

REVISED CITY COUNCIL AGENDA



MEDFORD
OREGON

June 4, 2020

6:00 P.M.

Medford City Hall, Council Chambers

411 W. 8th Street, Medford, Oregon

This meeting may be viewed via livestream at www.cityofmedford.org. Click on COUNCIL MEETINGS at the bottom of the first page. From there click on LIVE STREAM GOVERNMENT CHANNEL.

10. Roll Call

20. Recognitions, Community Group Reports

30. Oral Requests and Communications from the Audience

Due to restrictions with public gatherings, no in-person public comments are being allowed at this time. We encourage comments be submitted via email at council@cityofmedford.org.

40. Approval or Correction of the Minutes of the May 21, 2020 Regular Meeting

50. Consent Calendar

50.1 **COUNCIL BILL 2020-66**

An ordinance approving a contract in the amount of \$111,852.75, between Specialized Pavement Marking, Inc. and the City of Medford, to remove and reconfigure striping on Jackson Street from Front Street to Mary Street.

50.2 **COUNCIL BILL 2020-67**

A resolution affirming the purpose of The Hospital Facilities Authority of the City of Medford, Oregon to include financing all facilities qualifying under ORS 441.525 to ORS 441.595, and authorizing the issuance of revenue and refunding bonds, in one or more series, by The Hospital Facilities Authority of the City of Medford, Oregon, in an aggregate principal amount not to exceed \$500,000,000, pursuant to a plan of finance, for Asante.

50.3 **COUNCIL BILL 2020-68**

A resolution authorizing the reissuance of revenue bonds, by The Hospital Facilities Authority of the City of Medford, Oregon, in an aggregate principal amount not to exceed \$5,000,000, pursuant to a plan of finance, for the Cascade Manor project.

50.4 COUNCIL BILL 2020-69

A resolution authorizing the reissuance of revenue bonds, by The Hospital Facilities Authority of the City of Medford, Oregon, in an aggregate principal amount not to exceed \$5,000,000, pursuant to a plan of finance, for the Rogue Valley Manor project.

60. Items Removed from Consent Calendar

70. Ordinances and Resolutions

70.1 COUNCIL BILL 2020-70

A resolution authorizing allocation of Council Vision Funds, in the sum of \$201,758.

70.2 COUNCIL BILL 2020-71

A resolution ratifying the Mayor's Administrative Order dated May 29, 2020 for a second extension of a local State of Emergency in the City of Medford as a result of COVID-19 Pandemic.

80. Public Hearings

90. Council Business

90.1 Proclamations issued:

Immigrant Heritage Month – June 2020

Men's Health Month – June 2020

National Homeownership Month – June 2020

90.2 Committee Reports and Communications

a. Council Officers Update

100. City Manager and Staff Reports

110. Adjournment



AGENDA ITEM COMMENTARY

DEPARTMENT: Public Works Department

PHONE: (541) 774-2100

STAFF CONTACT: Cory Crebbin, P.E., Public Works Director

AGENDA SECTION: Consent Calendar

MEETING DATE: June, 4, 2020

COUNCIL BILL 2020-66

An ordinance approving a contract in the amount of \$111,852.75, between Specialized Pavement Marking, Inc. and the City of Medford, to remove and reconfigure striping on Jackson Street from Front Street to Mary Street.

SUMMARY AND BACKGROUND

Council is requested to consider the approval of a contract in the amount of \$111,852.75 to Specialized Pavement Marking, Inc. to remove and replace striping on Jackson Street from Front Street to Mary Street.

The project is being funded by the Oregon Department of Transportation (ODOT) All Road Transportation Safety (ARTS) Program. The project will reconfigure the roadway from two travel lanes in each direction to one travel lane in each direction with bike lanes and a center turn lane for most of the length. There will be no eastbound bike lane or center turn lane between 4th Street/Biddle Road and Hawthorne Street because it is precluded by the existing right turn slip lane and center median. There are no left turns allowed in this segment. Eastbound bikes will be directed to the multi-use path in Hawthorne Park. See Exhibit B for further detail.

PREVIOUS COUNCIL ACTIONS

On May 5, 2016, Council approved Council Bill 2016-54 authorizing execution of Intergovernmental Agreement No. 30817 with ODOT for the Highway Safety Improvement Program (HSIP) project funding.

On August 3, 2017, Council approved Council Bill 2017-91 authorizing execution of Intergovernmental Agreement No. 31801 with ODOT for the combined HSIP and ARTS project funding.

On June 6, 2019, Council approved Council Bill 2019-45 adopting the budget for the City of Medford for the biennium commencing July 1, 2019, and making appropriations thereunder.

ANALYSIS

This grant-funded project improves safety on this section of Jackson Street. Turning movement and lane changing conflicts will be eliminated which will increase safety for all modes of travel. Traffic analysis shows that Jackson Street will continue to meet the City's level-of-service for transportation after the reconfiguration is complete. In addition, the provision of bike lanes on this collector street meets the objective in the City's Transportation System Plan.

The HSIP and ARTS programs both use federal money to fund safety projects on local streets. ODOT selected HSIP and ARTS projects based on crash data and awarded Medford with funds to perform



AGENDA ITEM COMMENTARY

several safety upgrades including upgrading signal equipment on Jackson Street, between Central Avenue and Crater Lake Avenue and converting Jackson Street from a 4-lane roadway to a 3-lane roadway. Project costs for Jackson Street Striping and the other projects included in IGA No. 31801, will be reimbursed 100% by ODOT up to \$1,123,944.85.

Public Works received three (3) bids for the project on April 21, 2020. Specialized Pavement Marking, Inc., submitted the lowest responsible bid of \$111,852.75. The other bids were for \$113,765.75 and \$123,791.00, as shown on the attached Bid Tabulation.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

Expenditure is included on page 9-81 of the 2019-2021 adopted Biennial Budget. This contract will be paid for entirely by the ODOT ARTS grant funding.

TIMING ISSUES

If Council approves a construction contract with Specialized Pavement Marking, Inc., the project will commence shortly thereafter with all work scheduled to be complete August 28, 2020.

COUNCIL OPTIONS

- Approve the ordinance as presented.
- Modify the ordinance as presented.
- Deny the ordinance and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance for a contract with Specialized Pavement Marking, Inc.

SUGGESTED MOTION

I move to approve the ordinance for a contract in the amount of \$111,852.75 to Specialized Pavement Marking, Inc., for the Jackson Street Striping Project.

EXHIBITS

- Ordinance
 - Exhibit A - Bid Tabulation
 - Exhibit B - Site Map
- Contract documents are on file in the City Recorder's office

ORDINANCE NO. 2020-66

AN ORDINANCE approving a contract in the amount of \$111,852.75, between Specialized Pavement Marking, Inc. and the City of Medford, to remove and reconfigure striping on Jackson Street from Front Street to Mary Street.

WHEREAS, on May 5, 2016, Council approved Council Bill 2016-54 authorizing execution of Intergovernmental Agreement No. 30817 with the Oregon Department of Transportation (“ODOT”) for the Highway Safety Improvement Program (“HSIP”) project funding; and

WHEREAS, on August 3, 2017, Council approved Council Bill 2017-91 authorizing execution of Intergovernmental Agreement No. 31801 with ODOT for the combined HSIP and All Roads Transportation Safety Program (“ARTS”) project funding; and

WHEREAS, the HSIP and ARTS programs use federal money to fund safety projects on local streets; and

WHEREAS, the Public Works Department is proposing to improve the safety of Jackson Street from Front Street to Mary Street with HSIP/ARTS grant funds by eliminating turning movement and lane changing conflicts to make this street safer for all modes of travel and by adding bike lanes on this collector street to meet City Transportation System Plan objectives. Traffic analysis shows that Jackson Street will continue to meet the City’s level-of-service for transportation after the reconfiguration is complete; now, therefore,

THE CITY OF MEDFORD ORDAINS AS FOLLOWS:

Execution of a contract, on file in the City Recorder’s office, in the amount of \$111,852.75, between Specialized Pavement Marking, Inc. and the City, to remove and replace striping on Jackson Street from Front Street to Mary Street, is hereby approved.

PASSED by the Council and signed by me in authentication of its passage this ____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

APPROVED _____, 2020

Mayor

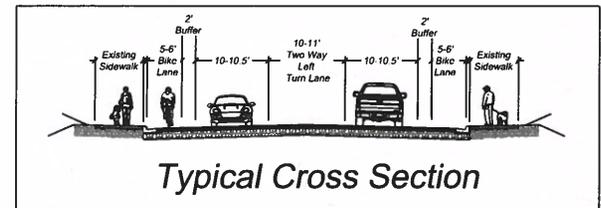
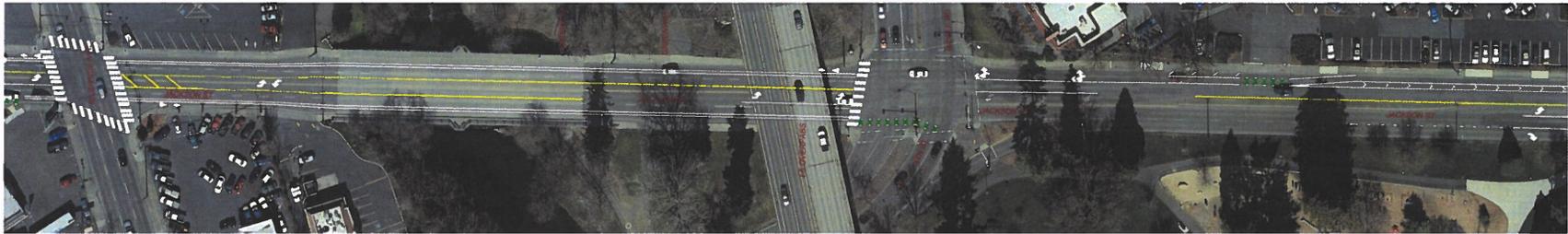
EXHIBIT A

Project: Jackson Street Striping
 Location: Central Ave to Crater Lake Ave
 Project No: T281
 Date of Bid Opening: April 21, 2020
 Proj Mgr: C. Charvat



Item No.	Item Description	Unit of Measure	Quantity	Specialized Pavement Marking, Inc.		Hicks Striping & Curbing, Inc.		Apply-A-Line, LLC	
				Unit Bid	Amount	Unit Bid	Amount	Unit Bid	Amount
1	MOBILIZATION	LS	1	\$9,308.00	\$9,308.00	\$10,000.00	\$10,000.00	\$15,750.00	\$15,750.00
2	TEMPORARY WORK ZONE TRAFFIC CONTROL, COMPLETE	LS	1	\$30,325.00	\$30,325.00	\$30,000.00	\$30,000.00	\$28,500.00	\$28,500.00
3	STRIPE REMOVAL	FOOT	3300	\$1.35	\$4,455.00	\$0.57	\$1,881.00	\$0.50	\$1,650.00
4	LEGEND REMOVAL	EACH	5	\$65.00	\$325.00	\$95.95	\$479.75	\$250.00	\$1,250.00
5	BAR REMOVAL	SQFT	900	\$2.75	\$2,475.00	\$3.85	\$3,465.00	\$3.25	\$2,925.00
6	MONO-DIRECTIONAL WHITE TYPE 1 MARKERS	EACH	75	\$4.75	\$356.25	\$5.00	\$375.00	\$6.50	\$487.50
7	BI-DIRECTIONAL YELLOW TYPE 1 MARKERS	EACH	200	\$4.75	\$950.00	\$5.00	\$1,000.00	\$6.50	\$1,300.00
8	THERMOPLASTIC, EXTRUDED OR SPRAYED, SURFACE, NON-PROFILED	FOOT	36700	\$0.70	\$25,690.00	\$0.77	\$28,259.00	\$0.78	\$28,626.00
9	PAVEMENT LEGEND, TYPE B-HS: ARROWS	EACH	36	\$255.00	\$9,180.00	\$250.00	\$9,000.00	\$240.00	\$8,640.00
10	PAVEMENT LEGEND, TYPE B-HS: BICYCLE LANE STENCIL	EACH	21	\$258.00	\$5,418.00	\$240.00	\$5,040.00	\$275.00	\$5,775.00
11	PAVEMENT LEGEND, TYPE B-HS: ONLY	EACH	1	\$375.00	\$375.00	\$350.00	\$350.00	\$650.00	\$650.00
12	PAVEMENT LEGEND, TYPE B-HS: SHARED LANE MARKING	EACH	2	\$295.00	\$590.00	\$260.00	\$520.00	\$450.00	\$900.00
13	PAVEMENT BAR, TYPE B-HS: BAR	SQFT	2500	\$7.65	\$19,125.00	\$8.30	\$20,750.00	\$9.45	\$23,625.00
14	GREEN BICYCLE LANE, PREFORMED THERMOPLASTIC FILM	SQFT	270	\$12.15	\$3,280.50	\$9.80	\$2,646.00	\$13.75	\$3,712.50
					\$111,852.75		\$113,765.75		\$123,791.00

EXHIBIT B



JACKSON STREET STRIPING (T-281)
LANE RECONFIGURATION EXHIBIT





AGENDA ITEM COMMENTARY

DEPARTMENT: Finance

PHONE: (541) 774-2030

STAFF CONTACT: Ryan Martin CFO/Deputy City Manager

AGENDA SECTION: Consent Calendar

MEETING DATE: June 4, 2020

COUNCIL BILL 2020-67

A resolution affirming the purpose of The Hospital Facilities Authority of the City of Medford, Oregon to include financing all facilities qualifying under ORS 441.525 to ORS 441.595, and authorizing the issuance of revenue and refunding bonds, in one or more series, by The Hospital Facilities Authority of the City of Medford, Oregon, in an aggregate principal amount not to exceed \$500,000,000, pursuant to a plan of finance, for Asante.

SUMMARY AND BACKGROUND

The Hospital Facilities Authority of the City of Medford (Authority”) has received a request from Asante, an Oregon nonprofit corporation, to issue tax-exempt and/or federally taxable conduit revenue bonds, in an aggregate principal amount not to exceed \$500,000,000.

The Authority was created pursuant to Resolution No. 2061, adopted by the City Council on July 18, 1974, and under Chapter 153, Oregon Laws, 1973 (ORS 441.525 to ORS 441.595, as amended from time to time, collectively, the “HFA Statutes”). Since its creation, the Oregon Legislature has expanded the HFA Statutes to include a broader range of nonprofit health care facilities that qualify for tax-exempt financing, including adult congregate living facilities, behavioral treatment facilities, family health facilities or health care facilities, as defined ORS 442.015 (collectively, a “hospital facility”). The bonds will be used to refinance existing debt in the approximate amount of \$270,000,000 and to finance the costs of acquisition, construction, renovation, furnishing and equipping of capital improvements in the approximate amount of \$300,000,000 to Asante’s medical facilities and offices in the City of Medford, areas of Jackson County outside the City and Josephine County. Specific projects include:

- New patient pavilion/tower at Asante Rogue Regional Medical Center, including parking garage
- Renovated inpatient behavioral health unit at Asante Rogue Regional Medical Center
- Renovated/expanded Emergency Department at Asante Three Rivers Medical Center
- New regional Cancer Care Center in Medford
- Expanded Cancer Care facility in Grants Pass

The total maximum principal amounts listed above exceeds the maximum total dollar amount of the Bonds that may be issued to finance all projects; nevertheless, the maximum total dollar amount of the Bonds that may be issued is \$500,000,000.

Although City approval is required in order for the issue to qualify as tax-exempt, the City is not the issuer and the City is not liable for payment of the bonds. The bonds will be payable only from the revenues and resources provided by Asante Health System.



PREVIOUS COUNCIL ACTIONS

On January 3, 2002, City Council approved Resolution 2002-06 approving issuance of bonds in an aggregate principal amount not to exceed \$90,000,000, provided such approval is conditioned upon Asante paying to the City the sum of not to exceed \$49,000.

On November 3, 2005, City Council approved Resolution 2005-248 approving issuance of the 2005B bonds in an aggregate principal amount not to exceed \$170,000,000.

ANALYSIS

On May 19, 2020, a public hearing was held by the Authority pursuant to the provisions Section 147(f) of the Internal Revenue Code of 1986, as amended, for the purpose of hearing public comments on the request by Asante to the Authority with respect to the Bonds. A report on the hearing is included as Exhibit B. No comments, written or oral, were received at the hearing. The report also includes the text of the notice of public hearing that was published in the *Mail Tribune*. The Authority unanimously approved the issuance of the bonds for Asante at the May 19th meeting.

Section 147(f) of the Internal Revenue Code of 1986, as amended, requires that qualified 501(c)(3) bonds, such as the Bonds, must be approved by the applicable elected representatives of the governmental unit having jurisdiction over the authority issuing such bonds and over the area where the projects being financed and refinanced are located. It is expected that Jackson County and Josephine County will also hold public hearings and approve the issuance of the Bonds.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

None. The City is not the issuer of the Bonds, and the principal of and interest on the Bonds do not and will not constitute a debt of the City or the Authority, nor are the Bonds payable from a tax of any nature levied upon any property within the City nor any other political subdivision of the State of Oregon. The Bonds are payable only from the revenues and resources that Asante pledged to the payment of the Bonds.

TIMING ISSUES

Asante anticipates posting an offering document for the offering and sale of the Bonds on or around June 15, 2020. It is anticipated that the Bonds would close in July 2020.

COUNCIL OPTIONS

- Approve the resolution as presented.
- Modify the resolution as presented.
- Deny the resolution as presented and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the resolution.

SUGGESTED MOTION

I move to approve a resolution approving issuance of the Bonds, for the benefit of the Asante Health System.



EXHIBITS

Resolution and exhibits

RESOLUTION NO. 2020-67

A RESOLUTION affirming the purpose of The Hospital Facilities Authority of the City of Medford, Oregon to include financing all facilities qualifying under ORS 441.525 to ORS 441.595, and authorizing the issuance of revenue and refunding bonds, in one or more series, by The Hospital Facilities Authority of the City of Medford, Oregon, in an aggregate principal amount not to exceed \$500,000,000, pursuant to a plan of finance, for Asante.

WHEREAS, The Hospital Facilities Authority of the City of Medford, Oregon (the "Authority") was created pursuant to Resolution No. 2061, adopted by the City Council of the City of Medford (the "Council") on July 18, 1974, and under Chapter 153, Oregon Laws, 1973 (ORS 441.525 to ORS 441.595, as amended from time to time) (collectively, the "HFA Statutes"). Since its creation, the Oregon Legislative Assembly has expanded the HFA Statutes from time to time to include a broad range of nonprofit health care facilities, including adult congregate living facilities, behavioral treatment facilities, family health facilities or health care facilities, as defined in Oregon Revised Statutes Section 442.015 (collectively, a "hospital facility"); and

WHEREAS, the Authority has received a request from Asante, a private, nonprofit corporation organized and existing under the laws of the State of Oregon (the "Borrower") to issue one or more series of revenue and refunding bonds (the "Bonds"), in an aggregate principal amount not to exceed \$500,000,000 to (i) refinance existing debt obligations of the Borrower, which originally financed and refinanced the costs of the acquisition, construction, renovation, furnishing and equipping of capital improvements at Borrower's medical facilities and offices; (ii) finance the costs of acquisition, construction, renovation, furnishing and equipping of capital improvements at Borrower's various medical facilities and offices; (iii) fund working capital and capitalized interest during construction, (iv) fund reserves, if deemed necessary; and (v) pay organizational, planning, financing, legal and other costs related to the issuance of the Bonds (collectively, the "Projects"); and

WHEREAS, on May 19, 2020 the Authority adopted a Resolution authorizing the sale, execution and delivery of the Bonds and related financing documents for and on behalf of the Borrower (the "Resolution"). The Resolution is attached hereto as **Exhibit A**; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires that a public hearing be conducted to provide the opportunity for members of the public to express their view, orally, or in writing, regarding the issuance of the Bonds and the Projects; and

WHEREAS, on May 19, 2020, the Authority conducted a public hearing with respect to the proposed issuance of the Bonds by the Authority. The notice of Public Hearing was published May 12, 2020 in the *Mail Tribune*. The public hearing was intended to provide a reasonable opportunity for members of the public to be heard by the Authority regarding the Projects and the issuance of the Bonds. A copy of the Public Hearing Report is attached hereto as **Exhibit B** (the "Public Hearing Report"). No comments, written or oral, were received at the hearing; and

WHEREAS, in June 2020 the Board of County Commissioners of Josephine County, Oregon, as the governmental unit having jurisdiction over the area in which a portion of the Projects are located, is expected to consider and adopt an Order approving of the issuance of the Bonds by the Authority and authorizing the execution and delivery of an Intergovernmental Cooperation Agreement among the Authority, Jackson County, Oregon and Josephine County, Oregon (the “Intergovernmental Agreement”); and

WHEREAS, in June 2020 the Board of County Commissioners of Jackson County, Oregon, as the governmental unit having jurisdiction over the portion of the Projects located outside the City of Medford, Oregon, is expected to consider and adopt an Order approving of the issuance of the Bonds by the Authority and authorizing the execution and delivery of the Intergovernmental Agreement; and

WHEREAS, Section 147(f) of the Code also requires that qualified 501(c)(3) obligations be approved by (1) the applicable elected representatives of the governmental unit issuing such obligations and (2) the applicable elected representatives of the governmental unit having jurisdiction over the area in which any portion of the Projects are located. The Council members of the Medford City Council are the applicable elected representatives of the governmental unit having jurisdiction over the Authority and having jurisdiction over the area in which a portion of the Projects are located; and

WHEREAS, the Code authorizes the issuance of revenue obligations for a “qualified 501(c)(3) entity,” such as the Borrower; and

WHEREAS, the City Council of the City of Medford, Oregon has been advised by bond counsel that the principal of and interest on the Bonds will not constitute a debt of the City of Medford, Oregon, the Authority, Jackson County, Oregon or Josephine County, Oregon, nor shall the Bonds be payable from a tax of any nature levied upon any property within the City of Medford, Oregon, Jackson County, Oregon, Josephine County, Oregon or any other political subdivision of the State of Oregon. The Bonds will be payable only from the revenues and resources provided by the Borrower; and

WHEREAS, the City finds that it would be in the best interest of the City to approve the authorization, execution, sale and delivery of the Bonds by the Authority pursuant to the requirements of Section 147(f) of the Code; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDFORD, OREGON:

SECTION 1. The Council affirms that the purpose of the Authority includes financing any “hospital facility,” as defined from time to time in the HFA Statutes.

SECTION 2. The Council has reviewed the Public Hearing Report provided by the Authority, following the public hearing with respect to the Projects and the issuance of the Bonds, and finds that no written comments were received and no members of the public appeared at the public hearing to express their views on the proposed Projects.

SECTION 3. As the applicable elected representatives of the governmental unit having jurisdiction over the Authority and over the area in which a portion of the Projects are located, the City Council approves the issuance of the Bonds by the Authority for purposes of Section 147(f) of the Code in the aggregate principal amount not to exceed \$500,000,000. Specific projects include:

- New patient pavilion/tower at Asante Rogue Regional Medical Center, including parking garage;
- Renovated inpatient behavioral health unit at Asante Rogue Regional Medical Center;
- Renovated/expanded Emergency Department at Asante Three Rivers Medical Center;
- New regional Cancer Care Center in Medford; and
- Expanded Cancer Care facility in Grants Pass.

SECTION 4. The Bonds are nonrecourse revenue Bonds of the Authority payable solely from the revenues and resources provided by the Borrower. The City has no liability or obligation with respect to the Bonds.

SECTION 5. This Resolution shall take effect immediately upon its adoption by the City Council and signature of the Mayor.

PASSED by the Council and signed by me in authentication of its passage this 4th day of June, 2020.

ATTEST: _____
City Recorder

Mayor

**BEFORE THE HOSPITAL FACILITIES AUTHORITY
OF THE CITY OF MEDFORD, OREGON**

RESOLUTION

Authorizing Approval of the Issuance, Sale, Execution and Delivery of Revenue and Refunding Bonds, in One or More Series, by The Hospital Facilities Authority of the City of Medford, Oregon in an Aggregate Principal Amount Not to Exceed \$500,000,000; Authorizing the Execution of a Letter of Intent with Asante; Designating Authorized Representatives; and Related Matters

The Board of Directors of The Hospital Facilities Authority of the City of Medford, Oregon Finds:

1. The Board of Directors of The Hospital Facilities Authority of the City of Medford, Oregon (the "Authority"), a public authority organized and existing pursuant to Oregon Revised Statutes ("ORS") Sections 441.525 to 441.595, inclusive (the "Act"), has received a request from Asante (the "Borrower"), a nonprofit corporation organized and existing under the laws of the State of Oregon and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), to issue tax-exempt and/or taxable revenue and refunding bonds, in one or more series, in an aggregate principal amount not to exceed \$500,000,000 (the "Bonds") for the benefit of the Borrower to finance and refinance the costs of one or more of the following projects (collectively, the "Project"):
 - (a) refund the Issuer's outstanding Hospital Revenue Bonds, Series 2002B (Asante Health System) (the "Series 2002B Bonds"), that were originally issued February 5, 2002 in the original aggregate principal amount of \$85,025,000;
 - (b) refund the Issuer's outstanding Hospital Revenue Bonds, Series 2005A (Asante Health System) (the "Series 2005A Bonds"), that were originally issued November 17, 2005 in the original aggregate principal amount of \$70,000,000;
 - (c) refund the Issuer's outstanding Hospital Revenue Refunding Bonds, Series 2010 (Asante Health System) (the "Series 2010 Bonds"), that were originally issued February 17, 2010 in the original aggregate principal amount of \$168,120,000
 - (d) refund any other outstanding obligations of the Borrower, as determined by the Borrower;
 - (e) pay the costs of all or a portion of the acquisition, construction and equipping of certain hospital facilities and other facilities related to the provision of health care;
 - (f) fund a reserve fund, if deemed necessary;
 - (g) provide capitalized interest and/or working capital; and
 - (h) pay certain costs of issuance of the Bonds.
2. The Authority consents to and authorizes the execution and delivery of an Intergovernmental Cooperation Agreement among the Authority, Jackson County, Oregon and Josephine County, Oregon, as the governmental units having jurisdiction over the areas in which the Project is located. The Intergovernmental Cooperation Agreement designates the Authority as the Issuer of the Bonds for the Project.

3. ORS Section 441.550 authorizes the Authority to borrow money and to issue revenue bonds for the purpose of carrying out its powers on such terms as the Board of Directors deems necessary or advisable.
4. The Authority will sell and issue the Bonds, in one or more series, and loan the proceeds thereof under the following financing documents (collectively, the “Financing Documents”), which may include, but are not limited to:
 - (a) one or more Bond Indentures between the Authority and a bond trustee, which is to be determined by the Borrower (the “Bond Trustee”);
 - (b) one or more Loan Agreements between the Authority and the Borrower;
 - (c) a Tax Certificate and Agreement; and
 - (d) one or more escrow deposit agreements.
5. The Bonds will be purchased by Citigroup Global Markets Inc., J.P. Morgan Securities LLC and any such other firm or firms named in the Purchase Agreement referenced below, as underwriters (collectively, the “Underwriters”). The Borrower intends to enter into certain additional documents with various parties in connection with the sale and issuance of the Bonds that may include, but is not limited to an amended and restated master trust indenture and one or more supplements to master trust indenture.
6. The principal of and interest on the Bonds will not constitute a debt of the Authority or the City of Medford, Oregon, nor shall the Bonds be payable from a tax of any nature levied upon any property within the City of Medford, Oregon nor within any other political subdivision of the State of Oregon. The Authority has no taxing power. The Bonds will be payable only from the revenues and resources provided or arranged by the Borrower.
7. Capitalized terms not defined herein shall have the meanings set forth in the Financing Documents.

The Board of Directors of The Hospital Facilities Authority of the City of Medford, Oregon Resolves:

Section 1. The Authority does authorize and approve of the provisions of and directs the execution, sale, delivery and issuance by the Authority of the Bonds, in one or more series, in an aggregate principal amount not to exceed \$500,000,000 to finance and refinance the Project. The Authority reserves the right to charge an issuance fee in connection with the issuance of the Bonds.

Section 2. The Authority designates each of the Chair, Vice Chair, Secretary/Treasurer, or any of their designees as “Authorized Representatives,” collectively, and each as an “Authorized Representative,” individually, of the Authority to negotiate the terms and the sale of the Bonds and to determine and designate the dated date, the series designation, the maturity dates and amounts, the interest rates and interest rate modes, the optional and mandatory redemption/tender provisions (including provisions for optional extension(s) of the mandatory redemption/tender date), with or without premium, if any, and the interest payment dates and such other provisions and terms of the Bonds as are deemed necessary and desirable for the issuance, sale and closing of the Bonds. The Bonds shall be executed by the facsimile signature of the Chair and shall be attested by the facsimile

signature of an Authorized Representative of the Authority. The Bonds shall mature not later than December 31, 2060. The Bonds shall be issued or executed in the form as may be approved by the Authorized Representative.

The Authorized Representative is authorized to execute and deliver a letter of intent, substantially in the form attached hereto as Exhibit A (the "Letter of Intent"), which sets forth the basic obligations of the Authority and the Borrower regarding the Bonds.

Section 3. The Board authorizes any Authorized Representative to review and approve the terms and provisions of the Financing Documents.

Section 4. In connection with the offering and sale of the Bonds, the Board authorizes the Authorized Representative to review and approve the terms and provisions of any preliminary and final official statements or other offering documents (collectively, the "Offering Document"), and any Bond Purchase Agreements (collectively, the "Purchase Agreement") among the Authority, the Borrower and the Underwriters or any other nationally recognized investment banking firm designated by the Borrower, as underwriter.

Section 5. The Authority provides for the establishment of the special funds as set forth in the Financing Documents, to be held in trust as set forth therein. The Authority is obligated to deposit proceeds of the Bonds to the funds as set forth in and as required by the Financing Documents. In addition, the Authority shall provide for the deposit of all of the loan payments payable to the Authority in accordance with the Financing Documents.

Section 6. The Authority's pledge for the payment of the Bonds shall be valid and binding from the date of the adoption of this Resolution against any parties having subsequent claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have actual notice of this pledge. Pursuant to Oregon Revised Statutes Section 441.555(5), this pledge is noted in the Authority's minute book which shall contain this Resolution and which shall be constructive notice thereof to all parties, and neither this Resolution nor other instrument by which a pledge is created need be otherwise recorded, nor shall the filing of any financing statement under the Oregon Uniform Commercial Code be required to perfect such pledge. Any moneys or obligations so pledged and later received by the Authority shall immediately be subject to the lien of the pledge without any physical delivery or further act.

Section 7. The Authority authorizes the sale of the Bonds to the Underwriters pursuant to the terms and conditions of the Purchase Agreement and the Financing Documents, as may be approved by any Authorized Representative.

Section 8. The Authority directs an Authorized Representative to execute and deliver the Financing Documents and any Purchase Agreement in the forms and with such changes as may be approved by such Authorized Representative. The Authority authorizes the performance by the Authority of the obligations and duties on its part contained in the Financing Documents and any Purchase Agreement. Any one or more of the Authorized Representatives shall approve, execute and deliver each of the above-described Financing Documents, Purchase Agreement and such other documents as are necessary or desirable to consummate the sale and issuance of the Bonds. The Authority authorizes the Authorized Representative to execute and deliver the Intergovernmental Cooperation Agreement between the Authority, Jackson County, Oregon and Josephine County, Oregon substantially in the form attached hereto as Exhibit B (the "Intergovernmental Agreement").

Section 9. During any time any Bonds are held in a book-entry only system, the registered owner of all of the Bonds shall be The Depository Trust Company, New York, New York (“DTC”), and the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. The Authority shall enter into a Blanket Issuer Letter of Representations wherein the Authority represents that it will comply with the requirements stated in DTC’s Operational Arrangements as they may be amended from time to time.

Section 10. For purposes of compliance by the Underwriters with Rule 15c2-12(b)(1) (the “Rule”) of the federal Securities and Exchange Commission, the Authority authorizes the distribution of the Offering Document in preliminary and final form, and the Authorized Representatives are authorized to deem the Offering Document as “final” for purposes of the Rule.

Section 11. The Authority requests and authorizes the Bond Trustee to execute the Certificate of Authentication on the Bonds as of the date of delivery of the Bonds. The Bond Trustee shall maintain a record of the names and addresses of the registered owners of the Bonds. The records of the registered bond ownership are not public records within the meaning of Oregon Revised Statutes Section 192.210(4).

Section 12. The Authority designates Orrick, Herrington & Sutcliffe LLP as Bond Counsel to the Authority (“Bond Counsel”) for the Bonds and Jack Davis as Special Counsel to the Authority for the Bonds.

Section 13. The Bonds may be transferred or subject to exchange as provided in the Financing Documents. All Bonds issued upon transfer of or in exchange for Bonds shall be valid obligations of the Authority evidencing the same obligation and shall be entitled to the same benefits as the Bonds surrendered for such exchange or transfer.

Section 14. The Authority may defease the Bonds as provided in the Financing Documents.

Section 15. In consideration of the purchase and acceptance of any or all of the Bonds by those who shall own the same from time to time (the “Owners”), the provisions of this Resolution shall be part of the contract of the Authority with the Owners and shall be deemed to be and shall constitute a contract between the Authority and the Owners. The covenants, pledges, and representations contained in this Resolution or in the closing documents executed in connection with the Bonds, including without limitation the Authority’s covenants and pledges contained herein, and the other covenants and agreements herein set forth to be performed by or on behalf of the Authority shall be contracts for the equal benefit, protection and security of the Owners, all of which shall be of equal rank without preference, priority or distinction of any Bonds over any other thereof, except as expressly provided in or pursuant to this Resolution.

Section 16. Each Authorized Representative of the Authority is authorized to take such action and to approve, execute or deliver for and on behalf of the Authority such other and additional documents including, but not limited to, a Tax Certificate and Agreement and an Internal Revenue Service Information Report (Form 8038) at the request of the Borrower in a timely manner, all as may be necessary or desirable in the opinion of Bond Counsel, for the issuance, sale and administration of the Bonds. The Authorized Representatives are further authorized to carry out the transactions contemplated by the Financing Documents, the Purchase Agreement and as authorized and approved in this Resolution, and to execute and deliver the Financing Documents, the Purchase Agreement, the

Bonds, the Tax Certificate and Agreement, the Intergovernmental Agreement and all other documents hereby authorized, to the respective parties entitled thereto.

ADOPTED and effective this 19th day of May 2020.

**THE HOSPITAL FACILITIES AUTHORITY OF
THE CITY OF MEDFORD, OREGON**

By: _____
Chair

ATTEST:

By: _____
Secretary/Treasurer

HFA RESOLUTION EXHIBIT A

LETTER OF INTENT

between

**THE HOSPITAL FACILITIES AUTHORITY OF
THE CITY OF MEDFORD, OREGON**

and

ASANTE

THIS LETTER OF INTENT is between THE HOSPITAL FACILITIES AUTHORITY OF THE CITY OF MEDFORD, OREGON, a public authority of the State of Oregon (the "Authority"), and ASANTE, a nonprofit corporation organized and existing under the laws of the State of Oregon and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Borrower").

1. **Preliminary Statement.** Among the matters of mutual inducement, which have resulted in the execution of this Letter of Intent are the following:

(a) The Authority is a public authority, authorized and empowered by ORS 441.525 to 441.595 (the "Act") to issue revenue bonds for the purposes specified therein, including providing funds to nonprofit corporations sufficient to improve, extend, maintain, equip and furnish hospital facilities and adult congregate care facilities under the Act, upon such terms and conditions as the Authority may deem advisable.

(b) The Authority proposes to issue tax-exempt and/or taxable revenue and refunding bonds, in one or more series, in an aggregate principal amount not to exceed \$500,000,000 (the "Bonds"). The proceeds of the Bonds will be used to make a loan to the Borrower to finance the costs of one or more of the following projects (collectively, the "Project"): (1) to refund the Issuer's outstanding Hospital Revenue Bonds, Series 2002B (Asante Health System) (the "Series 2002B Bonds"); (2) to refund the Issuer's outstanding Hospital Revenue Bonds, Series 2005A (Asante Health System) (the "Series 2005A Bonds"); (3) to refund the Issuer's outstanding Hospital Revenue Refunding Bonds, Series 2010 (Asante Health System) (the "Series 2010 Bonds"); (4) to refund any other outstanding obligations of the Borrower, as determined by the Borrower; (5) to pay the costs of all or a portion of the acquisition, construction and equipping of certain hospital facilities and other facilities related to the provision of health care; (6) to fund a reserve fund, if deemed necessary; (7) to provide capitalized interest and/or working capital; or (8) to pay certain costs of issuance of the Bonds.

The total estimated costs of the Project to be financed and refinanced with the proceeds of the Bonds will be in an aggregate principal amount not to exceed \$500,000,000.

(c) The Authority deems it necessary and advisable that it take such action as may be required under the Act to authorize and issue the Bonds to finance and refinance all or a portion of the costs of the Project in a total amount not to exceed \$500,000,000.

(d) The Authority finds that the issuance of the Bonds to finance and refinance the costs of the Project, and the loaning of the proceeds thereof to the Borrower constitutes a valid public purpose.

(e) All references in this Letter of Intent to the Authority shall be deemed to include where appropriate, its elected and appointed officials, employees and agents.

2. **Undertakings on the Part of the Authority.** Subject to (i) the conditions stated herein and (ii) the preparation and approval of the various financing documents and review and approval by Bond Counsel, as defined below, the Authority agrees and represents as follows:

(a) The Authority will, upon satisfaction by the Borrower of all conditions stated herein and all other conditions imposed on the Borrower by the Authority prior to issuance of the Bonds, authorize and cause the issuance of its Bonds to be payable solely from revenues and assets of the Borrower to the Authority pursuant to the Financing Documents (as defined in a Resolution adopted by the Authority on May 19, 2020), which Bonds will be in an aggregate principal amount not to exceed \$500,000,000.

(b) The Authority will adopt such proceedings and authorize the execution of such documents as may be necessary and advisable for the authorization, issuance, sale and delivery of the Bonds, and loan the proceeds of the Bonds to the Borrower to finance and refinance the Project, all as authorized by law and as mutually satisfactory to the Borrower and the Authority.

(c) The amounts payable to the Authority under the Financing Documents will be sufficient to pay the principal of and the interest on, and redemption premium, if any, of the Bonds as and when the same become due and payable.

(d) The Authority has appointed Orrick, Herrington & Sutcliffe LLP as Bond Counsel to the Authority ("Bond Counsel") and Jack Davis as Special Counsel to the Authority ("Special Counsel"), to supervise the proceedings and to approve the legality of the Bonds, the tax-exempt status of interest on the Bonds.

(e) Neither the Bonds nor the interest thereon shall be an obligation of the Authority, the City of Medford, Oregon (the "City of Medford"), Jackson County, Oregon ("Jackson County"), Josephine County, Oregon ("Josephine County") or the State of Oregon, or the personal obligations of the elected or appointed officials, employees or agents of the Authority, the City of Medford, Jackson County, Josephine County or the State of Oregon (collectively, the "Indemnified Parties") within the meaning of any constitutional or statutory provisions whatsoever, but shall be payable solely from revenues or assets provided or arranged by the Borrower. The Bonds shall not be a general obligation of the Authority or its elected or appointed officials, employees or agents nor a pledge of the faith and credit of the Authority or its elected or appointed officials, employees or agents nor a debt or pledge of the faith and credit of the City of Medford, Jackson County, Josephine County or the State of Oregon. The Authority has no taxing authority.

(f) No presently existing assets of the Authority or the City of Medford shall be given to secure the Bonds, and the Bonds shall be repayable out of, and only out of, revenues or assets provided or arranged by the Borrower.

3. **Undertakings on the Part of the Borrower.** Subject to the conditions above stated, the Borrower agrees as follows:

(a) The Borrower will cooperate with the Authority for the approval of all of the terms and conditions of the issuance of the Bonds and in the sale of the Bonds in an aggregate principal amount not to exceed \$500,000,000 to be used to finance and refinance the Project.

(b) At the time of closing of the Bonds, the Borrower will pay to the Authority from Bond proceeds or other available Borrower funds, to Bond Counsel and to Special Counsel, fees based on the time incurred with respect to the Bonds and the Project based on its standard hourly rates plus its out-of-pocket expenses. The Authority reserves the right to charge an issuance fee in connection with the issuance of the Bonds. Further, the Borrower will reimburse the City of Medford for any cost to the City of Medford of loss of bank-qualified status by reason of the Bonds issued for the benefit of the Borrower.

(c) At the time of closing of the Bonds, the Borrower will deliver the executed Financing Documents, under which terms the Borrower will agree to pay the Authority loan payments sufficient in the aggregate to pay the principal of and interest on, and redemption premium, if any, of the Bonds as and when the same shall become due and payable.

(d) In addition to the indemnification and hold harmless obligations of the Borrower under Section 5(a) hereof, the Financing Documents shall contain provisions in which the Borrower shall indemnify the Indemnified Parties and hold harmless the Indemnified Parties from all liabilities incurred in connection with the Project or the sale, issuance, marketing or administration of the Bonds.

(e) The Borrower will cause Borrower's counsel to provide the Authority with a legal opinion substantially the same in form and substance as the legal opinion provided by Borrower's counsel to the underwriters with respect to the Bonds.

(f) The Financing Documents shall also contain such other provisions as may be required or permitted by law and as are mutually acceptable to the parties.

(g) In accordance with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Borrower, as an "Obligated Person" within the meaning of the Rule, agrees to execute and deliver a Continuing Disclosure Certificate, if applicable, in a form reasonably satisfactory to the Authority, Bond Counsel and Special Counsel and agrees to provide information as specified in the Continuing Disclosure Certificate on an annual basis and will undertake to provide in a timely manner notices of a material event, as defined in the Continuing Disclosure Certificate, with respect to the Bonds.

(h) The Borrower will take such further action and adopt such further proceedings as may be required to implement these undertakings.

4. **General Provisions.**

(a) Except as provided in Section 4(b) and Section 5(a) hereof or as otherwise provided herein, all obligations arising under this Letter of Intent are conditioned upon the parties agreeing to mutually acceptable terms for the sale of the Bonds and mutually acceptable terms and conditions for the contracts and agreements contemplated herein; provided, however, that the Authority shall not participate in or be responsible for the marketing of the Bonds.

(b) Notwithstanding anything to the contrary stated herein, the Borrower will pay, or cause to be paid, whether the Bonds are actually issued or not, any fees and expenses incurred in connection with the issuance, sale and on-going administration of the Bonds, including without limitation, the reasonable fees and expenses of Bond Counsel, Special Counsel, the Authority's financial advisor, if any, and the bond trustee, paying agent or registrar. In addition, the Borrower shall pay the out-of-pocket costs of Bond Counsel, Special Counsel and the Authority's financial advisor, if any, and City of Medford staff. The Borrower will also pay the cost and fees of its counsel, underwriters' fees and any other costs incurred in connection with the Project or the Bonds.

(c) The Borrower shall obtain, at its expense, all necessary governmental approvals and opinions of Bond Counsel to ensure the legality and tax-exempt status of interest on the Bonds. In addition, the Borrower shall make no use of the Bond proceeds so as to cause the Bonds to be classified as "arbitrage bonds" as that term is defined in the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code") or cease to be "qualified 501(c)(3) bonds" as that term is defined in Section 145 of the Code.

(d) The Borrower agrees to execute and deliver the Continuing Disclosure Certificate, if applicable, as required by Section 3(g) hereof.

5. Miscellaneous Provisions.

(a) The Borrower shall and hereby agrees to indemnify the Indemnified Parties and hold harmless the Indemnified Parties against and from all claims by or on behalf of any person, firm, corporation or other legal entity arising from the execution of this Letter of Intent and any and all other actions to be taken by the Indemnified Parties relating to the Project or the issuance of the Bonds for so long as the Bonds remain outstanding, including, without limitation, the conduct or management of, or from any work or thing done related to the Project, including without limitation, (i) any condition related to the Project, (ii) any breach or default on the part of the Borrower in the performance of any of its obligations under this Letter of Intent, (iii) any act or negligence of the Borrower, or of any of its agents, contractors, servants, employees or licensees, (iv) any act or negligence of any assignee or lessee of the Borrower, or of any agents, contractors, servants, employees or licensees of any assignee or lessee of the Borrower, (v) any omission or misstatements of any material fact in the Offering Document or any other liability arising from the sale, issuance, marketing or administration of the Bonds, or (vi) any Internal Revenue Service audit or proceeding or any Securities and Exchange Commission investigation proceeding or any inquiry or any other federal, state or local regulatory action, investigation or proceeding. The Borrower shall indemnify and save the Indemnified Parties harmless from any such claim arising as aforesaid, or in connection with any action or proceeding or costs or fees incurred in any action or proceedings brought thereon whether at trial, on appeal, in bankruptcy proceedings, in any regulatory proceedings including without limitation, any IRS audit or SEC inquiry or other proceedings or otherwise, and upon notice from the Authority or its elected or appointed officials, employees or agents, the Borrower shall defend them or either of them in any such action or proceeding at the Borrower's expense.

Notwithstanding the fact that is the intention of the parties hereto that the Indemnified Parties shall not incur any pecuniary liability by reason of the terms of this Letter of Intent or the undertakings required of the Indemnified Parties by reason of the issuance of the Bonds or by reason of the execution of any Financing Documents relating thereto, or by reason of the performance of any act requested by the Indemnified Parties or by the Borrower, including all claims, liabilities or losses arising in connection with the violation of any statutes or regulation pertaining to the foregoing;

nevertheless, if the Indemnified Parties should incur any such pecuniary liability, then in such event the Borrower shall indemnify and hold the Indemnified Parties harmless against all claims, demands or causes of action whatsoever, by or on behalf of any person, firm or corporation or other legal entity arising out of the same or out of any Offering Document or lack of Offering Document in connection with the sale or resale of the Bonds and all costs, fees and expenses, including without limitation, legal fees and expenses whether incurred at trial, on appeal, in bankruptcy proceedings, in any regulatory proceedings, including without limitation, any IRS audit or SEC inquiry or other proceedings, or otherwise incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice from the Indemnified Parties in any such action or proceeding.

Notwithstanding anything to the contrary contained herein, the Borrower shall have no liability to indemnify the Indemnified Parties against claims or damages resulting from the Indemnified Parties' own gross negligence or willful misconduct.

In the event any claim is made against the Indemnified Parties for which indemnification may be sought from the Borrower under the foregoing provisions, the Indemnified Parties shall promptly give written notice thereof to the Borrower; provided that any failure to give or delay in giving such written notice shall not relieve the Borrower's indemnification obligations as set forth above except to the extent such failure or delay prejudices the Borrower's ability to defend or settle such claim. Upon receipt of such notice, the Borrower shall assume the defense thereof in all respects and may settle such claim in such manner as it deems appropriate so long as there is no liability, cost or expense to the Indemnified Parties.

(b) If Bond proceeds are not sufficient to complete the Project, the Borrower agrees to pay, or cause to be paid, the deficiency.

(c) The Authority and the Borrower have caused this Letter of Intent to be authorized by their respective governing body or board of directors, and executed by their duly authorized officers as of the 19th day of May 2020.

**THE HOSPITAL FACILITIES AUTHORITY
OF THE CITY OF MEDFORD, OREGON**

ASANTE

By: _____
Authorized Representative

By: _____
Authorized Representative

HFA RESOLUTION EXHIBIT B

**INTERGOVERNMENTAL
COOPERATION AGREEMENT**

THIS INTERGOVERNMENTAL COOPERATION AGREEMENT IS BETWEEN THE HOSPITAL FACILITIES AUTHORITY OF THE CITY OF MEDFORD, OREGON, JACKSON COUNTY, OREGON AND JOSEPHINE COUNTY, OREGON RELATING TO THE ISSUANCE BY THE HOSPITAL FACILITIES AUTHORITY OF THE CITY OF MEDFORD, OREGON OF REVENUE AND REFUNDING BONDS, IN ONE OR MORE SERIES.

This Intergovernmental Cooperation Agreement, dated as of July 1, 2020 (the "Agreement") is made and entered into between The Hospital Facilities Authority of the City of Medford, Oregon (the "Authority"), Jackson County, Oregon and Josephine County, Oregon (collectively, the "Counties") for the benefit of hospital facilities located in the City of Medford, Oregon, in Josephine County, Oregon and in other areas of Jackson County not within the City of Medford, Oregon that are owned and operated by Asante, a private, nonprofit corporation organized and existing under the laws of the State of Oregon (the "Borrower"). The Authority proposes the issuance of hospital revenue and refunding bonds, in one or more series, in an aggregate principal amount not to exceed \$500,000,000 (the "Bonds") to finance the costs of one or more of the following projects (collectively, the "Project"): (1) to refund the Issuer's outstanding Hospital Revenue Bonds, Series 2002B (Asante Health System); (2) to refund the Issuer's outstanding Hospital Revenue Bonds, Series 2005A (Asante Health System); (3) to refund the Issuer's outstanding Hospital Revenue Refunding Bonds, Series 2010 (Asante Health System); (4) to refund any other outstanding obligations of the Borrower, as determined by the Borrower; (5) to pay the costs of all or a portion of the acquisition, construction and equipping of certain hospital facilities and other facilities related to the provision of health care; (6) to fund a reserve fund, if deemed necessary; (7) to provide capitalized interest and/or working capital; or (8) to pay certain costs of issuance of the Bonds.

RECITALS

A. The Authority and the Counties desire to enter into this Agreement to provide economies of scale and cost savings to the nonprofit health facilities in their respective communities and hereby agree that the Authority shall act as the issuer of the Bonds for the Project.

B. The Authority and the Counties acknowledge that they have authority to execute and deliver this Agreement pursuant to ORS 190.010 and ORS 441.575.

C. Projects financed or refinanced with proceeds from the Bonds are primarily located at the following addresses:

Asante Rogue Regional Medical Center
2825 East Barnett Road
Medford, Oregon 97504

Asante Three Rivers Medical Center
Ramsey Campus
500 SW Ramsey Avenue
Grants Pass, Oregon 97527

Asante Three Rivers Medical Center
Washington Campus
1505 NW Washington Blvd.
Grants Pass, Oregon 97526

Asante Ashland Community Hospital
280 Maple Street
Ashland, Oregon 97520

In addition, there are projects financed or refinanced with proceeds of the Bonds that are located in Ashland, Oregon, Central Point, Oregon, Talent, Oregon, White City, Oregon and other locations in the City of Medford, Oregon and Josephine County, Oregon.

NOW, THEREFORE, it is agreed by and between the Authority and the Counties, as follows:

1. Issuance by Authority. Pursuant to ORS 441.550(6) and 441.555 which provide that an authority may issue revenue bonds to accomplish its purposes and ORS 190.010 which provides that units of local government (including any authority, city or county) may enter into intergovernmental agreements and may agree to designate one of the parties to an intergovernmental agreement to perform any or all functions and activities that a party to the agreement has the authority to perform, the Authority and the Counties agree that the Authority will be the issuer of the Bonds for the Project.
2. Further Authority. This Agreement is executed by the parties hereto to clearly identify the Authority as the issuer of the Bonds for the Project and to further supplement the existing authority of the Authority to issue the Bonds for the Project pursuant to ORS 441.550(8) which provides that an Authority has the power to loan money for the construction of and improvements to hospital facilities and ORS 441.550(2) which provides that an Authority has the power to improve and equip hospital facilities within or without the corporate limits of the municipality by which it was created.
3. Severability. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.
4. No Liability on the Bonds. The Counties and the Authority (collectively, the “parties”), to this Agreement shall not incur any liability with respect to the Bonds or any related documents or transactions by reason of executing this Agreement, adopting an order, or any other action taken in conjunction with this transaction. The Bonds are special nonrecourse obligations of the Authority payable solely from revenues or resources provided by Borrower or its affiliates and the Authority hereby agrees to cause the Borrower to indemnify the parties to this Agreement against any legal actions and to provide a copy of such indemnification to the Counties.
5. Counterparts. This Agreement may be executed in one or more counterparts each of which shall constitute an original.
6. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Oregon.

IN WITNESS WHEREOF, the parties hereby execute and deliver this Intergovernmental Agreement effective as of the day and year first written above.

**THE HOSPITAL FACILITIES AUTHORITY
OF THE CITY OF MEDFORD, OREGON**

By: _____
Authorized Representative

Signed as of: May 19, 2020

[SIGNATURE PAGES OF THE COUNTIES FOLLOW]

JOSEPHINE COUNTY, OREGON

By: _____

Signed as of: June __, 2020

[SIGNATURE PAGE OF JACKSON COUNTY FOLLOWS]

JACKSON COUNTY, OREGON

By: _____

Signed as of: June __, 2020

**PUBLIC HEARING REPORT TO THE
CITY COUNCIL OF THE CITY OF MEDFORD, OREGON**

**RE: Public Hearing Regarding
The Hospital Facilities Authority of the City of Medford, Oregon
Revenue and Refunding Bonds (Asante Project)**

On May 19, 2020, the undersigned Chair of The Hospital Facilities Authority of the City of Medford, Oregon (the "Authority") conducted a public hearing at 8:41 a.m., via teleconference call, due to Governor Kate Brown's Executive Order No. 20-12 issued on March 23, 2020, restricting public gatherings in response to the COVID-19 outbreak, and to Executive Order No. 20-16 issue on April 15, 2020, allowing a governing body of a public body to hold public meetings and hearings by telephone, video or through other electronic or virtual means, pursuant to the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"). The Authority has designated the Chair as the hearings official (the "Hearings Official") to conduct such hearing for and on behalf of the Authority.

Notice of the public hearing was published May 12, 2020 in the *Medford Mail Tribune*. The purpose of the public hearing was to hear public comment on a request by Asante, an Oregon nonprofit corporation (the "Borrower"), to the Authority, to issue its qualified 501(c)(3) bonds, as defined in Section 145 of the Code, for hospital or other healthcare and related facilities, in one or more series, issued pursuant to a plan of finance in a maximum dollar amount not to exceed \$500,000,000, for the purpose of: (i) refinancing existing debt obligations of the Borrower in the approximate aggregate principal amount of \$270,000,000, which originally financed and refinanced the costs of the acquisition, construction, renovation, furnishing and equipping of capital improvements at the Borrower's medical facilities and offices and (ii) financing the costs of the acquisition, construction, renovation, furnishing and equipping of capital improvements in the approximate aggregate principal amount of \$300,000,000 at the Borrower's medical facilities and offices. The total maximum principal amounts listed above exceeds the maximum total dollar amount of the Bonds that may be issued to finance all projects; nevertheless, the maximum total dollar amount of the Bonds that may be issued is \$500,000,000.

At 8:41 a.m. the Hearings Official convened the public hearing and requested any oral or written comments.

No comments, written or oral, were submitted to the Hearings Official. At approximately 8:42 a.m. the hearing was closed.

Respectfully submitted,

**THE HOSPITAL FACILITIES AUTHORITY
OF THE CITY OF MEDFORD, OREGON**

By: _____

Hearings Official

DATED: May 19, 2020.

4144-8010-6020.1



AGENDA ITEM COMMENTARY

DEPARTMENT: Finance

PHONE: (541) 774-2030

STAFF CONTACT: Ryan Martin CFO/Deputy City Manager

AGENDA SECTION: Consent Calendar

MEETING DATE: June 4, 2020

COUNCIL BILL 2020-68

A resolution authorizing the reissuance of revenue bonds, by The Hospital Facilities Authority of the City of Medford, Oregon, in an aggregate principal amount not to exceed \$5,000,000, pursuant to a plan of finance, for the Cascade Manor project.

SUMMARY AND BACKGROUND

In October 2014, The Hospital Facilities Authority of the City of Medford (the Authority) issued conduit revenue bonds (the "2014 Bonds") for the benefit of Cascade Manor, Inc. in an aggregate principal amount of \$33,842,000. Cascade Manor is now requesting the Authority to proceed with the reissuance, for federal tax purposes only, of conduit revenue bonds by the Authority in an aggregate principal amount not to exceed \$5,000,000, for the benefit of the Borrower.

The Authority was created pursuant to Resolution No. 2061, adopted by the City Council on July 18, 1974, and under Chapter 153, Oregon Laws, 1973 (ORS 441.525 to ORS 441.595, as amended from time to time, collectively, the "HFA Statutes"). Since its creation, the Oregon Legislature has expanded the HFA Statutes to include a broader range of nonprofit health care facilities that qualify for tax-exempt financing, including adult congregate living facilities, behavioral treatment facilities, family health facilities or health care facilities, as defined ORS 442.015 (collectively, a "hospital facility").

The City needs to approve the bond reissuance due to IRS requirements. This approval would allow Cascade Manor to sell furniture, fixtures and equipment (primarily appliances) that were originally financed or refinanced with proceeds of the 2014 Bonds, at fair market value, and to recycle the sale proceeds into new financeable assets (for example, replacement appliances and capital improvements to real property).

Cascade Manor is an Oregon non-profit 501(c)(3) corporation, and owns a continuing care retirement community (the "CCRC") located in the City of Eugene.

PREVIOUS COUNCIL ACTIONS

On October 2, 2014, City Council approved Resolution 2014-125 approving issuance of the 2014 bonds by the Hospital Facility Authority.

ANALYSIS

On May 19, 2020, a public hearing was held by the Authority pursuant to the provisions Section 147(f) of the Internal Revenue Code of 1986, as amended, for the purpose of hearing public comments on the request by Cascade Manor to the Authority with respect to the Reissued 2014 Bonds. A report on the hearing is attached. No comments, written or oral, were received at the hearing. The report also includes the text of the notice of public hearing that was published in the *Mail Tribune*. The Authority approved the reissuance of the bonds.



Section 147(f) of the Internal Revenue Code of 1986, as amended, requires that qualified 501(c)(3) bonds, such as the Reissued 2014 Bonds, must be approved by the applicable elected representatives of (1) the governmental unit having jurisdiction over the authority issuing such bonds (the City of Medford) and (2) the governmental unit having jurisdiction over the area in which the Project is located (the City of Eugene). On April 13, 2020, the City Council of the City of Eugene approved the Reissued 2014 Bonds.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

None. The City is not the issuer of the Bonds, and the principal of and interest on the Reissued 2014 Bonds do not and will not constitute a debt of the City of Medford, Oregon or the Authority, nor are the Reissued 2014 Bonds payable from a tax of any nature levied upon any property within the City nor any other political subdivision of the State of Oregon. The Reissued 2014 Bonds are payable only from the revenues and resources that Cascade Manor pledged to the payment of the Reissued 2014 Bonds.

TIMING ISSUES

None.

COUNCIL OPTIONS

- Approve the resolution as presented.
- Modify the resolution as presented.
- Deny the resolution as presented and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the resolution.

SUGGESTED MOTION

I move to approve a resolution authorizing the reissuance of the 2014 Bonds for the benefit of Cascade Manor, Inc.

EXHIBITS

- Resolution
- Hearing Officer Report related to Public Hearing held by Authority on May 19, 2020

RESOLUTION NO. 2020-68

A RESOLUTION authorizing the reissuance of revenue bonds, by The Hospital Facilities Authority of the City of Medford, Oregon, in an aggregate principal amount not to exceed \$5,000,000, pursuant to a plan of finance, for the Cascade Manor project.

WHEREAS, Cascade Manor, Inc., a nonprofit 501(c)(3) corporation (the "Borrower"), and an affiliate of Pacific Retirement Services, Inc., a nonprofit 501(c)(3) corporation, owns a continuing care retirement community (the "CCRC") located at 65 W 30th Avenue, 74 W 29th Avenue, 76 W 29th Avenue, 78 W 29th Avenue, 70 W 29th Place, 46 W 29th Place, 2960 Portland Street, 2962 Portland Street, 2976 Portland Street, 45 W 29th Place, 47 W 29th Place, 53 W 29th Place, 61 W 29th Place, 65 W 29th Place and 2926 Portland Street, all in Eugene, Oregon 97405; and

WHEREAS, in October 2014, The Hospital Facilities Authority of the City of Medford, Oregon (the "Authority") previously issued tax-exempt conduit bonds in the aggregate principal amount of \$33,842,000 (the "2014 Bonds"), for the benefit of Borrower, which financed and refinanced all or a portion of the costs of constructing, renovating, improving, enlarging, furnishing and equipping senior housing units, community amenities and additional common areas, including furniture, fixtures and equipment ("FF&E") and other capital improvements at the Borrower's CCRC (such financed and refinanced assets, collectively, the "2014 Project"); and

WHEREAS, in connection with the issuance of the 2014 Bonds, the City Council of the City of Medford held a public hearing and approved a Resolution approving the 2014 Project and the issuance of the 2014 Bonds by the Authority; and

WHEREAS, when residential housing units at the CCRC are turned over for new residents to occupy, new FF&E is purchased for such units, but used FF&E in the residential housing units, which were financed with proceeds of the 2014 Bonds, may still have economic value and may be sold at fair market value, the cash proceeds of which (the "Sale Proceeds") may then be used to purchase the new FF&E or to make other capital improvements to the CCRC (the "Reissued 2014 Bonds Project"); and

WHEREAS, the Authority has received a request from Borrower to reissue, for tax purposes, one or more series of tax-exempt conduit bonds in an aggregate principal amount not to exceed \$5,000,000 (the "Bonds"), pursuant to a plan of finance, under the federal tax remedial action rules in Treasury Regulation 1.141-12(e)(1) (the "Tax Regulations"), for the purpose of paying the costs of the Reissued 2014 Bonds Project. Under the Tax Regulations, the Authority may only use the Sale Proceeds to pay costs of the Reissued 2014 Bonds Project if the 2014 Bonds are treated as reissued for federal tax purposes and all requirements for the issuance of tax-exempt debt are met with respect to the Reissued 2014 Bonds; and

WHEREAS, under Section 147(f) of the Internal Revenue Code of 1986, as amended, qualified 501(c)(3) bonds, such as the Reissued 2014 Bonds, must be approved by the applicable elected representatives of (i) the governmental unit issuing such bonds (the Authority) and (ii) the governmental unit having jurisdiction over the area in which the Project is located (the City of

Eugene, Oregon). The Council members of the Medford City Council are the applicable elected representatives of the governmental unit having jurisdiction over the Authority; and

WHEREAS, the principal and interest on the Reissued 2014 Bonds will not constitute a debt of the City of Medford, Oregon, the City of Eugene, Oregon or the Authority, nor shall the Reissued 2014 Bonds be payable from any funds of the City of Medford, including from a tax of any nature levied upon any property within the City of Medford nor any other political subdivision of the State of Oregon. The Reissued 2014 Bonds will be payable only from the revenues and resources of the Borrower pledged to the payment of the Reissued 2014 Bonds; and

WHEREAS, on May 12, 2020, a notice of public hearing was published in the *Mail Tribune* newspaper. A Hearings Officer of the Authority conducted a public hearing on May 19, 2020, with respect to the proposed reissuance by the Authority of the Bonds. The Hearings Officer produced a Public Hearing Report setting out the results of the public hearing. No comments, written or oral, were received at the hearing; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDFORD, OREGON:

SECTION 1. The City Council of the City of Medford hereby approves the authorization and reissuance by The Hospital Facilities Authority of the City of Medford, Oregon of the Bonds in an amount not to exceed \$5,000,000.

SECTION 2. This Resolution shall take effect immediately upon adoption by the City Council and signature of the Mayor.

PASSED by the Council and signed by me in authentication of its passage this 4th day of June, 2020.

ATTEST: _____
City Recorder

Mayor

**PUBLIC HEARING REPORT TO THE
CITY COUNCIL OF THE CITY OF MEDFORD, OREGON**

**RE: Public Hearing Regarding Reissuance of
The Hospital Facilities Authority of the City of Medford, Oregon
Revenue Bonds, Issued for the Benefit of Cascade Manor, Inc.**

On May 19, 2020, the undersigned Chair of The Hospital Facilities Authority of the City of Medford, Oregon (the "Authority") conducted a public hearing at 8:44 a.m., via teleconference call, due to Governor Kate Brown's Executive Order No. 20-12 issued on March 23, 2020, restricting public gatherings in response to the COVID-19 outbreak, and to Executive Order No. 20-16 issued on April 15, 2020, allowing a governing body of a public body to hold public meetings and hearings by telephone, video or through other electronic or virtual means, pursuant to the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"). The Authority has designated the Chair as the hearings official (the "Hearings Official") to conduct such hearing for and on behalf of the Authority.

Notice of the public hearing was published May 12, 2020 in the *Medford Mail Tribune*. The purpose of the public hearing was to hear public comment on a request by Cascade Manor, Inc., an Oregon nonprofit corporation (the "Borrower"), to the Authority, for the authorization and reissuance, for federal tax purposes only, by Authority of its revenue bonds, in one or more series, pursuant to a plan of finance, in a maximum aggregate state principal amount not to exceed \$5,000,000 (collectively, the "Bonds"), which were previously issued by the Authority to finance equipment that will be sold by the Borrower because it is no longer adequate for the Borrower's operations in its current state (the "Used Equipment"). The proceeds of the reissued Bonds will be treated as loaned to the Borrower to permit the proceeds of the sale of the Used Equipment to be employed, for federal tax purposes, to make capital improvements (including the purchase of equipment) at the Borrower's continuing care retirement facility and related facilities.

At 8:44 a.m. the Hearings Official convened the public hearing and requested any oral or written comments.

No comments, written or oral, were submitted to the Hearings Official. At approximately 8:46 a.m. the hearing was closed.

Respectfully submitted,

**THE HOSPITAL FACILITIES AUTHORITY
OF THE CITY OF MEDFORD, OREGON**

By: _____

Hearings Official

DATED: May 19, 2020.

4148-1578-1412.1



AGENDA ITEM COMMENTARY

DEPARTMENT: Finance

AGENDA SECTION: Consent Calendar

PHONE: (541) 774-2030

MEETING DATE: June 4, 2020

STAFF CONTACT: Ryan Martin CFO/Deputy City Manager

COUNCIL BILL 2020-69

A resolution authorizing the reissuance of revenue bonds, by The Hospital Facilities Authority of the City of Medford, Oregon, in an aggregate principal amount not to exceed \$5,000,000, pursuant to a plan of finance, for the Rogue Valley Manor project

SUMMARY AND BACKGROUND

In April 2013 and November 2013, The Hospital Facilities Authority of the City of Medford (the "Authority") issued conduit revenue bonds (collectively, the "2013 Bonds") for the benefit of Rogue Valley Manor in a total aggregate principal amount of \$110,200,000. Rogue Valley Manor is now requesting the Authority to proceed with the reissuance, for federal tax purposes only, of conduit revenue bonds by the Authority in an aggregate principal amount not to exceed \$5,000,000, for the benefit of the Borrower.

The Authority was created pursuant to Resolution No. 2061, adopted by the City Council on July 18, 1974, and under Chapter 153, Oregon Laws, 1973 (ORS 441.525 to ORS 441.595, as amended from time to time, collectively, the "HFA Statutes"). Since its creation, the Oregon Legislature has expanded the HFA Statutes to include a broader range of nonprofit health care facilities that qualify for tax-exempt financing, including adult congregate living facilities, behavioral treatment facilities, family health facilities or health care facilities, as defined ORS 442.015 (collectively, a "hospital facility").

Due to IRS requirements for borrower's utilizing tax-exempt bond financing Rogue Valley Manor has requested that the City approve the reissuance, strictly for federal tax purposes, of a series of bonds over the period of approximately three years (the "Reissued 2013 Bonds"). This approval would allow the Manor to sell furniture, fixtures and equipment (primarily appliances) that were originally financed or refinanced with proceeds of the 2013 Bonds, at fair market value, and to recycle the sale proceeds into new financeable assets (for example, replacement appliances and capital improvements to real property).

Rogue Valley Manor is an Oregon non-profit 501(c)(3) corporation, and owns a continuing care retirement community (the "CCRC") located in the City of Medford.

PREVIOUS COUNCIL ACTIONS

On October 18, 2012, City Council approved Resolution 2012-164 approving issuance of 2012-B bonds by the Hospital Facility Authority.

On November 7, 2013, City Council approved Resolution 2013-162 approving issuance of 2013 bonds by the Hospital Facility Authority.



AGENDA ITEM COMMENTARY

ANALYSIS

On May 19, 2020, a public hearing was held by the Authority pursuant to the provisions Section 147(f) of the Internal Revenue Code of 1986, as amended, for the purpose of hearing public comments on the request by the Manor to the Authority with respect to the Reissued 2013 Bonds. A report on the hearing is attached. No comments, written or oral, were received at the hearing. The report also includes the text of the notice of public hearing that was published in the *Mail Tribune*. The Authority approved the reissuance of the bonds.

Section 147(f) of the Internal Revenue Code of 1986, as amended, requires that qualified 501(c)(3) bonds, such as the Reissued 2013 Bonds, must be approved by the applicable elected representatives of the governmental unit having jurisdiction over the authority issuing such bonds and over the area where the CCRC is located.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

None. The City is not the issuer of the Bonds, and the principal of and interest on the Reissued 2013 Bonds do not and will not constitute a debt of the City or the Authority, nor are the Reissued 2013 Bonds payable from a tax of any nature levied upon any property within the City nor any other political subdivision of the State of Oregon. The Reissued 2013 Bonds are payable only from the revenues and resources that Rogue Valley Manor pledged to the payment of the Reissued 2013 Bonds.

TIMING ISSUES

None.

COUNCIL OPTIONS

- Approve the resolution as presented.
- Modify the resolution as presented.
- Deny the resolution as presented and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the resolution.

SUGGESTED MOTION

I move to approve a resolution authorizing the reissuance of the 2013 Bonds for the benefit of Rogue Valley Manor.

EXHIBITS

- Resolution
- Hearing Officer Report related to Public Hearing held by Authority on May 19, 2020

RESOLUTION NO. 2020-69

A RESOLUTION authorizing the reissuance of revenue bonds, by The Hospital Facilities Authority of the City of Medford, Oregon, in an aggregate principal amount not to exceed \$5,000,000, pursuant to a plan of finance, for the Rogue Valley Manor project.

WHEREAS, Rogue Valley Manor, a nonprofit 501(c)(3) corporation (the "Borrower"), and an affiliate of Pacific Retirement Services, Inc., a nonprofit 501(c)(3) corporation, owns a continuing care retirement community (the "CCRC") located at 1200 Mira Mar Avenue, Medford, Oregon 97504, and the CCRC is bounded by Interstate 5, Rogue Valley Manor Drive, Shannon Drive, Mira Mar Avenue, Skyline Drive, Village Center Drive, Wildflower Circle and Lake Village Drive in Medford, Oregon; and

WHEREAS, in April 2013 and in November 2013, The Hospital Facilities Authority of the City of Medford, Oregon (the "Authority") previously issued tax-exempt conduit bonds in the total aggregate principal amount of \$110,200,000 (collectively, the "2013 Bonds"), for the benefit of Borrower, which financed and refinanced all or a portion of the costs of constructing, expanding, remodeling and equipping of the Borrower's CCRC, including furniture, fixtures and equipment ("FF&E") and other capital improvements (such financed and refinanced assets, collectively, the "2013 Projects"); and

WHEREAS, in connection with the issuance of the 2013 Bonds, the City Council of the City of Medford held public hearings and approved Resolutions approving the 2013 Projects and the issuance of the 2013 Bonds by the Authority; and

WHEREAS, when residential housing units at the CCRC are turned over for new residents to occupy, new FF&E is purchased for such units, but used FF&E in the residential housing units, which were financed with proceeds of the 2013 Bonds, may still have economic value and may be sold at fair market value, the cash proceeds of which (the "Sale Proceeds") may then be used to purchase the new FF&E or to make other capital improvements to the CCRC (the "Reissued 2013 Bonds Project"); and

WHEREAS, the Authority has received a request from Borrower to reissue, for tax purposes, one or more series of tax-exempt conduit bonds in an aggregate principal amount not to exceed \$5,000,000 (the "Bonds"), pursuant to a plan of finance, under the federal tax remedial action rules in Treasury Regulation 1.141-12(e)(1) (the "Tax Regulations"), for the purpose of paying the costs of the Reissued 2013 Bonds Project. Under the Tax Regulations, the Authority may only use the Sale Proceeds to pay costs of the Reissued 2013 Bonds Project if the 2013 Bonds are treated as reissued for federal tax purposes and all requirements for the issuance of tax-exempt debt are met with respect to the Reissued 2013 Bonds; and

WHEREAS, under Section 147(f) of the Internal Revenue Code of 1986, as amended, qualified 501(c)(3) bonds, such as the Reissued 2013 Bonds, must be approved by the applicable elected representatives of the governmental unit issuing such bonds (the Authority) and the governmental unit having jurisdiction over the area in which the Reissued 2013 Bonds Project is located. The Council members of the Medford City Council are the applicable elected representatives of the governmental unit having jurisdiction over the Authority; and

WHEREAS, the principal and interest on the Reissued 2013 Bonds will not constitute a debt of the City of Medford, Oregon or the Authority, nor shall the Reissued 2013 Bonds be payable from any funds of the City of Medford, including from a tax of any nature levied upon any property within the City of Medford nor any other political subdivision of the State of Oregon. The Reissued 2013 Bonds will be payable only from the revenues and resources of the Borrower pledged to the payment of the Reissued 2013 Bonds; and

WHEREAS, on May 12, 2020, a notice of public hearing was published in the *Mail Tribune* newspaper. A Hearings Officer of the Authority conducted a public hearing on May 19, 2020, with respect to the proposed reissuance by the Authority of the Bonds. The Hearings Officer produced a Public Hearing Report setting out the results of the public hearing. No comments, written or oral, were received at the hearing; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDFORD, OREGON:

SECTION 1. The City Council of the City of Medford hereby approves the authorization and reissuance by The Hospital Facilities Authority of the City of Medford, Oregon of the Bonds in an amount not to exceed \$5,000,000.

SECTION 2. This Resolution shall take effect immediately upon adoption by the City Council and signature of the Mayor.

PASSED by the Council and signed by me in authentication of its passage this 4th day of June, 2020.

ATTEST: _____
City Recorder

Mayor

**PUBLIC HEARING REPORT TO THE
CITY COUNCIL OF THE CITY OF MEDFORD, OREGON**

**RE: Public Hearing Regarding Reissuance of
The Hospital Facilities Authority of the City of Medford, Oregon
Revenue Bonds, Issued for the Benefit of Rogue Valley Manor**

On May 19, 2020, the undersigned Chair of The Hospital Facilities Authority of the City of Medford, Oregon (the "Authority") conducted a public hearing at 8:43 a.m., via teleconference call, due to Governor Kate Brown's Executive Order No. 20-12 issued on March 23, 2020, restricting public gatherings in response to the COVID-19 outbreak, and to Executive Order No. 20-16 issue on April 15, 2020, allowing a governing body of a public body to hold public meetings and hearings by telephone, video or through other electronic or virtual means, pursuant to the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"). The Authority has designated the Chair as the hearings official (the "Hearings Official") to conduct such hearing for and on behalf of the Authority.

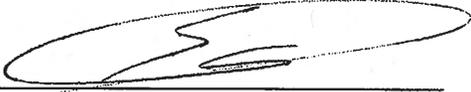
Notice of the public hearing was published May 12, 2020 in the *Medford Mail Tribune*. The purpose of the public hearing was to hear public comment on a request by Rogue Valley Manor, an Oregon nonprofit corporation (the "Borrower"), to the Authority, for the authorization and reissuance, for federal tax purposes only, by Authority of its revenue bonds, in one or more series, pursuant to a plan of finance, in a maximum aggregate state principal amount not to exceed \$5,000,000 (collectively, the "Bonds"), which were previously issued by the Authority to finance equipment that will be sold by the Borrower because it is no longer adequate for the Borrower's operations in its current state (the "Used Equipment"). The proceeds of the reissued Bonds will be treated as loaned to the Borrower to permit the proceeds of the sale of the Used Equipment to be employed, for federal tax purposes, to make capital improvements (including the purchase of equipment) at the Borrower's continuing care retirement facility and related facilities.

At 8:43 a.m. the Hearings Official convened the public hearing and requested any oral or written comments.

No comments, written or oral, were submitted to the Hearings Official. At approximately 8:44 a.m. the hearing was closed.

Respectfully submitted,

**THE HOSPITAL FACILITIES AUTHORITY
OF THE CITY OF MEDFORD, OREGON**

By: 
Hearings Official

DATED: May 19, 2020.

4134-4031-1844.1



AGENDA ITEM COMMENTARY

DEPARTMENT: City Manager's Office
PHONE: (541) 774-2000
STAFF CONTACT: Brian Sjothun, City Manager

AGENDA SECTION: Ordinances and Resolutions
MEETING DATE: June 4, 2020

COUNCIL BILL 2020-70

A resolution authorizing allocation of Council Vision Funds in the amount of \$201,758.

SUMMARY AND BACKGROUND

Council is requested to consider approval of a resolution allocating Council Vision Fund monies totaling \$201,758 to four programs: 1) Downtown Medford Association (DMA); 2) St. Vincent de Paul; 3) Private Property Abatement; and 4) Preschool Scholarship Fund.

Requests Summary

Downtown Medford Association (DMA) - Funding is requested for calendar years 2020 and 2021. The intents of this funding is pursuant to DMA's request for retaining a dedicated OMA manager.

St. Vincent de Paul - Funding would be used to provide necessary bags, supplies and gift cards to clients who collect trash along the Bear Creek Greenway.

Private Property Abatement - The establishment of an incentive fund to encourage and assist private property owners along the Bear Creek Greenway to remove vegetation and debris. Reimbursement of up to 25% (\$10,000 limit per property) of the total costs to remove and dispose of vegetation and debris.

Preschool Scholarship Fund - This proposal would establish the Medford Preschool Scholarship Fund for low income families in Medford. Funding would be provided to Kid Time, who is also partnering with the Medford School District to expand sites and opportunities.

During the Council Study Session on May 14 the Council discussed the applications and asked Councilor Stark to contact the YMCA regarding the Preschool Scholarship Fund request and the DMA to provide additional information on the Fund request. Letters/explanations from both organizations are attached.

PREVIOUS COUNCIL ACTIONS

On December 5, 2019, Council Bill 2019-128 was approved creating the process for assigning funding to projects, programs, and activities from the Council Vision Fund.

On May 7, 2020, Council Bill 2020-58 was approved authorizing creation and operation of a COVID-19 Small Business Grant Program totaling \$125,000 from the Council Vision Fund.



AGENDA ITEM COMMENTARY

On May 14, 2020, the City Council held a Study Session to discuss the received Vision Fund applications. Councilor Stark was requested to reach out to the YMCA and the Downtown Medford Association and provide additional information related to two of the grant requests.

On May 21, 2020, Council Bill 2020-65 was approved authorizing creation and operation of a COVID-19 Small Business Grant program with an additional \$125,000 from the Council Vision Fund.

ANALYSIS

Vision Fund Balance	\$851,758	(12/31/19)
Vision Funds Approved		
o Livability Team	\$300,000	(8/1/19)
o Social Service Grants (COVID-19)	\$100,000	(3/19/20)
o Small Business Grants (COVID-19)	<u>\$250,000</u>	(5/7/20 & 5/21/20)
Total	\$650,000	
<u>Total Available</u>		(2020 2 nd Quarter)
Vision Fund Request Received		
o Downtown Medford Association	\$100,000	
o St. Vincent de Paul	\$ 7,500	
o Private Property Abatement	\$100,000	
o Preschool Scholarship Fund	<u>\$100,000</u>	
Total	\$307,500	
DEFICIT:	\$105,742	

During the City Council Study Session the Council discussed authorizing the funding in the following manner to balance the requests with the funding available:

➤ Downtown Medford Association	\$ 50,000
➤ St. Vincent de Paul	\$ 7,500
➤ Private Property Abatement	\$ 44,258
➤ Preschool Scholarship Fund	<u>\$100,000</u>
<u>Total Expenditures</u>	<u>\$201,758</u>

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

During the May 14, 2020 Study Session the Council tentatively agreed to the funding illustrated above balancing available funds with grant awards.

TIMING ISSUES

None.



COUNCIL OPTIONS

Approve the resolution as presented.

Modify the resolution as presented.

Deny the resolution or motion and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the resolution.

SUGGESTED MOTION

I move to approve the resolution authorizing Council Vision Funds to be awarded to the Downtown Medford Association in the amount of \$50,000, St. Vincent de Paul in the amount of \$7,500, Private Property Abatement in the amount of \$44,258 and Kid Time in the amount of \$100,000.

EXHIBITS

Resolution

Letter from Kid Time and the YMCA

Downtown Medford Association (DMA) Grant Proposal

Email from Lindsay Berryman re: DMA

PowerPoint Presentation

RESOLUTION NO. 2020-70

A RESOLUTION authorizing allocation of Council Vision Funds, in the amount of \$201,758.

WHEREAS, City Council previously created the "Council Vision Fund" to utilize marijuana tax revenues for programs that further Council Goals instead of funding routine ongoing, operational expenditures. The Council Vision Fund is administered pursuant to an internal application and review process memorialized in Resolution 2019-128; and

WHEREAS, Resolution 2019-128 adopted procedures and a time line for requests for expenditures from the Council Vision Fund; and

WHEREAS, the deadline for fund requests for marijuana tax monies that were collected from July 1, 2019 to December 31, 2019 was May 8, 2020. Five requests were received and an initial request totaling \$125,000 for the COVID-19 Small Business Grant Fund program was funded by the City Council on May 7, 2020 via Resolution No. 2020-58 and an additional \$125,000 was approved on May 21, 2020 via Resolution No. 2020-65; and

WHEREAS, on May 14, 2020 the City Council held a Study Session and discussed the requests, which totaled more than available funds. The City Council directed staff to bring back awards that were equal to the Council Vision Funds available and provided direction on how to alter funding to achieve that end; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDFORD, OREGON

Council Vision Funds shall be awarded to, and/or administered in the following manner:

Downtown Medford Association	\$ 50,000
St. Vincent de Paul	\$ 7,500
Private Property Abatement	\$ 44,258
Kid Time – Preschool Scholarship Fund	<u>\$100,000</u>
Total	\$201,758

PASSED by the Council and signed by me in authentication of its passage this ___ day of June, 2020.

ATTEST: _____
City Recorder

Mayor



FOR YOUTH DEVELOPMENT
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY



May 15, 2020

Dear Medford City Councilors,

Thank you for considering the establishment of a Medford Preschool Scholarship Fund to assist low-income and vulnerable families. Kid Time and the YMCA have a long history of providing preschool and childcare programs at our facilities and on-site at local schools. We both have a comprehensive partnership with the Medford School District currently providing preschool, afterschool, and many other youth activities. We both plan to expand the number of preschool classroom locations available for Medford families. Kid Time will add 5 classrooms in the Carnegie Building while the YMCA will add 3 classrooms at a facility next to North Medford High School. We will also be adding more classrooms on-site at local schools. Most of the classrooms, including those located in elementary schools, are located in Medford's highest risk neighborhoods where children have the least access to preschool and parents have the least financial resources.

The YMCA and Kid Time have been partnering to deliver Emergency Child Care supporting essential personnel during this public health crisis which began on March 16th. This emergency response will transition to Drop-In Child Care to assist non-essential personnel to return to work. We look forward to returning to our standard programs when restrictions continue to ease up. The YMCA is the lead agency in this effort.

The Vision Fund request is for \$100,000, to be administered immediately to provide childcare opportunities for families returning to work during the next phases of COVID 19. We recommend that the full amount be given Kid Time as they will be the lead agency for this Preschool Scholarship Fund but, of course, we are open to a percentage given to each agency. The funding will provide scholarships for preschool and childcare fees to Medford families in need. Families can attend preschool at any location that is convenient for them. Assistance can be for part-time or full-time care, based on need and availability and will be blended with a variety of other available funds to maximize the impact. Applications will be available through Kid Time, the YMCA, and referrals from other organizations. Awards will be given to those up to 230% of the Federal Poverty Levels on a sliding scale.

This investment will yield long term returns for the City. Decades of research show that for every dollar invested in early childhood, \$6-\$13 is saved in crime spending, homelessness remediation, substance abuse treatment, etc. (Perry Preschool Study, Aberdacion Early Learning Research).

Please contact us if you have any questions, would like additional information, or a description on how this positively impacts Medford families and neighborhoods.

Sincerely,

Brad Russell, *Executive Director*
Rogue Valley Family YMCA
522 West Sixth Street, Medford, OR 97501
541-772-6295 x121 office
831-601-8606 cell
brussell@rvymca.org

Sunny Spicer, *Executive Director*
Kid Time Children's Museum
106 North Central Avenue, Medford, OR 97501
541-772-9922 office
541-944-6206 cell
sunny@kid-time.org



D O W N T O W N M E D F O R D
A S S O C I A T I O N

CITY COUNCIL PROPOSAL



EXECUTIVE SUMMARY:

As the cultural heart of Medford, Downtown can be where our multicultural community takes pride in our welcoming spirit and the vibrant and walkable core encourages residents and visitors alike to enjoy a variety for family-friendly events and will be known as an exciting place to live, work, shop, and play. The Downtown Medford Association has actively run a fairly lean organization based solely upon volunteers to make downtown a cohesive, thriving space for dining, culture, and entertainment. But we are restricted by the limited financial resources, despite being poised for growth and opportunity. We are requesting Medford City Council to allocate additional funds in the amount of \$50,000 so we can take what is already in place, expand upon it, and grow. This is a perfect opportunity to create a public/private partnership to improve Downtown Medford. We look forward to a stronger partnership with the City of Medford. Read more in [DMA's 2019-2024 Strategic Plan](#).

INCOME HIGHLIGHTS:



BIKES N BREWS FUNDRAISING event was fully funded at \$10,000 before the event was postponed until 2021. Ridership would have provided an additional \$5,000. Most of the sponsors have committed to remain sponsors next year (and left money with us). We anticipate that this event will consistently provide \$25,000 annually once it has matured over the next few years.

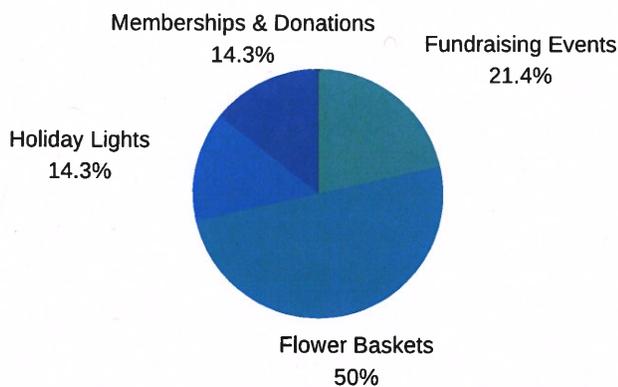


BEAUTIFICATION EFFORTS include hanging baskets and holiday lighting. Almost 100% of the money collected for baskets and holiday lighting was passed directly to vendors who performed the work, while we provided hundreds of hours in administration and fundraising volunteer efforts to solicit the funds and promote. 2020 baskets raised over \$35,000 and 2019 Holiday lighting raised over \$10,000.

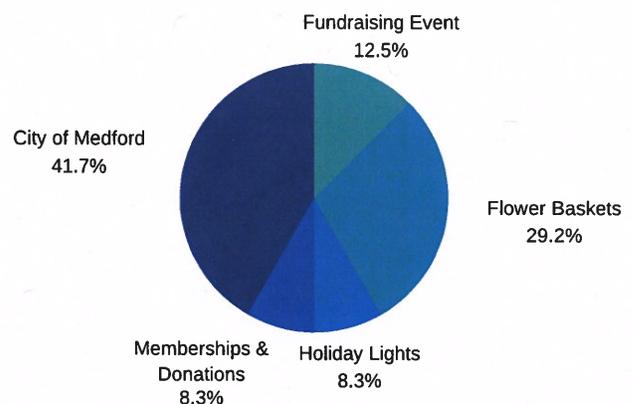


MEMBERS AND IN-KIND SUPPORT are diversified among our enthusiastic partners. We have received approximately \$10,000 of cash and in-kind donations.

EXISTING INCOME SOURCES



INCOME SOURCES WITH CITY OF MEDFORD ALLOCATION





EXISTING AND FUTURE EXPENSES

Our leadership is currently entirely volunteer so while much of the following items have been done in some capacity, the additional financial resources would exponentially increase output and the growth and beautification of Downtown:



VOLUNTEER & MEMBERSHIP COORDINATION is a key component to a Main Street America program organization. Both recruiting new members and volunteers and deploying them in the most strategic fashion possible is key to our overall success. Whether business owners, property owners, residents, or other key stakeholders -- this work is best done with personal relationships on a regular basis.



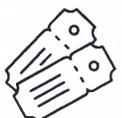
PROMOTING DOWNTOWN is more than just a brochure or advertising. It is a conscientious effort to promote the downtown core as a place to work, shop, dine, and play. Current city, county, and state marketing efforts for Medford focus on the larger market and Medford as the center of Southern Oregon. Our promotion efforts would be both on creating a narrative for residents of Southern Oregon and tourists to choose to come to Downtown Medford specifically.



BUSINESS RECRUITMENT is essential when it comes to filling vacancies and encouraging new developments in Downtown. Other business destinations in our region such as malls have a sales representative who is tasked with filling vacancies. To effectively recruit more business, we need to build upon our existing efforts of a business startup guide for Downtown and target businesses that would be an asset to Downtown Medford and its residents and visitors.



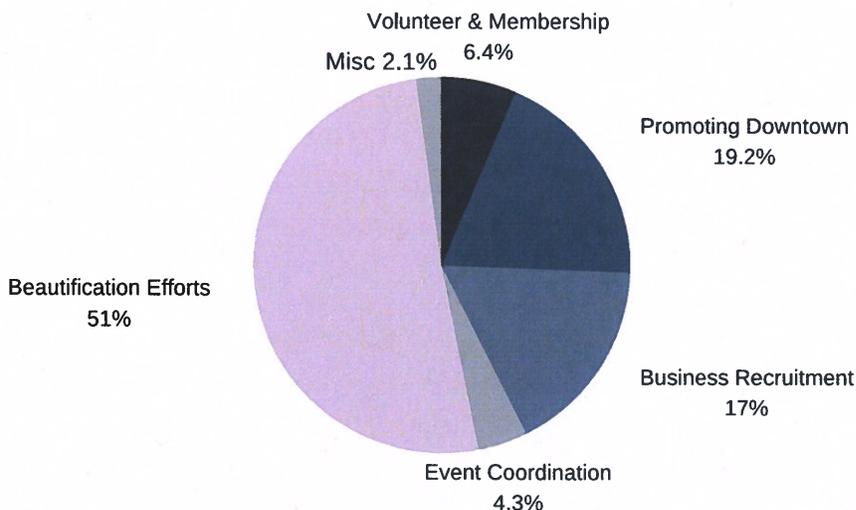
BEAUTIFICATION EFFORTS would continue to be one of our largest expenditures. The flower baskets and holiday lights bring needed vibrancy to Downtown. Organizing and expanding contributors will provide us with additional participants. We also want to increase cleaning efforts and blight abatement.



EVENT COORDINATION includes providing a solid place to incubate new events as well as partnering with existing events to bring cohesiveness to Downtown events.

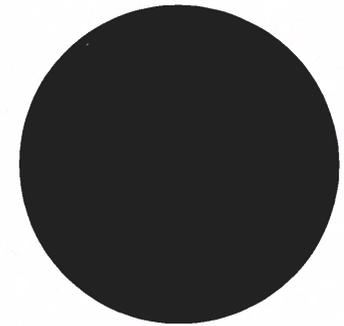
We have allocated money to OVERHEAD and MISC expenses so that we can address unexpected expenses that might come along. Things such as state registration fees, general liability insurance, dues and subscriptions, utilities etc. would fall under this category.

EXPENSES & STAFF PRIORITIES





I opened my downtown business a year ago and jumped in to the deep end by leading the Third Friday Art Walk events. With the participation of our downtown galleries, we were able to grow our events from sporadic to consistent every single month and participating businesses grew from 5 to 13 over the course of the last year. After being denied Arts Commission funding repeatedly in the past, our downtown Third Friday efforts have been recognized and we have been invited to apply for \$1,000 grant later this year. Before the coronavirus crisis, Third Friday downtown was a reliable destination for arts, culture, shopping, and great food! We look forward to celebrating Third Friday in new ways this summer.



- Tiffany Perez, Downtown Merchant
Factory Direct Mattress & Furniture



The lighted trees in downtown Medford have brought a sense of fun and warmth to the heart of our city. Along with the beautiful hanging baskets, they have created a festive and inviting environment, and made our downtown a welcoming place for people to visit. I really appreciate the Downtown Medford Association and the City of Medford for making the center of our city an inviting place to spend time.

- Sandy Abell, Medford Resident



From: Lindsay Berryman <lindsay1694@gmail.com>
Sent: Tuesday, May 19, 2020 9:48 AM
To: Eric Stark
Cc: Lindsay Berryman
Subject: PPP Loans

Eric, the following is the current accounting of the People's Bank PPP loans funneled into our community.

Total number of PPP loans funded is 848.

Total dollars into community is \$90.8 Million.

Last I heard 30% of them are non People's Bank customers.

People's Bank has been a great DMA partner supporting the basket program as well as \$2500 toward

our fund raising campaign. They also partner with Dancing and Dining through billboard advertising.

People's has participated in video zooming to inform DT businesses as to how to apply for loans. These

zoom meetings were set up by DMA . DMA also worked feverishly to inform our business partners

about loan applications. DMA used their membership, social media, and business contacts to inform

owners of all financial aids available to them.

Partnering with E2E, DMA was able to bring more businesses to their video zooms with People's Bank.

Eric, I hope this gives you an idea how DMA has been working with business to help DT during these last few months.

Thank you to you and all Council for continued support AND all you do for the City of Medford.

Lindsay

Lindsay Berryman
Sacca di Italiana

Sent from my iPad

VISION FUNDS APPROVED

Vision Fund Balance as of 12/31/19: **\$851,758**

- Livability Team \$300,000
- Social Service Grants (COVID-19) \$100,000
- Small Business Grants (COVID-19) \$125,000
- Total** **\$525,000**

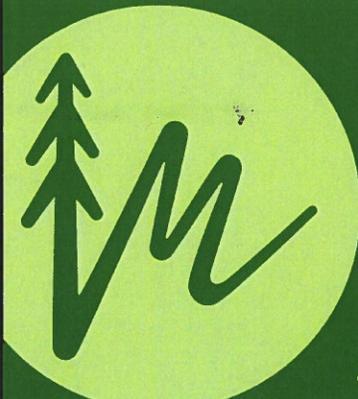


VISION FUND REQUESTS

- Downtown Medford Association (DMA) \$100,000
- St. Vincent de Paul \$ 7,500
- Private Property Abatement \$100,000
- Small Business Bridge Grant \$125,000
- Preschool Scholarship Fund \$100,000
- Total** **\$432,500**

Deficit of \$105,242
Vision Funds Collected from 1/2020 -3/2020: \$242,680





THANKS

City of Medford | City Manager's Office
411 W. 8th Street, Medford, OR 97501



MEDFORD

OREGON

cityofmedford.org

Item No: 70.2

AGENDA ITEM COMMENTARY

DEPARTMENT: Mayor & Council
PHONE: (541) 774-2000
STAFF CONTACT: Gary Wheeler, Mayor

AGENDA SECTION: Ordinances and Resolutions
MEETING DATE: June 4, 2020

RESOLUTION NO. 2020-71

A RESOLUTION ratifying the Mayor's Administrative Order dated May 29, 2020 for a Second Extension of a Local State of Emergency in the City of Medford as a Result of COVID-19 Pandemic.

WHEREAS, the Mayor of the City of Medford declared a local state of emergency on March 16, 2020 and that Administrative Order was ratified by the City Council on March 19, 2020 via Resolution 2020-36; and

WHEREAS, the Mayor signed an Administrative Order dated April 30, 2020 Extending a Local State of Emergency in the City of Medford as a Result of COVID-19 Pandemic and that Administrative Order was ratified by the City Council on May 7, 2020 via Resolution No. 2020-53; and

WHEREAS, the Mayor signed an Administrative Order dated May 29, 2020 for a Second Extension of a Local State of Emergency in the City of Medford as a Result of COVID-19 Pandemic, which extends the State of Emergency through July 31, 2020; and

WHEREAS, declarations of emergency by the Mayor, including any extensions of the declaration, must be ratified by City Council pursuant to Medford Municipal Code 12.050; and

WHEREAS, City Council is in full agreement with the Declaration and all the contents thereof; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDFORD, OREGON:

The Mayor's Administrative Order dated May 29, 2020 for a Second Extension of a Local State of Emergency in the City of Medford as a Result of COVID-19 Pandemic, attached hereto as Exhibit 1, is hereby ratified.

PASSED by the Council and signed by me in authentication of its passage this 4th day of June, 2020.

ATTEST: _____
City Recorder

Mayor



ADMINISTRATIVE ORDER DATED MAY 29, 2020
of the
Mayor of the City of Medford, Oregon

**SECOND EXTENSION OF A LOCAL STATE OF
EMERGENCY IN THE CITY OF MEDFORD AS A RESULT OF
COVID-19 PANDEMIC**

The Mayor of the City of Medford finds that:

- A. The following conditions have resulted in the need for a local state of emergency declaration and an extension of that declaration.
- B. COVID-19 (novel coronavirus) was declared a pandemic by the World Health Organization on March 11, 2020.
- C. Coronavirus are a group of viruses that can cause respiratory disease, with the potential to cause serious illness or loss of life for individuals with underlying health conditions.
- D. COVID-19 requires a significant amount of resources at the local level to keep the public and community informed and as safe as possible.
- E. On March 8, 2020, Governor Kate Brown declared a state of emergency due to the COVID-19 outbreak in Oregon (Executive Order No. 20-03), finding that COVID-19 has created a threat to public health and safety, and constitutes a statewide emergency under ORS 401.025(1). Governor Brown also issued guidance on March 12, 2020 regarding group gatherings and social distancing to minimize potential opportunities for COVID-19 to spread (Executive Order No. 20-05), and on March 23, 2020 she ordered citizens to stay at home, to the maximum extent possible; mandated closure of non-essential businesses where close personal contact is difficult to avoid; and required the closure of governmental offices to the public (Executive Order No. 20-12).
- F. The unknown duration of the COVID-19 pandemic has caused, and will continue to cause, significant financial impact to the community.
- G. I have been in regular contact with local agency leaders and public health experts, including the Jackson County Health Services Director for countywide information and updates. The City has been closely monitoring updated information for the state through the Oregon Health Authority (OHA), and the Centers for Disease Control (CDC) for U.S. updates. The primary focus at the City is to restrict the spread of COVID-19 and to maintain the health of our workforce so the City can continue to provide crucial City services.

Exhibit 1

H. Pursuant to ORS 401.309(1), the governing body of a city may declare, by ordinance or resolution, that a state of emergency exists within the city.

I. Pursuant to MMC Chapter 12, if the Mayor determines that a state of emergency exists, the City may declare a state of emergency when there exists "any human caused or natural event or circumstances causing or threatening loss of life, injury to person or property, human suffering or financial loss, and includes, but is not limited to, fire, explosion, flood, severe weather, earthquake, spills or releases of oil or hazardous material, contamination, disease, civil disturbance, terrorism, riot, or the interruption of essential public services.." MMC 12.060 sets out the actions the City can take, which include appropriate financial and procurement procedures and take various actions to address human suffering and financial loss resulting from emergencies. I made such a declaration on March 16, 2020.

J. Pursuant to MMC 12.050(1), the City Council ratified the emergency declaration at its March 19, 2020 regular meeting.

K. On April 30, 2020, I extended the emergency declaration through May 28, 2020. Council ratified this extension on May 7, 2020.

L. As the month of May concludes, although protective measures have effectively reduced the impact of the pandemic to date, the virus remains a real threat to the health and safety of our citizens.

M. The State of Oregon remains in a declared state of emergency, and the Governor is implementing a three-phase process for the gradual lifting of restrictions over a period of time in order to more safely transition out of emergency, while protecting the safety of the public and our workers.

N. The City of Medford also would benefit from a phased transition and staff has implemented a phase-one plan in compliance with the Governor's phased re-opening process.

O. The ongoing pandemic and the need for a phased reduction in social distancing and other restrictions necessitate a second extension of the City's March 16, 2020 emergency declaration.

Now, therefore, based on the above findings, THE MAYOR OF THE CITY OF MEDFORD ORDERS THAT:

1. A Local State of Emergency is declared to continue to exist throughout the City of Medford.

2. This extended Declaration of Local State of Emergency is effective immediately and shall remain in effect until July 31, 2020, but may be further extended so long as COVID-19 continues to pose an ongoing, immediate, and substantial threat to life, safety, health, or property in the City of Medford.

3. The operative provisions of the March 16, 2020 declaration of emergency are adopted by reference as if fully set forth herein.

Dated this 29th day of May, 2020.

/s/ Gary Wheeler

Mayor, City of Medford

Ratified by City Council action on _____.

Attest:

City Recorder, City of Medford