RESOLUTION NO. 2011-197

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, APPROVING THE ISSUANCE BY THE MICHIGAN FINANCE AUTHORITY, THE INDIANA FINANCE AUTHORITY, THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY, AND/OR THE PUBLIC FINANCE AUTHORITY, OF HEALTH FACILITY REVENUE AND REFUNDING BONDS, IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $1,700,000,000, ON BEHALF OF TRINITY HEALTH CORPORATION PURSUANT TO A PLAN OF FINANCE FOR VARIOUS CAPITAL FACILITIES, INCLUDING AN AMOUNT NOT TO EXCEED $150,000,000 WITH RESPECT TO CAPITAL FACILITIES LOCATED IN THE CITY OF FRESNO, FOR THE PURPOSE OF FINANCING OR REIMBURSING THE COST OF ACQUIRING, CONSTRUCTING, FURNISHING AND EQUIPPING CERTAIN HEALTH FACILITIES, REFUNDING CERTAIN BONDS PREVIOUSLY ISSUED BY THE CITY OF FRESNO, AND PAYING THE COST OF ISSUING THE BONDS.

WHEREAS, the Michigan Finance Authority ("MFA") is authorized pursuant to the Hospital Finance Authority Act, Act 38, Public Acts of Michigan, 1969, and Executive Order No. 2010-02, as supplemented and amended; the Indiana Finance Authority ("IFA") is authorized pursuant to the provisions of the Indiana Finance Authority Law, Indiana Code, Title 4, Article 4, Chapter 10.9, and Indiana Code, Title 5, Article 1, Chapter 16, as supplemented and amended; the California Statewide Communities Development Authority ("CSCDA") is authorized pursuant to the provisions of the Joint Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California, as supplemented and amended; and the Public Finance Authority (the "PFA" and together with the MFA, IFA, and CSCDA, the "Issuers") is authorized pursuant to provisions of the 2009 Wisconsin Act 205, as supplemented and amended, to issue revenue bonds for the purpose of financing hospital facilities, including hospital facilities located in the City of Fresno ("City"); and

WHEREAS, Trinity Health Corporation ("Corporation"), an Indiana not-for-profit corporation, as described under Section 501(c)(3) of the Internal Revenue Code of 1986 ("Code"), the sole corporate member of Saint Agnes Medical Center, a California nonprofit corporation, has requested that the Issuers participate in a proposed plan of finance of the Corporation providing for the issuance of one or more series of hospital revenue bonds ("Bonds"), in an amount not to exceed $1,700,000,000, pursuant to a plan of finance for various capital facilities, including an amount not to exceed $150,000,000 with respect to capital facilities located in the City; and

WHEREAS, the proceeds of the Bonds will be loaned to the Corporation and will be used to (i) finance or reimburse the costs of acquisition, construction, furnishing and equipping of certain health facilities in an approximate amount of $50,000,000 (collectively, the "Project" (as described below)), (ii) refund certain bonds (collectively, the "Prior Bonds" as described below)

Adopted 9-15-11
Approved 9-23-11
Effective 9-23-11

CITY OF FRESNO
INCORPORATED OCT. 12, 1885

in the amount of approximately $100,000,000, issued by the City of Fresno, to refinance the costs of acquisition, construction, furnishing and equipping of certain health facilities, described below, and (iii) pay certain expenses incurred in connection with the issuance of the Bonds; and

WHEREAS, the "Project" consists of additions and improvements to and equipment for hospitals or other health care facilities owned and operated by the Corporation and/or its subsidiaries and affiliates (collectively, "Trinity Health"), located at (i) Saint Agnes Medical Center, 1303 East Herndon Avenue; (ii) 1111 East Spruce Avenue, (iii) 1201 East Herndon Avenue; (iv) 1245 East Herndon Avenue; (v) 1360 East Herndon Avenue, (vi) 7130 North Millbrook Avenue, (vii) 7202 North Millbrook Avenue, (viii) 1313 E. Herndon Avenue, and (ix) 1183 E. Warner Avenue, all located in the City of Fresno, California; and other related acquisitions, improvements, equipment, construction, and reconstruction; and

WHEREAS, the Prior Bonds consist of the City of Fresno Health System Facility Revenue Refunding Bonds, Series 1998 (Holy Cross Health System Corporation), the proceeds of which were used to refund the City of Fresno Health Facility Revenue Bonds (Saint Agnes Medical Center), Series 1991, the proceeds of which were used to finance the costs of acquisition, construction, furnishing and equipping of certain health facilities located at 1303 East Herndon Avenue, Fresno, California. Additional Prior Bonds consists of City of Fresno Variable Rate Revenue Bonds (Trinity Health Credit Group), the proceeds of which were used to finance certain capital improvements at health care facilities located in Fresno, California, and owned and operated by a Designated Affiliate; and

WHEREAS, the healthcare and hospital equipment and facilities financed and/or refinanced with the proceeds of the Bonds or the Prior Bonds are owned and operated by Trinity Health; and

WHEREAS, pursuant to Section 147(f) of the Code, the "applicable elected representatives" of the governmental unit having jurisdiction over the area in which any facility financed or refinanced by the Bonds, as private activity bonds, are located, must approve the issuance of the Bonds by the Issuers, after a public hearing held following reasonable public notice; and

WHEREAS, the Council of the City ("Council") is the elected legislative body of the City and is one of the applicable elected representatives required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Corporation has requested that the Council approve its issuance of the Bonds to satisfy the public approval requirement of Section 147(f) of the Code; and

WHEREAS, there has been published, at least 14 days before the date hereof, in a newspaper of general circulation within the jurisdiction of the City, a notice that a public hearing regarding the Bonds would be held on the date hereof; and

WHEREAS, this Council conducted the public hearing on the date hereof, at which time an opportunity was provided to interested parties to present arguments both for and against the issuance of the Bonds; and

WHEREAS, it is intended that this resolution shall constitute the approval of the issuance of the Bonds as required of qualified 501(c)(3) bonds by Section 147(f) of the Code,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno, as follows:

Section 1. The above recitals are true and correct.

Section 2. The Council hereby approves the issuance of the Bonds by the Issuers relating to the Project (as described herein). It is the purpose and intent of this Council that this resolution constitute approval of the Bonds and the plan of finance providing for the issuance of the Bonds, for the purposes of Section 147(f) of the Code, with respect to the qualified 501(c)(3) bonds.

Section 3. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing transaction approved hereby.

Section 4. Neither the City nor its staff have reviewed or considered the Project or the expected operation of facilities contemplated by the Project with regards to any State of California statutory requirements, and adoption of this resolution shall not obligate (i) the City to provide financing to the Corporation for the acquisition, construction, renovation and development of any facilities or to issue the Bonds for purposes of financing; or (ii) the City, or any department of the City, to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, construction, development or operation of any facilities.

Section 5. The Bonds will not constitute an indebtedness or obligation, or a pledge of the faith and credit, of the City. The Bonds will be limited and special obligations of the Issuers.

Section 6. The City Clerk is hereby directed to forward a certified copy of this Resolution to:

John O. Renken, Esq.
Hawkins Delafield & Wood LLP
One Embarcadero Center, Suite 3820
San Francisco, CA 94111

Section 7. This resolution shall take effect upon its final adoption.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.:
CITY OF FRESNO)

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno at a regular meeting held on the 15th day of September, 2011.

AYES: Baines, Borgeas, Olivier, Quintero, Westerlund, Xiong, Brand
NOES: None
ABSENT: None
ABSTAIN: None

Mayor Approval: September 23, 2011

Mayor Approval/No Return: N/A, 2011

Mayor Veto: N/A, 2011

Council Override Vote: N/A, 2011

REBECCA E. KLISCH
CITY CLERK

By: Rebecca E Klisch
~~Deputy~~

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE:

By: Mark Gleason
Mark J. Gleason, Deputy

September 16, 2011

Council Adoption: 09/15/11
Mayor Approval:
Mayor Veto:
Override Request:

TO: MAYOR ASHLEY SWEARENGIN

RECEIVED
2011 SEP 23 AM 9:59
CITY CLERK, FRESNO CA

FROM: REBECCA E. KLISCH, CMC
City Clerk

SUBJECT: TRANSMITTAL OF COUNCIL ACTION FOR APPROVAL OR VETO

At the Council meeting of 09/15/11, Council adopted the attached Resolution No. 2011- 197, entitled **TEFRA funds for Trinity Health Corp, $150 Million (not to exceed)** , Item No. **10:15 A.M. - a**, by the following vote:

Ayes	:	Baines, Borgeas, Olivier, Quintero, Westerlund, Xiong, Brand
Noes	:	None
Absent	:	None
Abstain	:	None

Please indicate either your formal approval or veto by completing the following sections and executing and dating your action. Please file the completed memo with the Clerk's office on or before September 26, 2011. In computing the ten day period required by Charter, the first day has been excluded and the tenth day has been included unless the 10th day is a Saturday, Sunday, or holiday, in which case it has also been excluded. Failure to file this memo with the Clerk's office within the required time limit shall constitute approval of the ordinance, resolution or action, and it shall take effect without the Mayor's signed approval.

Thank you.

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APPROVED:

VETOED for the following reasons: (Written objections are required by Charter; attach additional sheets if necessary.)

_____

_____

Ashley Swearengin, Mayor

Date: 9/23/11

COUNCIL OVERRIDE ACTION:

Date: _____

Ayes	:
Noes	:
Absent	:
Abstain	: