

RESOLUTION NO. 19 FOR 1998

A RESOLUTION APPROVING THE ISSUANCE OF REVENUE BONDS,
SERIES 1998 (SAMARITAN HEALTH SERVICES, INC.), BY THE
HOSPITAL FACILITIES AUTHORITY OF BENTON COUNTY, OREGON

WHEREAS, the City Council of the City of Sweet Home, Oregon (the "City") has received a request from Samaritan Health Services, Inc. ("Samaritan"), a nonprofit corporation organized and existing under the laws of the State of Oregon (the parent corporation of Mid-Valley Healthcare, Inc. and Good Samaritan Hospital Corvallis) (collectively, the "Samaritan Affiliates"), to assist in the issuance by The Hospital Facilities Authority of Benton County, Oregon, a public authority created under ORS Chapter 441 (the "Benton County Authority"), of the Benton County Authority's Revenue and Refunding Bonds, Series 1998 (Samaritan Health Services, Inc.), in an aggregate amount not to exceed \$40,000,000 (the "Bonds"); and

WHEREAS, proceeds of the Bonds would be used to (1) refund all or a portion of Benton County Authority's Revenue Bonds, Series 1992 (Good Samaritan Hospital Corvallis Project) and the Hospital Facilities Authority of the City of Lebanon, Oregon Gross Revenue Bonds, Series 1992 (Lebanon Community Hospital Project) and its Gross Revenue Bonds, Series 1996 Bonds (Mid-Valley Healthcare Wiley Creek Project), (collectively, the "Refunded Bonds"); (2) finance and refinance land acquisition, capital improvements and equipment acquisition at healthcare facilities owned and operated by Samaritan and the Samaritan Affiliates which are located in Linn County, Oregon and Benton County, Oregon; (3) reimburse the Samaritan and the Samaritan Affiliates for prior expenditures made by the Samaritan and the Samaritan Affiliates; (4) fund a debt service reserve fund; and (5) pay certain expenses incurred in connection with the issuance of the Bonds (collectively, the "Project").

WHEREAS, a portion of the Project, the Wiley Creek adult congregate living facilities, are located in Sweet Home, Oregon, which is within the service area of the Corporation, and ORS 441.550(2) permits the Benton County Authority to help facilitate the financing of adult congregate living facilities, such as the Project, within or without the corporate limits of Benton County, Oregon; and

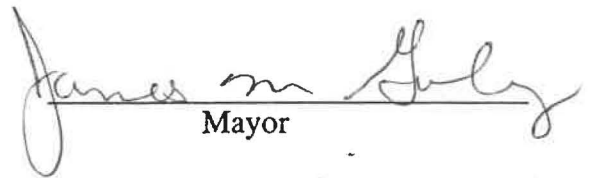
WHEREAS, the City finds that refinancing and financing of the Project will benefit the City; and

WHEREAS, as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), a public hearing regarding the issuance of the Bonds (the "Hearing") was held on August 13, 1998 by The Hospital Facilities Authority of the City of Lebanon, Oregon (the "Lebanon Authority"), such Hearing being held on behalf of the City of Sweet Home, Oregon and the City of Lebanon, Oregon; and

WHEREAS, notice of the public hearing was published on July 30, 1998 in *The Oregonian*, Portland, Oregon, and no members of the public were present at the hearing and no comments, oral or written, were received by the Lebanon Authority.

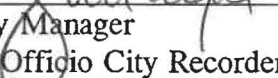
NOW, THEREFORE, IT IS HEREBY RESOLVED that the City Council of the City of Sweet Home, Oregon, as the deemed elected representatives of the governmental unit in which a portion of the Project is located, ratifies and approves the holding of the Hearing on its behalf by the Lebanon Authority, and approves the issuance of the Bonds by the Benton County Authority.

PASSED by the City Council and approved by the Mayor this 8th day of September, 1998.



Mayor

ATTEST:



City Manager
Ex Officio City Recorder



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3600 NW Samaritan Drive ■ Corvallis, Oregon 97330 ■ (541) 757-5002 phone ■ (541) 757-5100 fax

September 2, 1998

Craig Martin
City Manager
City of Sweet Home
1140 12th Avenue
Sweet Home, OR 97386

Dear Craig:

I have enclosed two original documents for approval and signature by the mayor at the September 8 Sweet Home City Council meeting. I've spoken with Joan and I believe everything is in order to act at your meeting next week.

If you would like me to attend the meeting, please let me know. I would be glad to come and give a brief explanation to the city council.

When the documents have been signed, please send them immediately to ^{send + fax 9/9/98} Craig Perkins, Mid-Valley Healthcare, P.O. Box 739, Lebanon, OR 97355. I would also appreciate a fax copy to my fax number: 451-7901. We are trying to complete all of the approvals by September 10.

If you have any questions, please call. The best way to reach me these days is on my cell phone: 979-5300.

Thanks so much for your help and support.

Sincerely,

A handwritten signature in cursive script that reads "Alan".

Alan R Yordy
Senior Vice President

Enclosures

cc: Craig Perkins
Ron Stevens