

RESOLUTION NO. R-2009-28

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS, APPROVING THE ISSUANCE OF QUALIFIED 501(c)(3) 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 \$6,000,000 FOR THE PURPOSE OF FINANCING OR REFINANCING THE COSTS OF A HEALTHCARE PROJECT.

WHEREAS, Tyler Health Facilities Development Corporation (the "THFDC"), pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), on September 11, 2009, published notice in the *Tyler Morning Telegraph* of a public hearing to be held on September 25, 2009 (the "Public Hearing"), in connection with the proposed issuance by the THFDC of qualified 501(c)(3) bonds (the "Bonds") in an aggregate principal amount not to exceed \$6,000,000 to finance or refinance the acquisition, construction and/or equipping of health facilities at Mother Frances Hospital Regional Health Care Center, 800 E. Dawson, Tyler, Texas, including, without limitation, the acquisition of a helicopter to be based at such location; and

WHEREAS, Section 147(f) of the Code requires that the Bonds and the Project be approved by the "applicable elected representative" (as defined in the Code) of the jurisdiction in which any portion of the Project is located after a public hearing following reasonable public notice thereof; and

WHEREAS, the Mayor of the City of Tyler, Texas (the "City") has been requested to approve, as the "applicable elected representative" of the City, the Project and the issuance of the Bonds in accordance with the requirements of the Code, following receipt by the Mayor of an affidavit of publication of the notice of the Public Hearing and the executed minutes of the Public Hearing in accordance with such notice; and

WHEREAS, the approval of the Bonds by an "applicable elected representative" of the City is a condition to the exclusion of interest on the Bonds from the gross income of the owners thereof for federal income tax purposes and, consequently, is necessary to finance or refinance the Project at favorable interest rates that are borne by tax-exempt obligations; and

WHEREAS, the City Council of the City desires to authorize the Mayor to approve the issuance of the Bonds and the Project for purposes of the Code; 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, 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 Mayor of the City is hereby authorized to approve the Project and the issuance of the Bonds and the Project and to execute and deliver such approval as requested following her receipt of an affidavit of publication of notice of the Public Hearing and executed minutes of the Public Hearing held in accordance with the requirements of the Code and as set forth in the notice of the Public Hearing; and

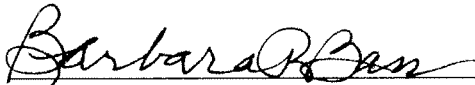
PART 2. That the City Council hereby approves and consents to the issuance of the Bonds in the maximum principal amount of \$6,000,000 to finance or refinance the Project pursuant to the requirements of the bylaws of the THFDC; and

PART 3. That the approval and authorization herein granted is solely for the purposes of Section 147(f) of 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 in respect to the Bonds and the Project. The 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 the Bonds or the interest thereon. 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 Bonds; and

PART 4. That the Mayor, the City Council members and the City Clerk and other officers 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 by the City Council.

ADOPTED THIS 23rd day of September, 2009.


BARBARA BASS, MAYOR
CITY OF TYLER, TEXAS

ATTEST:

APPROVED


CASSANDRA BRAGER, CITY CLERK


MARY C LANDERS, CITY ATTORNEY

