

CITY OF ROSWELL, NEW MEXICO
RESOLUTION NO. 2272

A RESOLUTION

ENDORING ROSWELL HEALTH CARE COMPANY'S PROPOSAL TO ISSUE BONDS TO REFUND BONDS PREVIOUSLY ISSUED IN 1984 BY THE CITY OF ROSWELL.

WHEREAS, the City of Roswell, New Mexico (the "City") is authorized under the New Mexico Industrial Revenue Bond Act, N.M. Stat. Ann. Sections 3-32-1 through 3-32-16 (1978), as amended (the "Act"), to issue refunding bonds to refund outstanding industrial revenue bonds which were originally issued to finance the acquisition of a project as defined in the Act; and

WHEREAS, the City Council (the "Council") of the City constitutes the governing body of the City within the meaning of the Act; and

WHEREAS, in 1984 the City issued its \$3,900,000 City of Roswell, New Mexico Industrial Revenue Bonds (Roswell Health Care Company, Series 1984 (the "Series 1984 Bonds")) to provide funds to pay the cost to acquire, construct and equip a health care facility (the "Facility") on land within the boundaries of the City; and

WHEREAS, Roswell Health Care Company Limited Partnership, an Ohio limited partnership (the "Company"), has proposed that the City issue its industrial revenue bonds (the "Bonds") under the Act to refinance the Company's obligations related to the Series 1984 Bonds and to pay certain costs in connection with the authorization, issuance and sale of the Bonds and the refunding of the Series 1984 Bonds (collectively the "Project"); and

WHEREAS, the Company has proposed that the Agreement of Sale dated as of July 1, 1984 between the City and the Company pursuant to which (i) the City conveyed the Facility to the Company and (ii) the Company has made certain payments toward the Series 1984 Bonds be amended to require the Company to make payments in an amount and at the times necessary to make timely payment of principal of, premium, if any, and interest on the Bonds; and

WHEREAS, the Project has been considered by the Council and the Council has concluded that the Project will promote the local health, general welfare, safety, convenience and prosperity of the inhabitants of the City, and the Council desires to indicate its intent to proceed with the issuance of the bonds for the financing of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF ROSWELL:

Section 1. The governing body finds that the Company's proposal will promote industry and trade in New Mexico and will promote a sound and proper balance in New Mexico between agriculture, commerce and industry.

Section 2. In order to promote the purposes specified in the Act, it is the intent of the governing body to take all necessary and advisable steps to effect the issuance of the Bonds in the maximum principal amount of \$3,720,000, and to use the proceeds of the sale of the Bonds to undertake the Project in accordance with the Company's proposal.

Section 3. The Bonds shall be payable by the Company from the revenues of the Facility and shall not constitute a debt or indebtedness of the City within the meaning of any provision or limitation of the constitution or statutes of the State of New Mexico. Nothing contained in this resolution or in any other instrument shall be considered as obligating the City to any

pecuniary liability or a charge upon the general credit of the City or against its taxing power, it being understood that no costs are to be borne by the City and that all costs incurred by the City in connection with the Bonds are to be promptly reimbursed by the Company.

Section 4. The City understands that the Company intends that interest on the Bonds be excludable from gross income for federal tax purposes under the Internal Revenue Code of 1986.

Section 5. The Council, its members, and the officers and employees of the City are authorized and empowered to take such steps and to do such things as may be necessary to achieve the purposes of this resolution; provided, however, that the issuance of the Bonds and the execution and delivery of any documents to which the City is a party in connection therewith shall be subject to the approval and authorization by ordinance of the Council.

Section 6. 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 7. The adoption of this resolution shall not be binding on the City of Roswell or require any further action regarding the issuance of industrial revenue bonds or the terms and conditions of their issuance.

PASSED, APPROVED AND ADOPTED this 13th day of April, 1995.

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