

RESOLUTION NO. R-2011-31

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS, APPROVING THE ISSUANCE OF TAX-EXEMPT BONDS BY THE TYLER HEALTH FACILITIES DEVELOPMENT CORPORATION FOR THE BENEFIT OF MOTHER FRANCES HOSPITAL REGIONAL HEALTH CARE CENTER IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$60,000,000 FOR THE PURPOSE OF FINANCING OR REFINANCING THE COSTS OF A HEALTHCARE PROJECT.

WHEREAS, the Health Facilities Development Act, Texas Health and Safety Code Chapter 221 (The Enabling Act), authorizes the Tyler Health Facilities Development Corporation (the "THFDC") to issue bonds on behalf of the City of Tyler, Texas (the "City"), in accordance with the terms of the Act, to provide funds to acquire, construct, provide, improve, finance and refinance a health facility to assist the maintenance of public health; and

WHEREAS, the THFDC now proposes to issue Hospital Revenue Bonds (Mother Frances Hospital Regional Health Care Center Project), Series 2011 (the "Series 2011 Bonds") to provide fund for loans to be made to Mother Frances Hospital Regional Health Care Center (the "Hospital") to finance and refinance the acquisition, construction, reconstruction, renovation, rehabilitation and/or equipping of health care facilities (as such term is defined by the Enabling Act) of the Hospital (collectively, the "Project"); and

WHEREAS, the THFDC has determined, based upon representations from the Hospital, that the issuance of the Series 2011 Bonds for such purposes will be in furtherance of the public purposes of the Enabling Act and will assist in providing , expanding and improving health facilities which will improve the adequacy, cost and accessibility of health care, research and education with the State; and

WHEREAS, contemporaneously with the execution and delivery of a Loan Agreement, dated as of October 1, 2011, between THFDC and the Hospital, THFDC shall execute and deliver an Indenture and First Supplemental Indenture, each dated as of October 1, 2011, to the Trustee for the purposes of effecting the issuance of the Series 2011 Bonds, furthering the public purposes of the Enabling Act and securing the Holders of the Series 2011 Bonds; and

WHEREAS, the bylaws of the THFDC require that its issuance of obligations be approved by the City in advance of their issuance; and

WHEREAS, State law and Tyler City Code Sections 2-41 through 2-42 authorize the THFDC to review proposed tax-exempt bond issues for health-related projects; and

WHEREAS, on October 5, 2011, the THFDC voted to approve the issuance of said bonds; and

WHEREAS, it is deemed necessary and advisable that this Resolution be adopted;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS:

PART 1: That the City Council hereby approves and consents to the issuance of the Series 2011 Bonds in the maximum principal amount not to exceed \$60,000,000.00 to finance or refinance the Project pursuant to the requirements of the bylaws of the THFDC; and

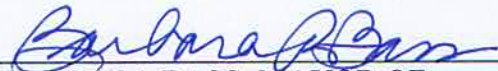
PART 2: That the approval and authorization herein granted is solely for the purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") and in accordance with the bylaws of the THFDC, and shall not be construed as a representation, warranty or other undertaking of any kind by the City of Tyler in respect to the Series 2011 Bonds and the Project; and

PART 3: The Series 2011 Bonds shall not constitute obligations of the City, or any other political subdivision or agency thereof, or a pledge of faith or credit of any of them. Neither the State of Texas nor any political subdivision thereof, including the City, shall be obligated to pay debt service on the Series 2011 Bonds in any way. Neither the faith and credit nor the taxing power of the State of Texas, the City or any other political subdivision or agency thereof, shall be pledged to the payment of the principal of, prepayment penalty, if any, or interest on the Series 2011 Bonds; and

PART 4: That the Mayor, the City Council members and the City Clerk and other officers and employees of the City, or any of them, are hereby authorized to execute and deliver such certificates, instruments or other papers and to do all other things necessary or advisable to give effect to the intent and purpose hereof; and

PART 5: That this Resolution shall be effective upon the date of passage and approval by the City Council.

ADOPTED THIS 12th day of October, 2011.


BARBARA BASS, MAYOR OF
THE CITY OF TYLER, TEXAS

ATTEST:

APPROVED


CASSANDRA BRAGER, CITY CLERK




GARY C. LANDERS, CITY ATTORNEY