

RESOLUTION NO. R-146-17

**A RESOLUTION APPROVING THE ISSUANCE OF THE HEALTH AND EDUCATIONAL
FACILITIES AUTHORITY OF THE STATE OF MISSOURI HEALTH FACILITIES
REVENUE BONDS**

WHEREAS, the Health and Educational Facilities Authority of the State of Missouri (the "Authority") has represented that it is authorized by Chapter 360 of the Revised Statutes of the State of Missouri to issue bonds the interest on which is tax-exempt in order to finance and refinance certain educational and health facilities both within and outside of the State of Missouri; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") requires that, in order for the interest on such bonds to be tax-exempt, a properly-noticed public hearing with respect to the issuance of such bonds and the facilities to be financed or refinanced thereby be held in the jurisdiction in which the facilities being financed or refinanced are located and that approval be provided by the governing body or the chief elected representative of such jurisdiction; and

WHEREAS, the Authority intends to issue one or more series of its Health Facilities Revenue Bonds (Mercy Health) in a principal amount not to exceed \$325,000,000 (the "Bonds"), and to loan the proceeds thereof to or for the benefit of Mercy Health, a Missouri nonprofit corporation, and its affiliates (collectively, "Mercy Health"), including Mercy Health Fort Smith Communities (the "Arkansas Affiliate"), to finance, refinance, and reimburse the costs of health care facilities and equipment to be owned and operated by Mercy Health; and

WHEREAS, Mercy Health may use sale proceeds of the Bonds in an amount not to exceed \$12,000,000 to (1) refinance the Authority's Variable Rate Demand Health Facilities Revenue Bonds (Mercy Health) Subseries 2014D-1 and Subseries 2014E-1, of which a portion of the bond was used to finance, refinance and reimburse the costs of the acquisition, construction, renovation and equipping of healthcare facilities, including an orthopedic hospital and two primary care clinics, (2) finance and reimburse the costs of acquiring, constructing, renovating and purchasing additional health care facilities and equipment for the Arkansas Affiliate, which projects financed and refinanced by the bonds will be owned and operated by

Mercy Health and its Arkansas Affiliate, as further specified in the attached TEFRA Notice referred to below; and

WHEREAS, the Authority has requested the City to provide "Host Approval" under Section 147(f) of the Internal Revenue Code in connection with the use of the sale proceeds of the Bonds in the City; and

WHEREAS, the City has been assured that there will be no financial liability accruing to the City as a result of such approval and that this approval shall constitute approval solely for the purpose of permitting Mercy Health to proceed with the use of the sale proceeds of the Bonds in the City; and

WHEREAS, pursuant to the requirements of the Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA"), Mercy Health provided for the publication of notice of an open public hearing to permit the public to comment on the proposed use of the sale proceeds of the Bonds; and

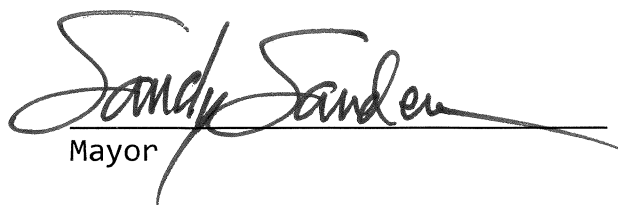
WHEREAS, the notice was published no later than September 19, 2017, in the *Times Record*, the official newspaper of the City, which publication date is more than 14 days prior to today's date; and

WHEREAS, on today's date, the Board of Directors held an open public hearing permitting the public to comment on the proposed use of the sale proceeds of the Bonds;

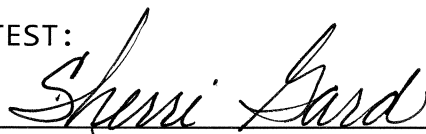
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the City of Fort Smith, Arkansas that:

The use by Mercy Health of the sale proceeds of the Bonds in the City as described in the notice of public hearing is hereby approved.

This Resolution passed this 3rd day of October, 2017.



Mayor

ATTEST:


City Clerk