

RESOLUTION NO. 3841

A RESOLUTION OF THE CITY OF REDLANDS TO ISSUE CERTIFICATES OF PARTICIPATION TO FINANCE HEALTH CARE FACILITIES FOR REDLANDS COMMUNITY HOSPITAL

WHEREAS, the City of Redlands is authorized to lease and purchase property pursuant to the General Laws of the State of California; and

WHEREAS, Redlands Community Hospital is a hospital serving the citizens of the City of Redlands and providing health care facilities; and

WHEREAS, the Redlands Community Hospital proposes to rebuild, rehabilitate and equip portions of the Hospital to better serve the citizens of the community; and

WHEREAS, the City desires to encourage the Hospital to provide such facilities; and

WHEREAS, the City proposes to enter into a financing arrangement with Redlands Community Hospital and a trustee who will issue certificates of participation representing rights to receive payment by the City and by the Hospital to finance such facilities;

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

1. The City will issue or cause to be issued certificates of participation at one time or from time to time in an aggregate principal amount not to exceed \$37 Million for the financing.

2. The certificates of participation will be payable solely from revenues to be received by the City and the trustee pursuant to a lease or sales agreement or other agreement to be entered into between the trustee and the City and/or the trustee and the Hospital and/or the Hospital and the City in connection with the facilities. Each certificate of participation shall contain a statement to the following effect: "Neither the faith and credit nor the taxing power of the State of California, the City of Redlands, or any subdivision thereof is pledged to the payment of the principal of or interest on this note."

3. The certificates of participation shall be issued subject to the conditions that (i) the City and the Hospital shall first agree to mutually acceptable terms for the certificates of participation and the sale and delivery thereof and mutually acceptable terms and conditions for the lease, sale or other agreement for the facilities, (ii) all requisite government approvals, including certification by appropriate state and local agencies shall have first been obtained.

4. The City Clerk of the City is hereby directed to indicate the willingness of the City to proceed with and assist in such financing in order to provide better health care facilities to the citizens of the City of Redlands and to advise the Hospital that, subject to due compliance with all requirements of law and obtaining of all necessary consents and approvals and to the happening of all acts, conditions and things required precedent to such financing, the City, by virtue of such statutory authority as now or may hereafter be conferred will assist in such financing.

5. The Hospital is authorized to commence construction of the facilities and to advance such funds as may be necessary therefor, subject to reimbursement for all expenditures, but only out of the proceeds, if any, of the issue of certificates of participation herein authorized.

6. It is intended that this resolution shall constitute "some other similar official action" toward the issuance of certificates of participation within the meaning of Section 1.103-8(a)(5) of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1954.

7. This resolution shall take effect immediately upon its passage.

ADOPTED, SIGNED AND APPROVED this 6th day of July, 1982.

Mayor Ken Roth

ATTEST:

Deputy City Clerk