

## NOTICE OF MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF SAN LUIS ARIZONA

In accordance with section 38-431.01 of the Arizona Revised Statutes of the State of Arizona, notice is hereby given to the Members of The Industrial Development Authority of the City of San Luis and to the general public that the Board Members of The Industrial Development Authority of the City of San Luis will hold a **Special Meeting Monday, September 8, 2025 at 5:30 p.m.** The meeting will take place at City Hall in **Council Chambers**, located at 1090 E. Union Street, San Luis, Arizona, 85349. Everyone from the public is invited to attend the open meeting.

In accordance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, the City of San Luis does not discriminate on the basis of disability in the admission of or access to, or treatment of employment in its programs, activities, or services. For information regarding rights and provisions of the ADA or Section 504, or to request reasonable accommodations for participation in City programs, activities or services contact: ADA/Section 504 Coordinator, City of San Luis Human Resources Department, 1090 E. Union Street, San Luis, Arizona, 85349; (928) 341-8520.

Notice is hereby given that pursuant to A.R.S. §1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council are audio and/or video recorded, and, as a result, proceedings in which children are present may be subject to such recording. Parents in order to exercise their rights may either file written consent with the City Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 have been waived.

### THIS NOTICE IS APPROVED BY:

/s/ Kay M. Macuil, Attorney for The Industrial Development Authority of the City of San Luis

### AVISO DE JUNTA DE LA CORPORACIÓN

De acuerdo con los Estatutos del Estado de Arizona "A.R.S § 38-431.01", se le informa a los miembros de la Corporación The Industrial Development Authority of the City of San Luis y al público en general que los miembros de la Corporación The Industrial Development Authority of the City of San Luis tendrán una **Junta Especial el día lunes de Septiembre 8, 2025 a las 5:30 p.m** La junta se llevará a cabo en el **Salón Del Cabildo** ubicada en el 1090 E. Union Street, San Luis, Arizona 85349. El público está cordialmente invitado a la junta.

De acuerdo con el Acta de Americanos con Discapacidades y la Sección 504 del Acta de Rehabilitación del 1973, la Ciudad de San Luis, Arizona no discrimina por causa de discapacidad la admisión y acceso a sus programas, actividades, servicios o en el trato en cuanto a empleo. Para más información referente a derechos y provisiones del Acta de Americanos con Discapacidades o Sección 504, o para solicitar adaptaciones que sean razonables para la participación en programas, actividades o servicios de la Ciudad, contactar al: Coordinador del Acta de Americanos con Discapacidades/Sección 504, Departamento de Recursos Humanos de la Ciudad de San Luis, Arizona, ubicada en el 1090 E. Union Street, San Luis, Arizona, 85349; (928) 341-8520.

Por medio de este aviso y de acuerdo con los Estatutos del Estado de Arizona "A.R.S § 1-602.A.9", sujeto a ciertas excepciones reglamentarias, los padres de familia tienen el derecho de dar el consentimiento ante el Estado o cualquiera de sus subdivisiones políticas para hacer una grabación de audio o video de su hijo menor de edad. Las juntas del Cabildo se graban en audio y/o video y como resultado, el hecho de que haya menores presentes puede ser sujeto a que sean grabados. Para que los padres de familia puedan ejercer sus derechos pueden dar el consentimiento por escrito con la Secretaria de la Ciudad a tal grabación, o tomar acción personal para asegurarse que su hijo menor no esté presente cuando la grabación se lleve a cabo. Si un menor de edad está presente en el momento de la grabación, la Ciudad asumirá que los padres de familia están cediendo los derechos sobre una posible grabación de acuerdo con los Estatutos del Estado de Arizona "A.R.S. §1-602.A.9."

### ESTE AVISO ES APROBADO POR:

/f/ Kay M. Macuil, Abogada de The Industrial Development Authority of the City of San Luis

**AGENDA**  
**INDUSTRIAL DEVELOPMENT AUTHORITY**  
**OF THE CITY OF SAN LUIS, ARIZONA**  
**San Luis Council Chambers**  
**1090 E. Union Street**  
**San Luis, Arizona 85349**  
**SEPTEMBER 8, 2025**  
**5:30 p.m.**

PLEASE TAKE NOTICE THAT BOARD MEMBERS MAY ATTEND THE MEETING BY TELEPHONIC COMMUNICATION

PLEASE TAKE NOTICE: *The Chair or Acting Chair may change the order of the items.*

PLEASE TAKE NOTICE: *If authorized by law and by a majority vote of a present quorum of the Board of Directors, an executive session will be held immediately following the vote in accordance with A.R.S. §38-431.03(A) and the meeting will be temporarily recessed while the Board retires to executive session which will not be open to the public.*

**1. CALL TO ORDER/ROLL CALL**

**2. CONSENT AGENDA**

All matters are considered to be routine by the Commission and will be enacted by one motion. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- 2. A.** Minutes of  
- Special meeting held October 2, 2024

**3. DISCUSSION AND POSSIBLE ACTION ITEMS:**

- 3. 0.** Discussion and possible action on any and all matters regarding Resolution No. 2025-01. An amending 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. (**Glenn J. Gimbut, General Counsel of the IDA Board**)

**4. NEW ITEMS OF BUSINESS FOR FUTURE AGENDAS**

**5. ADJOURNMENT**

*Suggested adjournment by President: "Since we have come to the end of the items on the agenda and there is no further business, the meeting is adjourned."*



**Industrial Development Authority**

**2. A.**

Meeting Date: 09/08/2025

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Summary

Minutes of

- Special meeting held October 2, 2024

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**Attachments**

IDA Minutes 2024-10-2

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**MINUTES  
SPECIAL MEETING  
THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF SAN LUIS  
COUNCIL CHAMBERS  
1090 E. Union Street San Luis, Arizona 85349  
October 2, 2024  
7:30 p.m.**

**1. CALL TO ORDER/ROLL CALL** President Gary Black called the meeting to order at approximately 7:32 p.m.

**THOSE PRESENT:**

Director Joe Harper  
Vice President Marco Pinzon  
President Gary Black

**OTHERS PRESENT:**

Kay Marion Macuil, City Attorney  
Janet Taylor, Clerk of the Board  
Jenny Torres, Acting City Manager  
Glenn Gimbut, City Attorney  
Roula Encinas, Director of Finance  
Gerry Hunt, Regional Center for Border Health  
Alex Bajarano, Regional Center for Border Health  
Jose Antonio Maldonado, Multi-Media Production and Operations Specialist  
Albert Moreno, IT Technician

**2. CONSENT AGENDA**

All matters are considered to be routine by the Commission and will be enacted by one motion. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

**2. A. MINUTES OF**

- Meeting held June 19, 2019

**MOTION:** Director Joe Harper and Vice President Marco Pinzon approved the minutes of the meeting held June 19, 2024. **Motion passed unanimously.**

**The vote was as follows:**

President Gary Black	Aye
Director Joe Harper	Aye
Vice President Marco Pinzon	Aye

**3. DISCUSSION AND POSSIBLE ACTION ITEMS:**

**3. A. Discussion and possible action of engagement of Glenn Gimbut as Issuer Counsel.  
(Glenn Gimbut, Assistant City Attorney)**

Mr. Gimbut explained that with any bond issue, some lawyer must sign as issuer's counsel, guaranteeing that all proceedings were legal and the bonds were legally issued. That guarantee lasts the life of the bonds or the lawyer's life. Whichever comes first. Mr. Gimbut stated that he would be guaranteeing the \$80,000,000 bond issue. The usual fee is that the bigger the bond, the bigger the fee. He is proposing half of the fee on the market. This is paid solely from the bonds. It is not a city obligation in any way, shape, or form. The fee is \$20,000.00, and it was stated that it was up to the board whether or not to approve it. This is paid solely from the bonds. If there is no bond issue, there is no pay.

**MOTION:** Director Joe Harper and Vice President Marco Pinzon approved engaging Glenn Gimbut as issuer's counsel for the bond issue identified in Resolution No. 2024-01 to be paid only from the proceeds of said issue at closing and at such rates or amounts as are customary for such representation. **Motion passed unanimously.**

**The vote was as follows:**

President Gary Black	Aye
Director Joe Harper	Aye
Vice President Marco Pinzon	Aye

**3. B. Discussion and possible action on any and all matters regarding Resolution No. 2024-01. A resolution of the Board of Directors of the Industrial Development Authority of the City of San Luis, Arizona, granting final approval of the issuance of debt in the maximum stated principal of \$80,000,000, in one or more series or issuances, the proceeds of which are to be lent to the Regional Center for Border Health, Inc. (Glenn J. Gimbut, General Counsel of the IDA Board)**

Mr. Gimbut explained that this is a proposed bond issue for the expansion of the Medical Mall in San Luis into a true hospital with beds, emergency services, etc. He explained that an IDA bond issue is not an obligation of the city or the citizens of San Luis in any way, shape, or form. It is to be paid solely by the Regional Center for Border Health. Mr. Gimbut explained what would happen if this project went belly-up and that the bondholders would go after the Regional Center for Border Health. Mr. Gimbut stated that when Mr. Hunt was speaking at the TEFRA hearing, he explained that they have had feasibility studies, appraisals, and other things done to justify the loan.

Mr. Gimbut stated that Mr. Black had asked him if there was a limitation on bonds for the IDA, and the answer is no. There is a limitation in federal law of how much of the bond issue can be tax-exempt from federal taxation. That is why you are seeing one or more series or issuances in this bond. Mr. Gimbut explained that the bonds for the Medical Mall were two (2) issuances. Part of the bonds were tax-free, and part of the bonds were taxable, and they would do the same thing here.

President Gary Black thanked Mr. Gimbut for clarifying that. Mr. Black stated that, at one time, the IDA could only approve \$30,000.000 per year. And that is why he was asking.

**MOTION:** Vice President Marco Pinzon and Director Joe Harper approved Resolution No. 2024-01 to finance the Border Health Medical Campus/San Luis Community Hospital in the form as presented. **Motion passed unanimously.**

**The vote was as follows:**

President Gary Black	Aye
Director Joe Harper	Aye
Vice President Marco Pinzon	Aye

**4. ADJOURNMENT**

*Meeting adjourned at approximately 7:39 p.m.*

PENDING APPROVAL

## AGENDA ITEM REVIEW FORM

### Industrial Development Authority

3. 0.

**Meeting Date:** 09/08/2025

**Department Head:** Kay Macuil, City Attorney, Attorney's Office

**Submitted By:** Kay Macuil, City Attorney, Attorney's Office

#### ITEM:

Discussion and possible action on any and all matters regarding Resolution No. 2025-01. An amending 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. **(Glenn J. Gimbut, General Counsel of the IDA Board)**

#### SUMMARY:

The non-profit Regional Center for Border Health, Inc. ("RCBH") is building an approximately sixteen-bed (16-bed) hospital in San Luis, Arizona, to be called the "Border Health Medical Campus/San Luis Community Hospital." It is expected to be 64,000 square feet. It will be on a ten-acre (10-acre) parcel that the Regional Center for Border Health, Inc. owns. The anticipated address will be 311 South Oak Avenue, adjacent to the Regional Center for Border Health's Medical Mall, 151 South Oak Avenue.

Due to increased costs of construction and the project, RCBH seeks to increase borrowing from \$80,000,000 to \$100,000,000 to finance a portion of the costs associated with designing, constructing, and equipping the new hospital. In addition, the financing will pay for the costs associated with the issuance of the debt and will fund a reserve fund for unplanned contingencies that may arise. Revenue from the RCBH's healthcare operations, less operation and maintenance expenses, will pay the principal and interest on the loan.

The resolution submitted to the Board in this item will authorize Healthcare Facilities Revenue Bonds to be issued to finance the new hospital as described above. **Neither the City of San Luis nor the IDA will be liable for the debt.** Because RCBH is using the IDA process, all or a majority of the debt is expected to be issued as tax-exempt, allowing those who purchase the debt to be exempt from income tax payments on the income from the interest payments.

The bond lawyer or lawyers will be available by phone or video conference during the Board meeting.

A public hearing will be held on September 10, 2025, at 6:00 p.m. After the Public Hearing, the City Council have an action item to approve financing of this project through this IDA Board.

#### RECOMMENDATION / SUGGESTED MOTION:

**I MOVE TO ADOPT RESOLUTION NO. 2025-01 TO INCREASE THE FINANCING TO A TOTAL OF \$100,000,000 FOR THE BORDER HEALTH MEDICAL CAMPUS/SAN LUIS COMMUNITY HOSPITAL IN THE FORM AS PRESENTED.**

Amending Resolution No. 2025-01 Amends Res No 2024-01  
Resolution No. 2024-01  
Public Hearing Notice

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**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

## Resolution No. 2024-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF SAN LUIS, ARIZONA GRANTING FINAL APPROVAL OF ISSUANCE OF DEBT IN THE MAXIMUM STATED PRINCIPAL AMOUNT OF \$80,000,000 IN ONE OR MORE SERIES OR ISSUANCES, THE PROCEEDS OF WHICH ARE TO BE LENT TO 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**, Regional Center For Border Health, Inc. (the “Borrower”), an Arizona nonprofit corporation and an organization described under Section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”), has requested that the Issuer issue debt, in the form of bonds, a loan, a promissory note, or some other evidence of such debt (the “Subject Debt”), in an aggregate maximum stated principal amount of \$80,000,000 as described herein, and loan the proceeds thereof to the Borrower (collectively, the “Financing”) to aid in the financing of a portion of the costs associated with: (a) designing, constructing and equipping a new approximately 16-bed hospital in San Luis, Arizona, to be known as the “Border Health Medical Campus/San Luis Community Hospital” (the “Project”), which is expected to be approximately 64,000 square feet in size and to be constructed on a 10-acre parcel owned by the Borrower with an anticipated street address of 311 South Oak Avenue, San Luis, AZ, 85349, which is adjacent to the Borrower’s existing Medical Mall facilities located at 151 South Oak Avenue, San Luis, AZ, 85349 (all of the property to be financed with proceeds of the Subject Debt is collectively referred to herein as the “Financed Property”); (b) paying certain costs associated with the issuance of such debt; and (c) funding a reserve fund and certain interest, if applicable;

**WHEREAS**, the Project constitutes a “project” within the meaning of Section 35-701 of the Act;

**WHEREAS**, the Borrower will be the initial owner and operator of the Financed Property;

**WHEREAS**, all or a majority of the Subject Debt is expected to be issued as tax-exempt qualified 501(c)(3) bonds as defined in Section 145 of the Code;

**WHEREAS**, in accordance with the provisions of the Act, the Issuer will issue the Subject Debt pursuant to an Indenture of Trust (the “Indenture”) by and between the Issuer and a trustee, acting solely in its capacity as trustee thereunder (the “Trustee”);

**WHEREAS**, the Issuer will loan the proceeds from the Subject Debt to the Borrower (the “Loan”) pursuant to the terms of a loan agreement (the “Loan Agreement”) by and between the Issuer and the Borrower, and the Borrower will issue one or more notes to the Issuer (the “Borrower Obligation”), evidencing the Loan and the Borrower’s obligation to make payments sufficient to pay the principal of and interest on the Subject Debt when due;

**WHEREAS**, the Loan Agreement will provide that all amounts payable thereunder by the Borrower to the Issuer shall be paid to the Trustee, as assignee of the Issuer, and that the Subject Debt and the Borrower Obligation will be secured by a pledge of and lien on the revenues generated by the Borrower’s healthcare operations (less operating expenses), which will be on a parity with the lien of the Borrower’s outstanding USDA Financings (as defined in the Loan Agreement);

**WHEREAS**, the Borrower is required to secure USDA’s written consent prior to the issuance of any obligations that are to be on parity with the outstanding USDA Financings and, as of the date hereof, the Borrower is actively working with USDA to obtain such consent; and

**WHEREAS**, there have been presented at this meeting of the Board substantially final forms of certain documents necessary to carry out the completion of the Financing, including without limitation the proposed forms of: the Indenture, the Loan Agreement, a Deed of Trust with Assignment of Leases and Rents, Security Agreement and Fixture Filing by the Borrower to Stewart Title Arizona, as trustee, and in favor of the Trustee, as beneficiary (the “Deed of Trust”), and a Security Agreement and Assignment of Income, Accounts and Revenue, by the Borrower, as debtor, and the Trustee, as secured party (the “Security Agreement” and, together with the Indenture, the Loan Agreement, and the Deed of Trust, the “Issuer Documents”).

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

**SECTION 1. Definitions.** In addition to words and terms elsewhere defined in this Resolution, the capitalized words and terms used herein shall have the meanings given in the Loan Agreement and the Indenture.

**SECTION 2. Ratification of Actions.** All actions (not inconsistent with the provisions of 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 are hereby approved and ratified. Further, all actions previously taken or to be taken by the Issuer’s officers, the Issuer’s legal advisors, the Law Offices of Glenn J. Gimbut, Attorney at Law (the “Issuer Counsel”), or Kutak Rock LLP (“Bond Counsel”), in connection with the preparation and publication of one or more Notices of Public Hearing or the conducting

of one or more public hearings on behalf of the Issuer are also hereby authorized, ratified, and confirmed and the Issuer hereby approves the Financing for all purposes under the Internal Revenue Code of 1986, as amended from time to time (the "Code").

**SECTION 3. Financing Authorization.** The Financing is hereby authorized and 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 2024." 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 4. Special, Limited Obligations; Other Obligations.** The Subject Debt shall be payable solely from the receipts and revenues received by, or on behalf of, the Issuer pursuant to the Indenture and the Loan Agreement. Nothing contained in (a) this Resolution, (b) any of the Issuer Documents, or (c) any other agreement, certificate, document or instrument executed in connection with the Financing shall be construed as obligating the Issuer (except as a special, limited obligation to the extent provided in such agreements, certificates, documents or instruments) or obligating the City, or as incurring a charge upon the general credit of the Issuer or of the City, nor shall the breach of any agreement contemplated by (x) this Resolution, (y) any of the Issuer Documents, or (z) any other instrument or documents executed in connection therewith impose any charge upon the general credit of the Issuer or of the City. The Issuer has no taxing power.

Prior to the completion of the Financing, the Issuer has issued, and subsequent to the completion of the Financing, the Issuer may issue obligations in connection with the financing of other projects (said obligations together with any obligations issued by the Issuer between the date hereof and the completion of the Financing shall be referred to herein as the "Other Obligations"). Any pledge, mortgage, or assignment made in connection with the Other Obligations shall be protected, and any funds pledged or assigned for payment of principal, premium, if any, or interest on the Other Obligations shall not be used for the payment of principal, premium, if any, or interest on the Subject Debt. Any pledge, mortgage, or assignment made in connection with the Subject Debt shall be protected, and no funds pledged or assigned for the payment of the Subject Debt shall be used for the payment of principal, premium, if any, or interest on the Other Obligations.

**SECTION 5. Conditions.** The Financing shall not be completed unless and until: (a) the Financing is approved by the Mayor and City Council of the City of San Luis, Arizona; (b) the public hearing process is approved by both the Mayor and City Council of the City of San Luis, Arizona; (c) the Attorney General is duly notified pursuant to Arizona Revised Statutes 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. Acknowledgement of Roles.** At the request of the Borrower, Kutak Rock LLP shall serve as Bond Counsel.

**SECTION 7. Financing Details.** The terms and provisions of the Financing, in accordance with the terms of the Indenture and the Loan Agreement, are hereby approved, with only such changes as are approved by the officers authorized to execute any Financing documents (which approval will be conclusively established by their execution thereof). Upon satisfaction of the conditions set forth in Section 5 hereof, the Issuer's President, Vice-President and Secretary/Treasurer are each hereby authorized to execute any Financing documents and each is hereby authorized to deliver them. The signatures of the Issuer's President, Vice-President and/or Secretary/Treasurer on any documents evidencing or in connection with the Financing may be by facsimile.

**SECTION 8. Issuer Documents.** The forms, terms, and provisions of each of the Issuer Documents in the forms of such documents (including the exhibits thereto) presented to the Board at this meeting are hereby approved, with such insertions, deletions, and changes as are approved by the officers authorized to execute the documents (which approval will be conclusively established by their execution thereof). Upon satisfaction of the conditions set forth in Section 5 hereof, the Issuer's President, Vice-President and Secretary/Treasurer are each hereby authorized to execute each of the Issuer Documents.

**SECTION 9. Further Actions.** The officers of the Issuer, upon satisfaction of the conditions set forth in Section 5 hereof, shall take all action necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated hereby and thereby, including without limitation, the execution and delivery of the Issuer Documents and closing and other documents required to be delivered in connection with the completion of the Financing.

**SECTION 10. Open Meeting Laws.** It is found and determined that all formal actions of the Issuer and its Board of Directors 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 11. Irrepealability.** After the proceeds of the Subject Debt are delivered pursuant to the terms of the Loan Agreement and upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the Subject Debt and interest thereon shall have been fully paid, canceled, and discharged.

**SECTION 12. 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 13. Waiver.** Any provisions of the Issuer’s By-Laws, the Policy Guidelines and Application Procedure, or prior resolutions (except as specified in section 2 hereof) 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 14. Headings.** Subject headings included in this Resolution are included for purpose of convenience only and shall not affect the construction or interpretation of any of its provisions.

**SECTION 15. Effectiveness.** This Resolution shall be effective immediately.

**SECTION 16. 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 on this 2<sup>nd</sup> day of October, 2024.

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

By: \_\_\_\_\_  
President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Janet Taylor, Clerk of the Board

\_\_\_\_\_  
Glenn J. Gimbut, Issuer Counsel

## NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN, as required by and in compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), that, commencing at 6:00 p.m., or as soon thereafter as the matter may be heard, on September 10, 2025, a public hearing will be held before the City Council of the City of San Luis in the City Council Chambers, San Luis City Hall, 1090 E. Union Street, San Luis, Arizona 85349, for the purpose of providing an opportunity for interested persons to express their views, orally and in writing, with respect to the issuance of the Subject Debt and the Project, both as defined and described herein, including amending the maximum stated principal amount (from \$80,000,000 to \$100,000,000) of the previously authorized proposed issuance by The Industrial Development Authority of the City of San Luis, Arizona (the "Issuer") of debt (the "Subject Debt"). The Subject Debt is to be issued in one or more series and/or issuances from time to time pursuant to a plan of finance.

As previously authorized by the Issuer and the City of San Luis, Arizona, the proceeds of the Subject Debt are to be lent by the Issuer to Regional Center for Border Health, Inc., an Arizona nonprofit corporation and an organization described under Section 501(c)(3) of the Code (the "Borrower"). The Borrower intends to use the proceeds of the Subject Debt as part of a plan of finance with respect to the previously authorized Project, consisting of (i) the design, construction and equipping of a new approximately 16-bed hospital in San Luis, Arizona, to be known as the "Border Health Medical Campus/San Luis Community Hospital" (the "Project"), which is expected to be approximately 64,000 square feet in size and to be constructed on a 10-acre parcel owned by the Borrower with an anticipated street address of 311 South Oak Avenue, San Luis, AZ, 85349, which is adjacent to the Borrower's existing Medical Mall facilities located at 151 South Oak Avenue, San Luis, AZ, 85349 (all of the property to be financed with proceeds of the Subject Debt is collectively referred to herein as the "Financed Property"); (ii) the payment of certain costs associated with the issuance of such debt; and (iii) the funding of a reserve fund and payment of capitalized interest, if applicable. The initial owner and principal user of the Financed Property will be the Borrower.

All or a majority of the Subject Debt is expected to be issued as tax-exempt qualified 501(c)(3) bonds as defined in Section 145 of the Code.

The Subject Debt will be a special, limited obligation of the Issuer and will not constitute a debt or pledge of the full faith and credit of the Issuer, the City of San Luis, the State of Arizona or any agency or political subdivision thereof. The Subject Debt is to be secured by a pledge of and lien on the revenues generated by the Borrower's healthcare operations (less operating expenses), which is to be on a parity with the lien of the Borrower's previously authorized and currently outstanding loans made by the United States Department of Agriculture ("USDA"). The Borrower will obtain all required approvals from USDA prior to the issuance of the Subject Debt.

The public hearing will provide a reasonable opportunity to be heard for persons wishing to express their views on the issuance of the authorized Subject Debt, as amended as described herein, and the Project proposed to be financed thereby. Any person may appear at the hearing and express his or her views, or may submit his or her views in writing, relating to such issuance or Project. Any written submission should be sent to the Issuer's Legal Advisor, Glenn J. Gimbut, Attorney at Law, at P.O. Box 8385, 1534 N.9th Ave., San Luis, Arizona 85336, Attention: Glenn J. Gimbut, and should be clearly marked: Border Health Medical Campus/San Luis Community Hospital Project. Written submissions should be mailed in sufficient time to be received before the hearing on September 10, 2025.

Yuma Sun: August 29, 2025 thru September 4, 2025 - 508844