

RESOLUTION AUTHORIZING THE MAYOR TO SIGN
CERTAIN CERTIFICATES IN CONNECTION WITH THE
ISSUANCE OF BONDS BY THE CITY'S HEALTH
FACILITIES DEVELOPMENT CORPORATION.

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 2010 (the "*Bonds*") for the purpose of refunding the Issuer's Senior Care Facilities Variable Rate Revenue and Refunding Bonds (Bienvivir Senior Health Services Project) Series 2007 and providing, expanding, and improving health facilities of Bienvivir Senior Health Services 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 November 16, 2010, at 2:30 p.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 November 16, 2010, which are attached hereto as *Exhibits A* and *B* to this Resolution, respectively, and made a part hereof for all purposes;

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.

(Signature Page Follows)

SIGNED this 30th day of November, 2010.

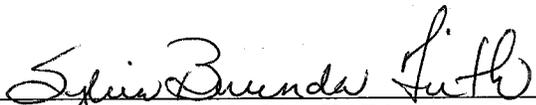
CITY OF EL PASO, TEXAS

John P. Cook
Mayor

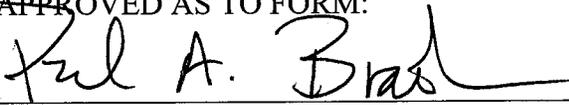
ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:


Sylvia Firth, Chief of Staff / Director of
Government Affairs

APPROVED AS TO FORM:


Paul A. Braden
Attorney for the City

EXHIBITS:

A **General Certificate of the City of El Paso**

B **Mayor's Certificate**

GENERAL CERTIFICATE OF CITY OF EL PASO

The City of El Paso, Texas (the “*Sponsoring Entity*”), through the Mayor and City Clerk, makes the following certifications 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 2010 (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 October 26, 2010, and at all times since such date, the following named persons have duly constituted the Board of Directors of the Issuer:

Susannah M. Byrd
Elizabeth Quinn
Steve Ortega
Andrea Chew
Michael Bray
Rick Suarez

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 November 16, 2010.

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.

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 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 _____.

CITY OF EL PASO

(SEAL)

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

EXHIBIT A

NOTICE OF INTENT TO ISSUE BONDS

NOTICE TO THE CITY COUNCIL OF THE CITY OF EL PASO, TEXAS,
OF INTENT TO ISSUE BONDS AND
PROVIDING CERTAIN INFORMATION RELATING THERETO

TO: THE CITY COUNCIL OF THE CITY OF EL PASO, TEXAS:

CITY OF EL PASO HEALTH FACILITIES DEVELOPMENT CORPORATION (the "**Issuer**"), in accordance with the provisions of Section 221.062 of Chapter 221 of the Texas Health and Safety Code, as amended (the "**Act**"), hereby submits the following information to the City Council of the City of El Paso, Texas:

1. The Issuer proposes to issue not more than \$25,500,000 in aggregate principal amount of its Senior Care Facilities Variable Rate Revenue and Refunding Bonds (Bienvivir Senior Health Services Project) Series 2010 (the "**Bonds**"), in an amount which will provide the funds, after payment of certain costs relating to the issuance of the Bonds, sufficient to pay the costs of financing or refinancing the acquisition, construction and equipping of the health facilities described as the "Project" in the **Attachment A** hereto.
2. The delivery of the Bonds is planned to take place in December, 2010.
3. Bienvivir Senior Health Services ("**Bienvivir**") is the proposed user of the health facilities. The proposed Project is necessary to the continued provision of quality health care for the frail elderly population of El Paso, Texas by Bienvivir.
4. This notice is given in and is intended to constitute compliance with the requirements of Section 221.062 of the Act.

[remainder of page intentionally left blank]

CITY CLERK'S OFFICE

'10 NOV 16 PM 3:5

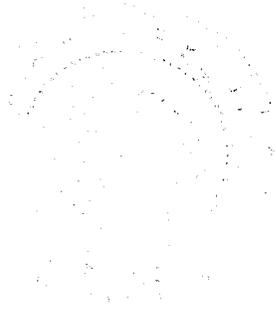
This Notice of Intent to Issue Bonds is given and delivered pursuant to official action taken by the Board of Directors of the Issuer on October 26, 2010.

CITY OF EL PASO HEALTH FACILITIES
DEVELOPMENT CORPORATION



President

Filed this 16th day of November, 2010, with the City Clerk of the City of El Paso, Texas.





City Clerk
City of El Paso, Texas

ATTACHMENT A

PROJECT DESCRIPTION

I. BACKGROUND DESCRIPTION OF THE USER

Bienvivir Senior Health Services, a Texas nonprofit corporation ("Bienvivir"), is located at 2300 McKinley, El Paso, Texas. Bienvivir operates, at two current locations, centers for a special system of senior care known as Program of All-Inclusive Care for the Elderly, or "PACE." The PACE program is designed to reduce hospitalization, institutionalization and the use of skilled nursing care in the treatment of the frail elderly population. It is funded through a combination of capitated Medicare and Medicaid payments and delivers comprehensive community-based services. The pooling of capitation payments allows sufficient flexibility to accommodate fluctuations in the health care costs of individual participants and permits Bienvivir to negotiate favorable service provider contracts and rates. Under the program, Bienvivir operates at full risk for the services needed by and provided to PACE participants. Enrollees in PACE programs in Texas must be at least 55 years of age and certified by the Texas Department of Human Services as needing a nursing home level of care.

The Bienvivir facilities provide comprehensive healthcare services to frail elders as an alternative to nursing home placement as prescribed by PACE. This comprehensive healthcare includes the following:

- Physician Care/Supervision
- Day Health Care
- Nursing Care
- Rehabilitation Services (Speech, physical, occupational and recreation therapy)
- Medical Specialties
- Social Services
- Transportation
- Recreation (Crafts, restorative exercise and social activities)
- Meals
- Personnel Care
- In home services

II. THE PROJECT

The proceeds of the Bonds, together with certain funds of Bienvivir, will be used to: (1) refund all of the Senior Care Facilities Variable Rate Revenue and Refunding Bonds (Bienvivir Senior Health Services Project), Series 2007, which bonds were issued to finance or refinance healthcare facilities located at or adjacent to 940 N. Carolina, El Paso, Texas 79915, 2300 McKinley Avenue, El Paso, Texas 79930 and 6600 Montana, Suite P, El Paso, Texas 79925; (2) finance the acquisition, construction, rehabilitation and equipping of healthcare facilities located at or adjacent to 2300 McKinley Avenue, El Paso, Texas 79930 and 940 N. Carolina, El Paso, Texas 79915; (3) finance working capital; and (4) pay costs of issuance of the Bonds (collectively, the "Project").

10 NOV 16 PM 3:5

Approximately \$1.3 million will be used to renovate or reimburse Bienvivir for the costs of renovations of the facility located at 940 N. Carolina Drive, El Paso, TX 79915. This will include planning, designing, constructing, equipping, landscaping, purchasing furniture and fixtures- and refurbishing housing and medical care treatment facilities. The renovation project will add approximately 6,500 square feet to the existing building in the form of new offices, a conference room and a training room.

Approximately \$1.12 million will be used to renovate or reimburse Bienvivir for the costs of renovating the facility located at 2300 McKinley, El Paso, TX 79930. This will include planning, designing, constructing, equipping, landscaping, purchasing furniture and fixtures- and refurbishing housing and medical care treatment facilities.

III. ESTIMATED PROJECT COSTS

The proceeds of the proposed Bonds will be used to refund the Senior Care Facilities Variable Rate Revenue and Refunding Bonds (Bienvivir Senior Health Services Project), Series 2007 in order for Bienvivir to secure long term financing for its variable rate debt. In addition, the proceeds will be used to renovate the facilities as described above.

The estimated costs of the Project are as follows:

Renovation of 940 N. Carolina	\$1,300,000
Renovation of 2300 McKinley Avenue	\$1,120,000
Refinancing of Series 2007 Bonds	\$22,570,000
Cost of Financing	\$510,000
Face Amount of Bond Issue	\$25,500,000

IV. NECESSITY

Through the refunding of the existing Series 2007 Bonds, Bienvivir will be able to secure long term financing for its variable rate debt at the low interest rates which prevail in the market for these tax-exempt variable rate securities. Savings will be reallocated for overall improvement of services, operations, and refurbishment and expansion, as applicable, of the Carolina and McKinley facilities. The issuance of the Bonds is necessary to provide financing for the described health facilities making up the Project in order to provide for the present and prospective health, safety and general welfare of the people of the El Paso area and of the State of Texas. The financing of the Project will improve the adequacy and accessibility of health care to the general public.

MAYOR'S CERTIFICATE

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 2010

Ladies 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 November 16, 2010 at 2:30 p.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