

Resolution No. 2025-01

AMENDING RESOLUTION

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF SAN LUIS, ARIZONA, AMENDING RESOLUTION NO. 2024-01 PREVIOUSLY ADOPTED BY THE BOARD ON OCTOBER 2, 2024, CONCERNING THE BOARD'S APPROVAL OF THE ISSUANCE OF DEBT, THE PROCEEDS OF WHICH ARE TO BE LENT TO THE REGIONAL CENTER FOR BORDER HEALTH, INC.

WHEREAS, The Industrial Development Authority of the City of San Luis, Arizona (the "Issuer") is a nonprofit corporation designated as a political subdivision of the State of Arizona (the "State"), incorporated with the approval of the City of San Luis, Arizona (the "City"), pursuant to the provisions of the Constitution of the State and under Title 35, Chapter 5 of the Arizona Revised Statutes, as amended (the "Act");

WHEREAS, the Issuer is authorized and empowered, among other things, (a) to issue debt and use the proceeds thereof in accordance with the Act, (b) to contract with and employ others to provide for and to pay compensation for professional services and other services as the Issuer shall deem necessary for the financing of "projects" as defined in the Act, and (c) to pledge its property and revenues to secure the payment of the principal of and premium, if any, and interest on such debt;

WHEREAS, following the 2024 Hearing, the City Council approved the Financing and the Project;

WHEREAS, in accordance with the provisions of Section 147(f) of the Code, the Subject Debt is required to be issued within a period terminating one year after the 2024 Hearing;

WHEREAS, since the adoption of the 2024 Resolution, construction and other Project costs have increased beyond the parameters established by the 2024 Resolution, requiring an amendment to the 2024 Resolution to increase the maximum principal amount authorized thereby;

WHEREAS, a new public hearing before the City Council is needed to authorize the increased principal amount of the Financing and extend the authorization to close the Financing and issue the Subject Debt prior to the one-year anniversary of the 2024 Hearing (i.e., October 2, 2025);

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Industrial Development Authority of the City of San Luis, Arizona.:

Section 1: Definitions. In addition to words and terms elsewhere defined in this Resolution, capitalized words and terms used herein shall have the meanings given in the 2024 Resolution.

Section 2 : **Amendment to Authorized Principal Amount.** The 2024 Resolution is hereby amended to increase the aggregate maximum stated principal amount of the Subject Debt from \$80,000,000 to \$100,000,000.

Section 3 : **Authorization of Hearing.** The Board hereby authorizes and ratifies all actions previously taken or to be taken by the Issuer's officers and the Issuer's legal advisors, including Issuer's Counsel and Bond Counsel, in connection with (i) the preparation and publication of one or more updated Notices of Public Hearing and (ii) the conducting of one or more public hearings before the City Council, on behalf of the Issuer, to authorize the issuance of the Subject Debt, as amended hereby, for all purposes under the Code.

Section 4 : **Reauthorization of Financing.** The previous authorization of the Financing is ratified, and the Financing is hereby designated "The Industrial Development Authority of the City of San Luis, Arizona (Border Health Medical Campus/San Luis Community Hospital Project) Healthcare Facilities Revenue Bonds, Series 2025." The Subject Debt shall be issued in one or more series or issuances, and the Financing shall occur as set forth in the proposed forms of the Indenture and the Loan Agreement. The Subject Debt will mature on the dates and in the amounts and will bear interest at the rates set forth in the Indenture and the Loan Agreement and shall be payable and subject to redemption prior to maturity as provided in the Indenture.

Section 5 : **Conditions.** The Financing (the terms of which are amended hereby) shall not be completed unless and until: (a) the Financing is approved by the Mayor of the City and the City Council; (b) a new public hearing process is approved by both the Mayor of the City and the City Council; (c) the Attorney General is duly notified pursuant to Arizona Revised Statutes Section 35-721.F; (d) all agreements, certificates, documents, or instruments requiring the execution or consent of the Issuer are in a form and substance acceptable to the Issuer's Counsel; and (e) the Issuer receives such opinions, certificates, comfort letters and consent letters in connection with the Financing as the Issuer's Counsel or other advisors may deem necessary or appropriate, in form and substance satisfactory to the Issuer's Counsel and advisors.

Section 6 : **Remaining Provisions Unchanged.** All remaining provisions of the 2024 Resolution not otherwise amended by this Resolution remain unchanged and in full force and effect.

Section 7 : **Reimbursement.** The Issuer hereby declares its official intent, pursuant to 26 C.F.R. § 1.150-2, to reimburse itself and/or the Borrower for capital Project expenditures with the proceeds of the Subject Debt. The Issuer presently intends and

reasonably expects to participate in the Financing within 18 months of the date of the expenditure of moneys on the Project or the date upon which the Project is placed in service, whichever is later (but in no event more than 3 years after the date of the original expenditure of such moneys), and to allocate from said Financing an amount not to exceed \$100,000,000 to reimburse the Issuer and/or the Borrower for Project expenditures.

Section 8 : **Ratification of Actions.** All actions (not inconsistent with the provisions of 2024 Resolution, as amended by this Resolution) heretofore taken by or at the direction of the Issuer and its directors, officers, counsel, advisors or agents directed toward the completion of the Financing and issuance of the Subject Debt are hereby approved and ratified.

Section 9 : **Open Meeting Laws.** It is found and determined that all formal actions of the Issuer and the Board concerning and relating to the adoption of this Resolution were adopted in an open meeting and that all deliberations that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements of the State and the Issuer.

Section 10 : **Irrepealability.** After the proceeds of the Subject Debt are delivered pursuant to the terms of the Loan Agreement and upon receipt of payment therefor, the 2024 Resolution, as amended by this Resolution, shall be and remain irrepealable until the Subject Debt and interest thereon shall have been fully paid, canceled, and discharged.

Section 11 : **Severability.** if any section, paragraph, clause, or provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 12 : **Waiver.** Any provisions of the Issuer's By-Laws, the Policy Guidelines and Application Procedure, or prior resolutions inconsistent herewith are waived to the extent only of such inconsistency. This waiver shall not be construed as repealing any such By-Laws, the Policy Guidelines or Application Procedure, or prior resolutions or any part thereof.

Section 13 : **Headings.** Subject headings included in this Resolution are included for the purpose of convenience only and shall not affect the construction or interpretation of any of its provisions.

Section 14 : **Effectiveness.** This Resolution shall be effective immediately.

Section 15 : **Notice of A.R.S. Section 38-511 – Cancellation.** Notice of Arizona Revised Statutes Section 38-511 is hereby given. The provisions of said Statute are by this reference incorporated herein to the extent of their applicability to the matters contained herein and under the laws of the State.

PASSED, ADOPTED, and APPROVED by the Board of Directors of the Industrial Development Authority of the City of San Luis, Arizona in Yuma County this ____ day of September 2025.

**INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE CITY OF
SAN LUIS, ARIZONA**

Gary Black, President

ATTEST:

APPROVED AS TO FORM:

Janet Taylor, Clerk of the Board

Glenn J. Gimbut, General Counsel