

RESOLUTION NO. R-35-14

**A RESOLUTION APPROVING THE ISSUANCE OF 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 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 such bonds to be tax-exempt, a properly noticed public hearing with respect to the issuance of such bonds and to 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 \$150,000,000 (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"), to finance, refinance, and reimburse the costs of health care facilities 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 \$35,000,000 to pay or reimburse the costs of the acquisition, construction, renovation, installation and equipping of an orthopedic hospital, two primary care clinics and additional capital improvements to health care facilities to be owned and operated by Mercy Hospital Fort Smith, an Arkansas nonprofit corporation and affiliate of Mercy Health, subject to all applicable development and building codes, ordinances and approvals of the City of Ft. Smith (the "City") with respect to construction projects in the City; 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 on March 27, 2014, 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:

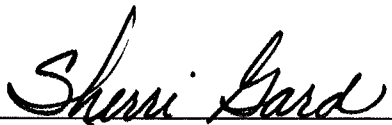
The use by Mercy Health of the sale proceeds of the Bonds in the City as described in the notice of public hearing is hereby approved.

This Resolution passed this 15th day of April, 2014.

APPROVED:

  
Mayor

ATTEST:

  
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City Clerk