



Resolution

No. 2334

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA, APPROVING THE ISSUANCE OF DEBT ISSUED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF SAN LUIS, ARIZONA, 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 THE REGIONAL CENTER FOR BORDER HEALTH, INC., AND DECLARING AN EMERGENCY.

WHEREAS, The Industrial Development Authority of the City of San Luis, Arizona (the "Issuer"), pursuant to the Industrial Development Financing Act, Title 35, Chapter 5, Arizona Revised Statutes, as amended (the "Act"), is authorized to issue debt and to loan the proceeds of such debt to 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"), as part of a plan of finance, to (i) design, construct and equip 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 (as defined hereafter) is collectively referred to herein as the "Financed Property"); (ii) pay certain costs associated with the issuance of such debt; and (iii) fund 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 Issuer intends to issue such proposed debt in the form of bonds, a loan, a promissory note, or some other evidence of such debt (the "Subject Debt"), in the maximum stated principal amount of \$80,000,000, in one or more series or issuances from time to time pursuant to a plan of finance;

WHEREAS, the initial owner and principal user of the Financed Property will be the Borrower;

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 as defined in Section 145 of the Code;

WHEREAS, on the date hereof, by the adoption of a resolution (the "Issuer Resolution"), the Issuer intends to resolve to approve the issuance of the Subject Debt and the financing of the Project, such Issuer Resolution being conditioned upon, among other things, the granting of approval therefor by the Mayor and City Council of the City of San Luis, Arizona (individually and collectively, the "City");

WHEREAS, the Issuer Resolution shall authorize, among other things, the issuance of the Subject Debt and the execution and delivery of an Indenture of Trust ("Indenture"), Loan Agreement ("Loan Agreement"), a Tax Certificate, and such other documents as required for the issuance of the Subject Debt and the financing of the Project;

WHEREAS, the terms, maturities, provisions for redemption, security, and sources of payment for the Subject Debt will be set forth in the Indenture and Loan Agreement;

WHEREAS, the Indenture and Loan Agreement will provide that all amounts payable thereunder by the Borrower to the Issuer 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;

WHEREAS, copies of the aforementioned Issuer Resolution, Indenture, Loan Agreement, and Tax Certificate have been made available to the City;

WHEREAS, the City has been informed that said documents have been reviewed by Kutak Rock LLP as competent bond counsel ("Bond Counsel") and by the Law Offices of Glenn J. Gimbut, P.L.L.C., as the Issuer's legal advisor ("Issuer's Counsel"), and said Bond Counsel has determined that said documents adequately meet the requirements of the Code and said Issuer's Counsel has determined that said documents adequately meet the requirements of the Act;

WHEREAS, in accordance with the terms of the Indenture and Loan Agreement, the Issuer shall (a) issue the Subject Debt in one or more series and/or issuances pursuant to a plan of financing and use the proceeds thereof in accordance with the Act, (b) contract with and employ others to provide for and to pay compensation for professional services and other services as the Issuer deems necessary for the financing of "projects" as defined in the Act, and (c) to the extent provided in the Loan Agreement,

pledge its property and revenues to secure the payment of the principal of and premium, if any, and interest on the Loan;

WHEREAS, pursuant to Section 35-721.B of the Act, the proceedings of the Issuer under which the Subject Debt is to be issued require the approval of the City;

WHEREAS, it is intended that this Resolution shall constitute approval by the City with respect to the issuance of the Subject Debt and the financing of the Project pursuant to Section 35-721.B of the Act;

WHEREAS, pursuant to Section 147(f) of the Code, the City must approve the Subject Debt after a public hearing following reasonable public notice; and

WHEREAS, following the publication of a Notice of Public Hearing in The Yuma Sun on September 22 through 29, 2024, a public hearing concerning the Subject Debt was held by the Issuer, pursuant to Section 147(f) of the Code, on October 2, 2024, in the City Council Chambers, San Luis City Hall, 1090 E. Union Street, San Luis, Arizona 85349, in order to assist in the financing of the Project as described in the Notice of Public Hearing, a copy of which is attached hereto and made a part of this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of San Luis, Arizona, as follows:

Section 1: The issuance of the Subject Debt, in one or more series and/or issuances from time to time pursuant to a plan of financing, and financing of the Project as described herein, in a maximum stated principal amount of \$80,000,000, is approved for all purposes under the Act and the Code; and

Section 2: The appropriate officers of the City are hereby authorized and directed to do all such things to execute and deliver all such documents on behalf of the City as may be necessary or desirable to effectuate the intent of this Resolution and the Issuer Resolution in connection with the issuance of the Subject Debt and the financing of the Project; and

Section 3: It is intended that this Resolution shall constitute approval by the City with respect to the issuance of the Subject Debt and the financing of the Project pursuant to (i) Section 35-721.B of the Act, and (ii) Section 147(f) of the Code.

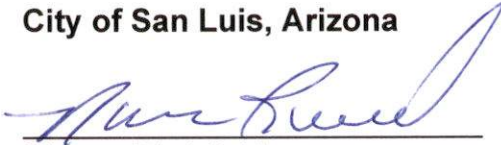
Section 4: The City hereby finds, determines, and declares that:

- a. Construction costs in connection with the Project are subject to escalation resulting from delays in the completion of the Project and, therefore, time is of the essence with respect to the issuance of the Subject Debt and the financing of the Project; and
- b. It being necessary for the preservation of the peace, health, and safety of the City of San Luis, Arizona, an emergency is declared to exist, and this Resolution

shall become immediately operative and in force from and after the date of posting hereof.

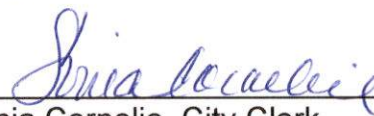
PASSED, ADOPTED, and APPROVED by the Mayor and City Council of the City of San Luis, Yuma County, Arizona, this 2nd day of October 2024.

City of San Luis, Arizona



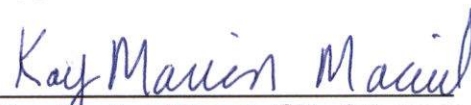
Nieves Riedel, Mayor

Attest:



Sonia Cornelio, City Clerk

Approved As to Form



Kay Marion Macuil, City Attorney



Resolution

No. 2375

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

AMENDING RESOLUTION

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA, AMENDING RESOLUTION NO. 2334 PREVIOUSLY ADOPTED OCTOBER 2, 2024, CONCERNING THE ISSUANCE OF DEBT BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF SAN LUIS, ARIZONA, THE PROCEEDS OF WHICH ARE TO BE LENT TO THE REGIONAL CENTER FOR BORDER HEALTH, INC., AND DECLARING AN EMERGENCY.

WHEREAS, the Industrial Development Authority of the City of San Luis, Arizona (the "Issuer"), pursuant to the Industrial Development Financing Act, Title 35, Chapter 5, Arizona Revised Statutes, as amended (the "Act"), is authorized to issue debt and to loan the proceeds of such debt to 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, as amended (the "Code"), as part of a plan of finance, to (i) design, construct and equip 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"); (ii) pay certain costs associated with the issuance of such debt; and (iii) fund a reserve fund and certain interest, if applicable;

WHEREAS, the Issuer previously authorized the issuance of such proposed debt in the form of bonds, a loan, a promissory note, or some other evidence of such debt (the "Subject Debt"), in the original maximum stated principal amount of \$80,000,000, in one or more series or issuances from time to time pursuant to a plan of finance;

WHEREAS, in accordance with Section 147(f) of the Code, a public hearing was held before the City Council of the City of San Luis, Arizona on October 2, 2024 (the "2024 Hearing") to provide an opportunity for interested persons to express their views, orally and in writing, with respect to the issuance of the Subject Debt;

WHEREAS, following the 2024 Hearing, the City Council approved the financing and the Project in accordance with a resolution adopted on October 2, 2024, Resolution No. 2334 (the "2024 Resolution");

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 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) (collectively, the "Amendment");

WHEREAS, on or prior to the date hereof, by the adoption of an amending resolution, the Issuer has authorized the Amendment and reauthorized the issuance of the Subject Debt and the financing of the Project, such resolution being conditioned upon, among other things, the granting of approval therefor by the Mayor of the City and the City Council of the City of San Luis, Arizona (individually and collectively, the "City");

WHEREAS, pursuant to Section 35-721.B of the Act, the proceedings of the Issuer under which the Subject Debt is to be issued require the approval of the City;

WHEREAS, it is intended that the 2024 Resolution, as amended by this Resolution, shall constitute approval by the City with respect to the issuance of the Subject Debt and the financing of the Project pursuant to Section 35-721.B of the Act;

WHEREAS, pursuant to Section 147(f) of the Code, the City must approve the Subject Debt after a public hearing following reasonable public notice; and

WHEREAS, following publication of a Notice of Public Hearing in The Yuma Sun on August 29, 2025, through September 4, 2025, a public hearing concerning the Subject Debt was held by the Issuer, pursuant to Section 147(f) of the Code, on September 10, 2025, in the City Council Chambers, San Luis City Hall, 1090 E. Union Street, San Luis, Arizona 85336, in order to assist in the financing of the Project as described in the

Notice of Public Hearing, a copy of which is attached hereto and made a part of this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of San Luis, Arizona:

Section 1: 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; and

Section 2: all remaining provisions of the 2024 Resolution not otherwise amended by this Resolution remain unchanged and in full force and effect; and

Section 3: the appropriate officers of the City are hereby authorized and directed to do all such things to execute and deliver all such documents on behalf of the City as may be necessary or desirable to complete the Amendment and effectuate the intent of this Resolution and the Issuer's resolutions in connection with the issuance of the Subject Debt and the financing of the Project; and

Section 4: it is intended that the 2024 Resolution, as amended by this Resolution, shall constitute approval by the City with respect to the issuance of the Subject Debt and the financing of the Project pursuant to (i) Section 35-721.B of the Act, and (ii) Section 147(f) of the Code.

Section 5: The City hereby finds, determines, and declares that:

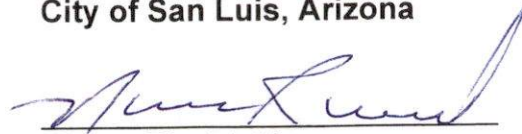
(a) Construction costs in connection with the Project are subject to further escalation resulting from additional delays in the completion of the Project and, therefore, time is of the essence with respect to the issuance of the Subject Debt and the financing of the Project; and

(b) it being necessary for the preservation of the peace, health, and safety of the City of San Luis, Arizona, an emergency is declared to exist, and this Resolution shall become immediately operative and in force from and after the date of posting hereof.

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PASSED, ADOPTED, and APPROVED by the Mayor and City Council of the City of San Luis, Yuma County, Arizona, this 10th day of September 2025.

City of San Luis, Arizona


Nieves Riedel, Mayor

ATTEST:


Sonia Cornelio, City Clerk

APPROVED AS TO FORM:


Kay Marion Macuil, City Attorney

Attachment: Notice of Public Hearing - *The Yuma Sun*

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



Resolution

No. 2390

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

AMENDING RESOLUTION

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA AMENDING, AS DESCRIBED HEREIN, RESOLUTION NO. 2334, AS PREVIOUSLY AMENDED BY RESOLUTION NO. 2375, CONCERNING THE ISSUANCE OF DEBT BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF SAN LUIS, ARIZONA, THE PROCEEDS OF WHICH ARE TO BE USED FOR THE CONSTRUCTION OF REGIONAL CENTER FOR BORDER HEALTH, INC.'S NEW HOSPITAL FACILITIES, AND DECLARING AN EMERGENCY.

WHEREAS, The Industrial Development Authority of the City of San Luis, Arizona (the "Issuer"), pursuant to the Industrial Development Financing Act, Title 35, Chapter 5, Arizona Revised Statutes, as amended (the "Act"), is authorized to issue debt and to loan the proceeds of such debt to Regional Center for Border Health, Inc. ("RCBH"), an Arizona nonprofit corporation and an organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), as part of a plan of finance, to (i) design, construct and equip 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"); (ii) pay certain costs associated with the issuance of such debt; and (iii) fund a reserve fund and certain interest, if applicable;

WHEREAS, the Issuer initially authorized the issuance of such proposed debt in the form of bonds, a loan, a promissory note, or some other evidence of such debt (the "Subject Debt"), in the original maximum stated principal amount of \$80,000,000, in one or more series or issuances from time to time pursuant to a plan of finance, which amount was subsequently amended to \$100,000,000;

WHEREAS, in accordance with Section 147(f) of the Code, public hearings were held before the City Council of the City of San Luis, Arizona on October 2, 2024 and September 10, 2025 (collectively, the "Hearings") to provide an opportunity for interested persons to express their views, orally and in writing, with respect to the issuance of the Subject Debt and the amendment of the authorized amount therefor, respectively;

WHEREAS, following the Hearings, the City Council approved (i) the proposed plan of financing and the Project in accordance with Resolution No. 2334, adopted on October 2, 2024 (the "2024 Resolution") and (ii) the amendment of the authorized amount from

\$80,000,000 to \$100,000,000 in accordance with Resolution No. 2375, adopted on September 10, 2025 (the "2025 Resolution" and, together with the 2024 Resolution, the "Authorizing Resolution");

WHEREAS, since the adoption of the 2025 Resolution, (i) Project costs have increased, requiring a second amendment to the 2024 Resolution to further increase the maximum principal amount authorized thereby from \$100,000,000 to \$110,000,000, (ii) the financing structure has been updated (A) to include RCBH's non-profit affiliates (including San Luis Walk-In Clinic, Inc. and Regional Center for Border Health Building Corporation) as obligated parties, and (B) to include the refinancing of certain outstanding RCBH obligations;

WHEREAS, RCBH, San Luis Walk-In Clinic, Inc., and Regional Center for Border Health Building Corporation are collectively referred to herein as the "Obligated Group";

WHEREAS, on or about the date hereof, by the adoption of an amending resolution, the Issuer has reauthorized or will reauthorize the issuance of the Subject Debt and the financing of the Project, as well as (i) the amendment of the principal amount from \$100,000,000 to \$110,000,000, (ii) the amendment of the financing structure to update the borrower thereunder to the Obligated Group, and (iii) the application of a portion of the net proceeds of the Subject Debt to the refinancing of certain RCBH obligations, with such amending resolution being conditioned upon, among other things, the granting of approval therefor by the Mayor of the City and the City Council of the City of San Luis, Arizona (individually and collectively, the "City");

WHEREAS, pursuant to Section 35-721.B of the Act, the proceedings of the Issuer under which the Subject Debt is to be issued require the approval of the City;

WHEREAS, it is intended that the Authorizing Resolution, as further amended by this Resolution, shall constitute approval by the City with respect to the issuance of the Subject Debt and the financing of the Project pursuant to Section 35-721.B of the Act;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of San Luis, Arizona, as follows:

Section 1: The Authorizing Resolution is hereby amended to increase the aggregate maximum stated principal amount of the Subject Debt from \$100,000,000 to \$110,000,000; and

Section 2: The term "Borrower" under the Authorizing Resolution is hereby amended to refer to the Obligated Group; and

Section 3: A portion of the Subject Debt shall be applied, as needed, to the refinancing of certain outstanding RCBH obligations; and

Section 4: All remaining provisions of the Authorizing Resolution not otherwise amended by this Resolution remain unchanged and in full force and effect; and

Section 5: The appropriate officers of the City are hereby authorized and directed to do all such things to execute and deliver all such documents on behalf of the City as may be necessary or desirable to complete the amendments described herein and effectuate the intent of this Resolution and the Issuer's resolutions in connection with the issuance of the Subject Debt and the financing of the Project; and

Section 6: It is intended that the Authorizing Resolution, as amended by this Resolution, shall constitute approval by the City with respect to the issuance of the Subject Debt and the financing of the Project pursuant to (i) Section 35-721.B of the Act and (ii) Section 147(f) of the Code; and

Section 7: The City hereby finds, determines and declares that:

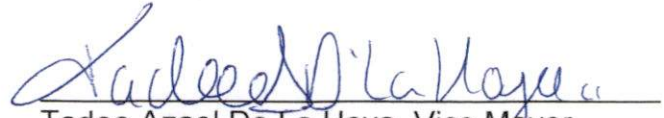
(a) Construction costs in connection with the Project are subject to further escalation resulting from additional delays in the completion of the Project and, therefore, time is of the essence with respect to the issuance of the Subject Debt and the financing of the Project; and

(b) It being necessary for the preservation of the peace, health and safety of the City of San Luis, Arizona, an emergency is declared to exist, and this Resolution shall become immediately operative and in force from and after the date of posting hereof.

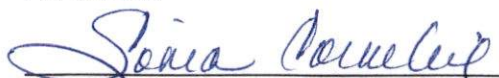
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PASSED, ADOPTED, and APPROVED by the Mayor and City Council of the City of San Luis, Yuma County, Arizona, this 14th day of January 2026.

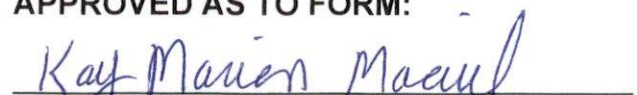
City of San Luis, Arizona


Tadeo Azael De La Hoya, Vice Mayor

ATTEST:


Sonia Cornelio, City Clerk

APPROVED AS TO FORM:


Kay Marion Macuil, City Attorney