

RESOLUTION NO. 28-2005

RESOLUTION APPROVING THE ISSUANCE OF BONDS BY THE COLORADO HEALTH FACILITIES AUTHORITY ON BEHALF OF THE EVANGELICAL LUTHERAN GOOD SAMARITAN SOCIETY; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Benson, Arizona (the "City") is a duly organized and validly existing municipal corporation under the laws and Constitution of the State of Arizona; and

WHEREAS, The Evangelical Lutheran Good Samaritan Society (the "Society"), a North Dakota nonprofit corporation, owns and operates a long-term healthcare facility, including related senior housing facilities, within the boundaries of the City called the Quiburi Mission Samaritan Center (the "Center"); and

WHEREAS, on September 14, 2005, notice of a public hearing by the City Council of the City was published in the *San Pedro Valley News Sun*, said hearing concerning the issuance by the Colorado Health Facilities Authority of its Health Facilities Revenue Bonds (the "Bonds") on behalf of the Society in a multi-state offering authorized by Colorado state law; and

WHEREAS, under this plan of finance, proceeds of the Bonds in an approximate aggregate total amount of \$1,550,000 will be used to (i) refinance the acquisition, construction, improvement and equipping of a 60 bed long-term care facility owned and operated by the Society located at 850 South Highway 80, Benson, Arizona 85602 (the "Project"), (ii) to establish a reserve fund, and (iii) to pay certain costs of issuing the Bonds; and

WHEREAS, such multi-state offering is economically efficient and cost-saving for the Society, thereby reducing operating costs for the Society and therefore tending to reduce the necessity for increases of charges at its Benson facility, thereby benefiting the residents of the City; and

WHEREAS, the Bonds will be payable solely from revenues of the Society, and the City will have no obligation whatsoever for payment of the Bonds; and

WHEREAS, the public hearing was held by the City Council on October 3, 2005.

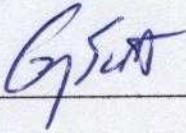
NOW, THEREFORE, THE COUNCIL OF THE CITY OF BENSON HEREBY RESOLVES:

Section 1. The City hereby approves the issuance of the aforesaid Bonds by the Colorado Health Facilities Authority in the approximate principal amount of \$800,000 for The Evangelical Lutheran Good Samaritan Society, and further approves the Project as described in the Notice relating to the public hearing for the Bonds, and such approval shall be solely for the purposes of Section 147(f) of the Internal Revenue Code of 1986 and the City shall have no liabilities for the payment of the Bonds nor shall any of its assets be pledged to payment of the Bonds.

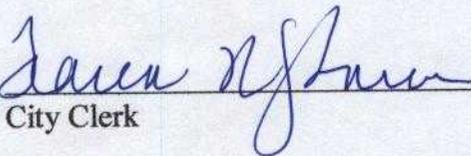
Section 2. Further, it is recognized by the City that the instruments which authorize that issuance of bonds, notes or obligations by the Colorado Health Facilities Authority will specifically state that no governmental entity is obligated to pay the principal of or interest on the bonds, notes or obligations proposed to be issued by the Authority. Nothing in this resolution shall be construed as an indication by the City that it will pay or provide for the payment of any obligations of the said Authority whether theretofore or hereafter incurred.

Section 3. This Resolution shall become effective immediately, upon its passage.

PASSED AND APPROVED this 3rd day of October, 2005.

By 
Mayor

Attest:

By 
City Clerk