose thereof, the time when and place where the hearing will be held, by publication at least once not less than fifteen (15) days prior to the date fixed for the hearing, in a newspaper published and having a general circulation within the Issuer. The notice shall be in substantially the following form:

NOTICE OF INTENTION TO ISSUE
INDEPENDENT AND ASSISTED LIVING FACILITIES REVENUE BONDS
(WILLIAMSBURG RETIREMENT COMMUNITY, INC. PROJECT)

The City Council of Williamsburg, Iowa, (the "Issuer") will meet on the 22nd day of July, 2002, at 8:15 o'clock p.m., at the City Hall in Williamsburg, Iowa, for the purpose of conducting a public hearing on the proposal to issue Independent and Assisted Living Facilities Revenue Bonds (Williamsburg Retirement Community, Inc. Project) of the Issuer, in one or more series, in an aggregate principal amount not to exceed \$11,000,000 (the "Bonds"), and to loan said amount to Williamsburg Retirement Community, Inc. (the "Borrower"), for the purpose of financing the costs of constructing and furnishing a housing complex containing approximately 50 independent living units and 51 assisted living units to be located at the southwest corner of the intersection of Cyclone Drive and Industrial Park Drive, Williamsburg, Iowa (the "Project") and paying for costs of issuance and certain other costs associated with the issuance of the Bonds.

The Bonds, when issued, will be limited obligations and will not constitute general obligations of the Issuer nor will they be payable in any manner by taxation, but the Bonds will be payable solely and only from amounts received by the Issuer under one or more Loan Agreements between the Issuer and the Borrower, the obligations of which will be sufficient to pay the principal of and interest and redemption premium, if any, on the Bonds as and when the same shall become due.

At the time and place, oral or written objections from any resident or property owner of the Issuer may be presented. At such meeting or any adjournment thereof, the Issuer shall adopt a resolution determining whether or not to proceed with the issuance of the Bonds. Written comments may also be submitted to the Issuer at the Williamsburg City Hall, P.O. Box 596, Williamsburg, Iowa 52361-0596. Written comments must be received by the above hearing date.

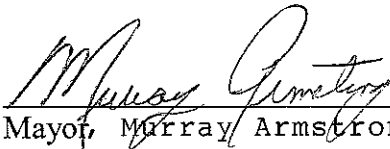
By order of the City Council of Williamsburg, Iowa this 24th day of June, 2002.

Jenifer Karsten, City Clerk

Section 5. The Issuer declares its intent to issue the Bonds for the Project. On the basis of representations of the Borrower, other than (i) expenditures to be paid or reimbursed from sources other than the Bonds, or (ii) expenditures made not earlier than sixty days prior to the date of this Resolution, or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the Bonds, or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Project have heretofore been made by the Borrower and no expenditures will be made by the Borrower until after the date of this Resolution. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 6. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved June 24, 2002.



Mayor, Murray Armstrong

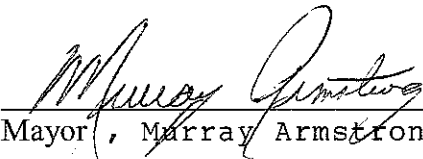
Attest:



City Clerk, Jenifer J Karsten


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On motion and vote, the meeting adjourned.



Mayor, Murray Armstrong

Attest:



City Clerk, Jenifer J Karsten

STATE OF IOWA
COUNTY OF IOWA SS:
CITY OF WILLIAMSBURG

I, the undersigned, do hereby certify that I am the duly appointed, qualified and acting City Clerk of the aforementioned City and that as such I have in my possession or have access to the complete official records of said City and of its Council and officers; and that I have carefully compared the transcript hereto attached with the aforesaid official records and that said transcript hereto attached is a true, correct and complete copy of all of the official records showing the action taken by the City Council of said City to authorize the execution of a Memorandum of Agreement by and between Williamsburg Retirement Community, Inc. and said City and to set a public hearing date as set forth therein.

WITNESS my hand and the seal of said City hereto affixed this 24th day of
June, 2002.



City Clerk, Jenifer J Karsten

(Seal)

STATE OF IOWA
COUNTY OF IOWA SS:
CITY OF WILLIAMSBURG

I, the undersigned, City Clerk of the aforementioned City, do hereby certify that I caused a notice, of which the printed slip annexed to the publisher's affidavit hereto attached is a true and complete copy, to be published in The Journal Tribune, a legal newspaper, printed wholly in the English language, published in Iowa County and of general circulation in the City, as evidenced by the said affidavit.

WITNESS my hand and the seal of the aforementioned City hereto affixed this 5th
day of July, 2002.



City Clerk, Jennifer J. Karsten

(Seal)

(PLEASE NOTE: This certificate must be dated as of or subsequent to the actual date of publication of the notice.)

EXHIBIT A
MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT is between the City of Williamsburg, Iowa, (the "Issuer") and Williamsburg Retirement Community, Inc. (the "Borrower").

1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of this Agreement are the following:

(a) The Issuer is authorized by Chapter 419 of the Code of Iowa, 2001, as amended (the "Act") to issue revenue bonds for the purpose of financing the cost of acquiring, constructing, renovating, equipping and improving a facility located within, or within eight miles of, the Issuer for an organization described in Section 501(c)(3) of the Internal Revenue Code (the "Code") which is exempt from federal income tax under Section 501(a) of the Code (a "Tax Exempt Organization"); and

(b) The Borrower wishes to obtain satisfactory assurance from the Issuer that, subject to the public hearing required by the Act and Section 147(f) of the Code, such bonds will be issued by the Issuer in a principal amount sufficient to finance the costs of constructing and furnishing a housing complex containing approximately 50 independent living units and 51 assisted living units to be located at the southwest corner of the intersection of Cyclone Drive and Industrial Park Drive, Williamsburg, Iowa (the "Project") and paying for costs of issuance and certain other costs associated with the issuance of such bonds; and

(c) The Issuer considers that the financing of the Project will promote the welfare and prosperity of the Issuer and its citizens.

2. Undertakings on the Part of the Issuer.

(a) The Issuer will begin the proceedings necessary to authorize the issuance of such bonds, in one or more series, in an aggregate principal amount not to exceed \$11,000,000.

(b) Subject to due compliance with all requirements of law, including the provisions of and the public hearing required by the Act, it will cooperate with the Borrower in the issuance and sale of such bonds, and the proceeds from the issuance of such bonds shall be loaned to the Borrower upon terms sufficient to pay the principal of and interest and redemption premium, if any, on such bonds, as and when the same shall become due.

3. Undertakings on the Part of the Borrower.

(a) The Borrower will use all reasonable efforts to cooperate with the Issuer and comply with the Act and all other provisions of law relating to financing of the Project and the issuance and sale of such bonds.

(b) The Borrower will enter into one or more Loan Agreements with the Issuer under the terms of which the Borrower will obligate itself to pay to the Issuer sums sufficient to pay the principal of and interest and redemption premium, if any, on such bonds as and when the same shall become due and payable.

4. General Provisions.

(a) All commitments on the part of the Issuer and the Borrower herein are subject to the condition that on or before one year from the date hereof (or such other date as shall be mutually agreed to) the Issuer and the Borrower shall have agreed to mutually acceptable terms relating to the issuance and sale of such bonds.

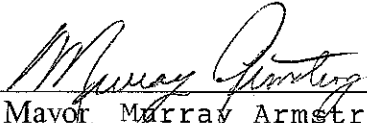
(b) The Borrower agrees that it will reimburse the Issuer for all reasonable and necessary direct out-of-pocket expenses, which the Issuer may incur at its request arising from the execution of this Agreement and the performance by the Issuer of its obligation hereunder, whether or not such bonds are issued.

(c) All commitments of the Issuer hereunder are further subject to the conditions that the Issuer shall in no event incur any liability for any act or omission hereunder, and that such bonds described herein shall not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision and shall not constitute nor give rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing powers.

(d) The Borrower represents that the information contained in Section 5 of the resolution of the Issuer approving this Memorandum of Agreement has been provided to the Issuer by the Borrower and is true and correct.

Dated this 24th day of June, 2002.

CITY OF WILLIAMSBURG, IOWA

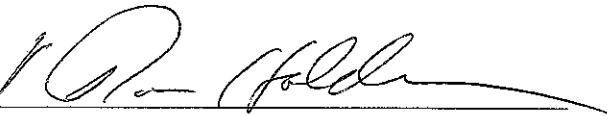
By 
Mayor, Murray Armstrong

Attest:


City Clerk, Jenifer J Karsten

(Seal)

WILLIAMSBURG RETIREMENT
COMMUNITY, INC.

By 

PROOF OF PUBLICATION

State of Iowa, Iowa County: SS

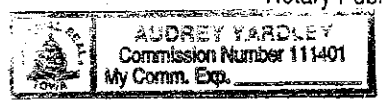
I, Jolene Demme being duly sworn, do depose and say that I am Assistant to the Publisher of The Journal Tribune, of Iowa County, a weekly newspaper of general circulation, published at Williamsburg, Iowa County, Iowa, and that I am personally cognizant of the matters herein contained; that the annexed notice was published in said paper in its weekly edition on the following consecutive date(s):

June 27, 2002

Publication fee \$ 21.08

Jolene Demme
Subscribed in my presence, and sworn to before me by the said

Jolene Demme
the 28 day of June 2002
Audrey Yardley
Notary Public



**NOTICE OF INTENTION TO ISSUE
INDEPENDENT AND ASSISTED LIVING FACILITIES
REVENUE BONDS
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By order of the City Council of Williamsburg, Iowa this 24th day of June, 2002.
Jennifer Karsten, city clerk

JT-26-1t

Eric D. Tindal 600 Court Street Williamsburg 319-668-1323

WILLIAMSBURG CITY ORDINANCE # 473

An Ordinance amending the ordinances of the City of Williamsburg, Iowa County, Iowa.

The City Council of the City of Williamsburg, State of Iowa, does ordain as follows:

SECTION ONE

Title II, Division 2, Chapter 65, Section 65.02, shall be amended with the addition of the following:

1. Franklin Street. Vehicles traveling on Franklin Street shall stop at South Street and Highland Street.

SECTION TWO

Title II, Division 2, Chapter 69, Section 69.08 shall be amended with the addition of the following:

1. Franklin Street on the east side from South Street to Highland Street.
2. Franklin Street on the west side from South Street to Highland Street.

SECTION THREE

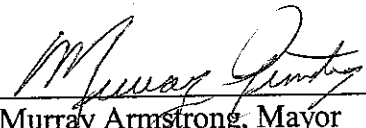
All ordinances or parts of ordinances inconsistent or in conflict with this ordinance are hereby repealed.

SECTION FOUR

This ordinance shall take effect and be enforced after its passage and adoption by the City Council of the City of Williamsburg, Iowa and publication as required by law.

Passed and approved by the City Council of the City of Williamsburg, Iowa this 24th day of June 2002.

Attest:


Murray Armstrong, Mayor


Jenifer J. Karsten, City Clerk