

**BEFORE THE HOSPITAL FACILITIES AUTHORITY
OF MULTNOMAH COUNTY, OREGON**

RESOLUTION NO. 2012-114

Authorizing Approval of the Issuance of Revenue Refunding Bonds and Related Matters

The Board of Directors of The Hospital Facilities Authority of Multnomah County, Oregon Finds:

- a. The Board of Directors of The Hospital Facilities Authority of Multnomah County, Oregon (the "Authority"), a public authority organized and existing pursuant to Oregon Revised Statutes ("ORS") Sections 441.525 to 441.595, inclusive (the "Act"), has received a request from Terwilliger Plaza, Inc., an Oregon nonprofit corporation (the "Borrower"), and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, to execute and deliver Revenue Refunding Bonds, in one or more series, in an aggregate principal amount not to exceed \$23,500,000 (the "Series 2012 Bonds") to finance the costs of the following projects (collectively, the "Project"):
 1. currently refunding The Hospital Facilities Authority of Multnomah County, Oregon Revenue and Refunding Bonds, Series 1999 (Terwilliger Plaza Project), dated March 18, 1999 and issued in the original aggregate principal amount of \$26,000,000; and
 2. funding a debt service reserve fund, if required, and paying certain costs of issuance of the Bonds.
- b. The Authority has received an application from the Borrower in support of its request for financing the Project. The application includes the following:
 1. A letter from the Borrower dated July 30, 2012 requesting issuance of the Series 2012 Bonds on behalf of the Borrower and describing the Project;
 2. Independent Auditors' Report and Financial Statements for the years ended December 31, 2011 and 2010;
 3. Preliminary Financing Schedule;
 4. Distribution list of financing participants; and
 5. Preliminary schedule of sources and uses of funds.
- c. ORS Section 441.550 authorizes the Authority to borrow money and to issue revenue bonds for the purpose of carrying out its powers on such terms as the Board of Directors deems necessary or advisable. The Authority has determined that the execution and delivery of the financing documents described below and the use of the proceeds thereof by the Borrower to finance the Project is

necessary and desirable and that such financing documents and the Project are in the best interest of the citizens of Multnomah County, Oregon.

- d. The Authority will issue the Series 2012 Bonds under the following financing documents (collectively, the "Financing Documents"), which may include, but are not limited to:
 - 1. one or more bond indentures or supplemental bond indentures between the Authority and U.S. Bank National Association, as bond trustee (the "Bond Trustee");
 - 2. one or more loan agreements or supplemental loan agreements between the Authority and the Borrower;
 - 3. Preliminary and Final Official Statements;
 - 4. a Bond Purchase Agreement between the Borrower and B.C. Ziegler and Company as Underwriter (the "Underwriter"); and
 - 5. a Deed of Trust, Security Agreement and Assignment of Leases and Rents or modification of Deed of Trust.
- e. The Series 2012 Bonds may be issued in any combination of tax-exempt and taxable fixed rate bonds. The Borrower intends to enter into certain additional documents with various parties in connection with the issuance of the Series 2012 Bonds that may include, but are not limited to the Financing Documents listed above.
- f. The principal of and interest on the Series 2012 Bonds will not constitute a debt of the Authority or Multnomah County, Oregon, nor shall the Series 2012 Bonds be payable from a tax of any nature levied upon any property within Multnomah County, Oregon nor within any other political subdivision of the State of Oregon. The Authority has no taxing power. The Series 2012 Bonds will be payable only from the revenues and resources provided or arranged by the Borrower.
- g. The Board determines that it is in the best interest for the Authority to provide adequate adult congregate care facilities and related services within Multnomah County, Oregon and to proceed with the issuance of the Series 2012 Bonds. Capitalized terms not defined herein shall have the meanings set forth in the Financing Documents.

The Board of Directors of The Hospital Facilities Authority of Multnomah County, Oregon Resolves:

Section 1. The Authority does authorize and approve of the provisions of and directs the execution, sale, delivery and issuance by the Authority of the Series 2012 Bonds, in one or more series, in an aggregate principal amount not to exceed \$23,500,000 to finance the Project.

Section 2. The Authority designates each of the Chair, Vice Chair, Secretary, the Assistant Secretary, Chief Financial Officer of the County or the Authority's designee as "Authorized Representatives," collectively, and as an "Authorized Representative," individually, of the Authority to negotiate the terms and the sale of the Series 2012 Bonds and to determine and designate the dated date, the series designation, the maturity dates and amounts, the interest rates and interest rate modes, the optional and mandatory redemption provisions, with or without premium, if any, and the interest payment dates and such other provisions and terms of the Series 2012 Bonds as are deemed necessary and desirable for the issuance, sale and closing of the Series 2012 Bonds. The Series 2012 Bonds shall be executed by the facsimile signature of the Chair and shall be attested by the facsimile signature of an Authorized Representative of the Authority. The Series 2012 Bonds shall mature not later than December 31, 2052. The Series 2012 Bonds shall be issued or executed in the form as may be approved by the Authorized Representative.

The Authorized Representative is authorized to execute and deliver a letter of intent, substantially in the form attached hereto as Exhibit A (the "Letter of Intent"), which sets forth the basic obligations of the Authority and the Borrower regarding the Series 2012 Bonds.

Section 3. The Board authorizes the Authorized Representative to review and approve the terms and provisions of the Financing Documents.

Section 4. The Authority provides for the establishment of the special funds as set forth in the Financing Documents, to be held in trust as set forth therein. The Authority is obligated to deposit proceeds of the Series 2012 Bonds to the funds as set forth in and as required by the Financing Documents. In addition, the Authority shall provide for the deposit of all of the loan payments payable to the Authority pursuant to the Financing Documents.

Section 5. The Authority's pledge for the payment of the Series 2012 Bonds shall be valid and binding from the date of the adoption of this Resolution against any parties having subsequent claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have actual notice of this pledge. Pursuant to Oregon Revised Statutes Section 441.555(5), this pledge is noted in the Authority's minute book which shall contain this Resolution and which shall be constructive notice thereof to all parties, and neither this Resolution nor other instrument by which a pledge is created need be otherwise recorded, nor shall the filing of any financing statement under the Oregon Uniform Commercial Code be required to perfect such pledge. Any moneys or obligations so pledged and later received by the Authority shall immediately be subject to the lien of the pledge without any physical delivery or further act.

Section 6. The Authority authorizes the sale of the Series 2012 Bonds to the Underwriter pursuant to the terms and conditions of the Bond Purchase Agreement as may be approved by the Authorized Representative.

Section 7. The Authority directs the Authorized Representative to execute and deliver the Financing Documents in the forms and with such changes as may be approved by the Authorized Representative. The Authority authorizes the performance by the

Authority of the obligations and duties on its part as contained in the Financing Documents. Any one or more of the Authorized Representatives shall approve, execute and deliver each of the above-described Financing Documents and such other documents as are necessary to consummate the sale and issuance of the Series 2012 Bonds.

Section 8. U.S. Bank National Association, in Portland, Oregon, is designated and approved as the Bond Trustee, Paying Agent and Bond Registrar of the Series 2012 Bonds. An Authorized Representative of the Authority is authorized to execute a Paying Agent and Bond Registrar Agreement, dated as of the date of closing, for and on behalf of the Authority. The Authority does request and authorize the Bond Registrar to execute the Certificate of Authentication as of the date of delivery of the Series 2012 Bonds. The Paying Agent and Bond Registrar shall maintain a record of the names and addresses of the registered owners of the Series 2012 Bonds. The records of the registered bond ownership are not public records within the meaning of Oregon Revised Statute Section 192.210(4).

Section 9. The Authority designates Orrick, Herrington & Sutcliffe LLP as Bond Counsel and Special Counsel to the Authority (collectively, "Bond Counsel") for the Series 2012 Bonds.

Section 10. During any time the Series 2012 Bonds are held in a book-entry only system (the "Book-Entry System"), the registered owner of all of the Series 2012 Bonds shall be The Depository Trust Company, New York, New York ("DTC"), and the Series 2012 Bonds shall be registered in the name of Cede & Co., as nominee for DTC. The Authority has entered into a Blanket Issuer Letter of Representations (the "Letter") wherein the Authority represents that it will comply with the requirements stated in DTC's Operational Arrangements as they may be amended from time to time.

Section 11. For purposes of compliance by the Underwriter with Rule 15c2-12(b)(1) (the "Rule") of the federal Securities and Exchange Commission, the Authority authorizes the distribution of the Preliminary Official Statement and the Official Statement by the Underwriter, and the Authorized Representatives are authorized to deem the Preliminary official Statement as "final" for purposes of the Rule.

Section 12. The Series 2012 Bonds may be transferred or subject to exchange, for fully registered Series 2012 Bonds as provided in the Financing Documents. All Series 2012 Bonds issued upon transfer of or in exchange for Series 2012 Bonds shall be valid obligations of the Authority evidencing the same obligation and shall be entitled to the same benefits as the Series 2012 Bonds surrendered for such exchange or transfer. All fees, expenses and charges of a paying agent and registrar shall be payable by the Borrower.

Section 13. The Authority may defease the Series 2012 Bonds as provided in the Financing Documents.

Section 14. In consideration of the purchase and acceptance of any or all of the Series 2012 Bonds by those who shall own the same from time to time (the "Owners"), the provisions of this Resolution shall be part of the contract of the Authority with the

Owners and shall be deemed to be and shall constitute a contract between the Authority and the Owners. The covenants, pledges, and representations contained in this Resolution or in the closing documents executed in connection with the Series 2012 Bonds, including without limitation the Authority's covenants and pledges contained herein, and the other covenants and agreements herein set forth to be performed by or on behalf of the Authority shall be contracts for the equal benefit, protection and security of the Owners, all of which shall be of equal rank without preference, priority or distinction of any Series 2012 Bonds over any other thereof, except as expressly provided in or pursuant to this Resolution.

Section 15. Each Authorized Representative of the Authority is authorized to take such action and to approve, execute or deliver for and on behalf of the Authority such other and additional documents including, but not limited to a tax certificate and agreement, an Internal Revenue Service Information Report (Form 8038) and any documents necessary in the opinion of Bond Counsel, for the issuance, sale or administration of the Series 2012 Bonds. The Authorized Representatives are further authorized to carry out the transactions contemplated by the documents defined in the Financing Documents and as authorized and approved in this Bond Resolution, and to execute and deliver the Financing Documents, the Series 2012 Bonds, the Tax Certificate and Agreement and all other documents hereby authorized, to the respective parties entitled thereto.

ADOPTED and effective this 9th day of August 2012.

**THE HOSPITAL FACILITIES AUTHORITY
OF MULTNOMAH COUNTY, OREGON**



Jeff Cogen, Chair

ATTEST:

By
Joseph Mark Campbell, Secretary

REVIEWED:

JENNY M. MORF, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By
Jenny M. Morf, County Attorney