

RESOLUTION

07 AUG -6 PM 3:40

THE STATE OF TEXAS §
COUNTY OF EL PASO §
CITY OF EL PASO §

WHEREAS, the City of El Paso Health Facilities Development Corporation (the "Issuer") was duly created and organized pursuant to and in accordance with the provisions of the Health Facilities Development Act, Chapter 221, Texas Health and Safety Code, as amended (the "Act"), for the purpose of providing, expanding, and improving health facilities that the Issuer determines are needed to improve the adequacy, cost, and accessibility of health care, research and education;

WHEREAS, the Issuer has determined to issue its Senior Care Facilities Variable Rate Revenue and Refunding Bonds (Bienvivir Senior Health Services Project), Series 2007 (the "Bonds") for the purpose of providing, expanding, and improving health facilities that the Issuer determines are needed to improve the adequacy, cost, and accessibility of health care, research and education in the City of El Paso;

WHEREAS, the Issuer has conducted and held a public hearing regarding issuance of the Bonds on July 30, 2007, at 10:00 a.m. pursuant to the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended;

WHEREAS, the Issuer filed a Notice to the City Council of the City of El Paso as Sponsoring Entity of its Intent to Issue Bonds and Providing Certain Information Relating Thereto as required by the Act;

WHEREAS, the City of El Paso approves and encourages the Issuer in its efforts to accomplish the issuance of the Bonds and, as part of such transaction, is willing to provide its General Certificate, and for the Mayor of the City to provide his Certificate concerning the conduct of the Public Hearing on July 30, 2007, which are attached hereto as Exhibits A and B to this Resolution, respectively, and made a part hereof for all purposes;

WHEREAS, the Issuer is considering amending its bylaws in the form of attached Exhibit C which is hereby incorporated by reference and the City wishes to approve of such Amendment as required by the Act; and

WHEREAS, the City Council of the City of El Paso hereby authorizes the Mayor to execute both the said General Certificate of the City of El Paso and the Mayor's Certificate, and deliver same to the Issuer.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO THAT:

1. The Preambles to this Resolution set forth above are incorporated herein and made part of this Resolution.
2. The Mayor of the City of El Paso is hereby authorized to execute a General Certificate of the City of El Paso and the Mayor's Certificate in the form attached as Exhibits to this Resolution and deliver same to the Issuer to be used in connection with the issuance of its Bonds.

3. The attached Amendment to the Issuer's Bylaws is hereby approved.

(Signature Page Follows)

CITY CLERK DEPT.
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SIGNED this _____ day of August, 2007.

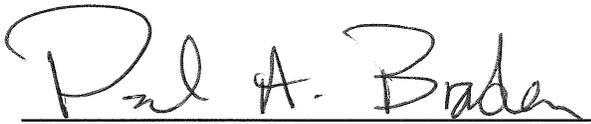
CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Paul A. Braden
Attorney for the City

CITY CLERK DEPT.
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EXHIBITS:

- A General Certificate of the City of El Paso
- B Mayor's Certificate
- C Amendment to Bylaws

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GENERAL CERTIFICATE OF CITY OF EL PASO 07 AUG -6 PM 3:40

We, the undersigned, Mayor and City Clerk of the City of El Paso, Texas (the "Sponsoring Entity"), make this certification for the benefit of the Attorney General of the State of Texas and for all persons interested in the validity of proceedings of the City of El Paso Health Facilities Development Corporation (the "Issuer") related to the issuance by the Issuer of its Senior Care Facilities Variable Rate Revenue and Refunding Bonds (Bienvivir Senior Health Services Project), Series 2007 (the "Bonds").

1. The Issuer was created and authorized to act on behalf of the Sponsoring Entity pursuant to Chapter 221, Texas Health and Safety Code, as amended (the "Act"), and the Articles of Incorporation and Bylaws of the Issuer and all amendments thereto have been approved by the City Council (the "Governing Body") of the Sponsoring Entity.

2. From June 26, 2007, and at all times since such date, the following named persons have duly constituted the Board of Directors of the Issuer:

Susannah M. Byrd
Steve Ortega
Beto O'Rourke
Rick Suarez
Tedd Richardson
Andrea (Mandy) Chew

3. A Notice to the Governing Body of the Sponsoring Entity of Intent to Issue Bonds and Providing Certain Information Relating Thereto, a true and correct of which is attached hereto as Exhibit A, was filed with the Governing Body of the Sponsoring Entity on August ____, 2007.

4. No action has been taken by the Sponsoring Entity pursuant to Section 221.035 of the Act or otherwise to limit the effectiveness of the resolution of the Issuer authorizing the issuance of the Bonds or otherwise to affect the bond transaction. No litigation is pending against the Sponsoring Entity or, to our knowledge, threatened against the Sponsoring Entity:

(i) to restrain or enjoin the issuance or delivery of the Bonds; or

(ii) in any way contesting (a) the right and power of the Sponsoring Entity in connection with any action taken by it towards the creation of the Issuer or the issuance of the Bonds, or (b) the titles of the current officials of the Sponsoring Entity or the current directors or officers of the Issuer to their respective offices.

5. The Attorney General of the State of Texas is hereby authorized to date this Certificate on and as of the date of his approval of the Bonds, and this Certificate and the matters herein certified shall be deemed for all purposes to be true, accurate and correct on and as of that date, and on and as of the date of delivery of the Bonds, unless the Sponsoring Entity through an authorized officer shall notify the Attorney General, the Trustee, the Issuer and the Underwriter in writing to the contrary prior to either of such dates.

(Signature Page Follows)

WITNESS OUR HANDS AND THE OFFICIAL SEAL OF THE SPONSORING ENTITY
this _____, 2007.

CITY OF EL PASO

(SEAL)

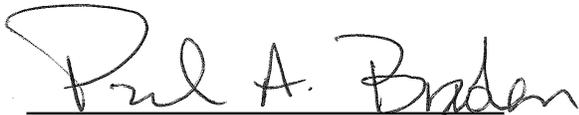
John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

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APPROVED AS TO FORM:



Paul A. Braden
Attorney for the City

MAYOR'S CERTIFICATE

CITY CLERK DEPT.

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City of El Paso Health Facilities Development Corporation
2 Civic Center Plaza, 9th Floor
El Paso, Texas 79901

Re: City of El Paso Health Facilities Development Corporation Senior Care Facilities
Variable Rate Revenue and Refunding Bonds (Bienvivir Senior Health Services
Project), Series 2007

Madam and Gentlemen:

Pursuant to Section 147(f) of the United States Internal Revenue Code of 1986, as amended, I hereby certify that I have been duly elected Mayor of the City of El Paso, Texas, and as such constitute the chief elected executive officer of such City. I have been informed by you that the City of El Paso Health Facilities Development Corporation (the "Issuer") has adopted a Resolution authorizing the issuance of the captioned bonds (the "Bonds") under the provisions of Chapter 221, Texas Health and Safety Code, as amended, for the purpose of financing or refinancing the costs of acquisition, construction and equipping of health facilities.

I have been informed that a public hearing regarding the issuance of the Bonds was held by the Issuer on July 30, 2007 at 10:00 a.m.

I hereby approve the issuance of the Bonds for the purpose of Section 147(f) of the Code.

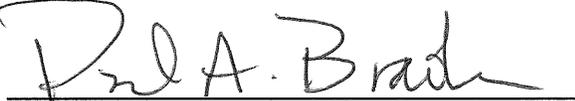
Very truly yours,

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Paul A. Braden
Attorney for the City

**CITY OF EL PASO HEALTH FACILITIES DEVELOPMENT CORPORATION
MINUTES AND CERTIFICATION
AS TO
PUBLIC HEARING**

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THE STATE OF TEXAS §
COUNTY OF EL PASO §
CITY OF EL PASO §

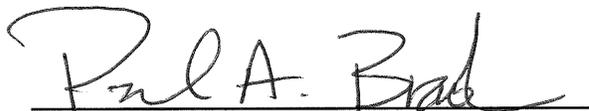
The undersigned, as counsel to the City of El Paso Health Facilities Development Corporation (the "Issuer") and serving in that capacity as a duly designated and authorized "Hearing Officer" for and on behalf of the Issuer, convened a public meeting on the date and at the hour and place specified in the Notice of the Public Hearing (a copy of such Notice and the accompanying Affidavit of Publication being attached hereto as Exhibit "A"). Such Notice was duly published in the El Paso Times, a newspaper of general circulation in the City of El Paso, Texas, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, regarding the public approval prerequisite to the exemption from federal income taxation of interest on the Bonds described therein.

The meeting was called to order on July 30, 2007, at 10:00 a.m.

Whereupon, the Hearing Officer declared open the meeting for the purpose of conducting a Public Hearing on the proposed issuance by the Issuer of its Senior Care Facilities Variable Rate Revenue and Refunding Bonds (Bienvivir Senior Health Services Project), Series 2007 in an aggregate principal amount not to exceed \$25,000,000 (the "Bonds"). The proceeds of the Bonds will be loaned to Bienvivir Senior Health Services (the "Borrower") in order to: (1) refund all of the Issuer's Senior Care Facilities Revenue Bonds (Bienvivir Senior Health Services Project), Series 2001, which bonds were issued to finance or refinance healthcare facilities located at or adjacent to 2300 McKinley Avenue, El Paso, Texas 79930, (2) finance or refinance the acquisition, construction, rehabilitation and equipping of healthcare facilities located at or adjacent to (i) 940 N. Carolina, El Paso, Texas 79915, (ii) 2300 McKinley Avenue, El Paso, Texas 79930, and (iii) 6600 Montana, Suite P, El Paso, Texas 79925, (3) finance working capital, (4) pay capitalized interest on the Bonds, and (5) pay costs of issuance of the Bonds (collectively, the "Project").

All persons desiring to comment with respect to the issuance of the Bonds were invited to address the Hearing Officer. The identity of the persons who addressed the Hearing Officer and summary of their comments is attached to these Minutes, as Exhibit "B." After all persons present desiring to speak had addressed the Hearing Officer, the Public Hearing was declared closed by the Hearing Officer.

These Minutes approved and certified to be true and correct all on this 30th day of July, 2007.



Paul A. Braden, Hearing Officer

PUBLISHERS AFFIDAVIT



STATE OF TEXAS
COUNTY OF EL PASO

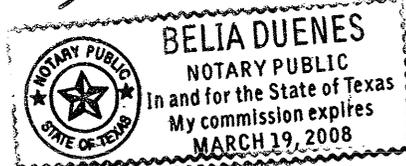
Before me, a Notary Public in and for El Paso County, State of Texas, on this day personally appeared TERRIE CARTER who state upon oath that he is the CLASSIFIED SUPERVISOR of the El Paso Times, a daily newspaper published in the City and County of El Paso, State of Texas, which is a newspaper of general circulation and which has been continuously and regularly published for the period of not less than one year in the said County of El Paso, and that he was such upon the dates herein mentioned:

That the LEGAL copy was published in the El Paso Times for the ONE DAY. The dates of such publication being as follows, to wit JULY 14, 2007.

Subscribed and sworn to before me, Signed [Signature]

This the 14th day of JULY 2007

[Signature: Belia Duenes]



NOTICE OF PUBLIC HEARING

Take Notice that, for purposes of section 147(f) of the Internal Revenue Code of 1986, as amended, City of El Paso Health Facilities Development Corporation (the "Issuer") will hold a public hearing on July 30, 2007, at 10:00 a.m. at the office of the City Attorney, El Paso City Hall, 2 Civic Center Plaza, 9th Floor, El Paso, Texas 79901, with respect to a plan of financing, which is the contemplated sale and issuance of not to exceed \$25,000,000 in aggregate principal amount of its Senior Care Facilities Variable Rate Revenue and Refunding Bonds (Bienvivir Senior Health Services Project), Series 2007 to be issued in one or more series (the "Bonds"). The proceeds of the Bonds will be loaned to Bienvivir Senior Health Services, a Texas non-profit corporation (the "Corporation") in order to: (1) refund all of the Issuer's Senior Care Facilities Revenue Bonds (Bienvivir Senior Health Services Project), Series 2001, which bonds were issued to finance or refinance...

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EL PASO, TEXAS 79901, (2) finance or refinance the acquisition, construction, rehabilitation and equip ping of healthcare facili ties located at or adja cent to (i) 940 N. Caroli na, El Paso, Texas 79915, (ii) 2300 McKinley Ave nue, El Paso, Texas 79930, and (iii) 6600 Montana, Suite P, El Paso, Texas 79925, (3) fi nance working capital, (4) pay capitalized inte rest on the Bonds, and (5) pay costs of issuance of the Bonds (collectively, the "Project").

The Corporation will be the owner of the Project. Such proposed financing has been found by the Board of Directors of the Issuer to be required, ne cessary and convenient for health care within the State of Texas, and that there is a public benefit and public purpose for the proposed refunding. The Bonds will not con stitute a debt or obliga tion of the City of El Paso, Texas or any other governmental agency or subdivision. The Bonds shall never constitute or create a charge against the credit or taxing pow er of the City of El Paso, the State of Texas, or any political subdivision thereof. Neither the City of El Paso, the State of Texas, nor any political subdivision thereof shall in any manner be liable for the payment of the principal of or interest on the Bonds or for the per formance of any agree ment or pledge of any kind which may be un dertaken by the Issuer and no breach by the Is suer of any agreements will create any obligation upon the City of El Paso, the State of Texas, or any political subdivision thereof.

Any person may appear at such hearing and ex press his or her views, or may submit his or her views in writing, regard ing the proposed issu ance of Bonds and the location and nature of the Project to be fi nanced and refinanced. Any written submission should be sent to the Is suer in care of Fulbright & Jaworski L.L.P., 2200 Ross Avenue, Suite 2800, Dallas, Texas 75201, At tention: Paul Braden, and clearly marked: "re Senior Care Facilities Variable Rate Revenue and Refunding Bonds (Bienvenir Senior Health Services Project), Series 2007." Written submis sion should be mailed in sufficient time to be re ceived on or before July 30, 2007.

CITY OF EL PASO
HEALTH FACILITIES
DEVELOPMENT CORPO
RATION

EXHIBIT "B"

Summary of comments at a Public Hearing held by City of El Paso Health Facilities Development Corporation.

Persons in attendance, Paul A. Braden, Hearing Officer. No members of the public attended.

After waiting an appropriate length of time, Mr. Braden closed the public hearing at 10:14 A.M.

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**FIRST AMENDMENT TO BYLAWS OF THE CITY OF EL PASO
HEALTH FACILITIES DEVELOPMENT CORPORATION**

WHEREAS, the City of El Paso Health Facilities Development Corporation (the "Corporation") was duly created and organized in accordance with Chapter 221 of the Texas Health and Safety Code, as amended (the "Act");

WHEREAS, the Board of Directors of the Corporation has previously approved the Corporation's Bylaws dated October 15, 1985 (the "Bylaws") which also were approved by the City Council of the City of El Paso in accordance with the Act;

WHEREAS, the Board of Directors of the Corporation wishes to amend the Bylaws as set forth below;

NOW, THEREFORE, THE BYLAWS OF THE CORPORATION ARE AMENDED AS FOLLOWS:

1. Section 2.3 of the Bylaws ("Regular Meetings") shall be deleted in its entirety, and in its place the following shall be inserted:

"All regular meetings of the Board of Directors shall be held at such times and places designated, from time to time, by resolution of the Board of Directors. Notwithstanding anything herein to the contrary, all regular meetings of the Board shall be open to the public and shall be conducted in accordance with the Texas Open Meetings Act."

2. The second paragraph of Section 2.4 of the Bylaws ("Special Meetings") shall be deleted in its entirety, and in its place, the following shall be inserted:

"The Secretary shall give notice to each Director of each special meeting in accordance with these Bylaws and applicable law. Notwithstanding anything herein to the contrary, all special meetings of the Board shall be open to the public and shall be conducted in accordance with the Texas Open Meetings Act."

APPROVED AND ADOPTED BY THE CORPORATION ON _____, 2007.

Susannah M. Byrd, President

ATTEST:

Name:
Title:

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