

RESOLUTION 24-022

RESOLUTION CALLING FOR A PUBLIC HEARING ON AN
ISSUE OF REVENUE BONDS ON BEHALF OF
AVERA HEALTH

BE IT RESOLVED by the City Council of the City of Marshall, Minnesota (the “City”), as follows:

1. Avera Health, a South Dakota nonprofit corporation (“Avera Health”), has advised this Council of its desire to acquire, construct, remodel, renovate and equip certain health care facilities located in the City (the “Project”) owned by Avera Marshall, an affiliate of Avera Health and a Minnesota nonprofit corporation, through the issuance by the South Dakota Health and Educational Facilities Authority of one or more series of revenue bonds (the “Bonds”) under the authority of Sections 1-16A-1 through 1-16A-92 of the South Dakota Codified Laws, in a principal amount not to exceed \$465,000,000, of which an amount not to exceed \$3,000,000 will be applied to finance the Project.

2. Since the Project to be financed by the Bonds is located in the City, Section 147(f) of the Internal Revenue Code of 1986, and regulations promulgated thereunder, require that prior to the issuance of the Bonds, this Council approve the use of proceeds of the Bonds to improve facilities located in the City, after conducting a public hearing thereon. A public hearing on the proposal to issue the Bonds to finance the Project is hereby called and shall be held on March 12, 2024, at 5:30 p.m., at the City Hall Council Chambers.

3. The City Clerk has caused notice of the public hearing, in substantially the form attached hereto as *Exhibit A*, to be published in the official newspaper of the City and a newspaper of general circulation in the City, once not less than seven days prior to the date fixed for the public hearing, and the City Council hereby authorizes, ratifies and approves such action.

Adopted by the City Council of the City of Marshall, Minnesota on this 27th day of February, 2024.

Mayor

Attest: _____
City Clerk

EXHIBIT A

NOTICE OF PUBLIC HEARING

Public Notice is hereby given that the City Council of the City of Marshall, Minnesota (the “City”), will meet on March 12, 2024, at 5:30 p.m., or as soon thereafter as the matter can be heard, at the City Hall Council Chambers, 344 West Main Street, Marshall, Minnesota, for the purpose of conducting a public hearing on a proposal that the South Dakota Health and Educational Facilities Authority (the “Authority”) issue bonds in one or more series in an aggregate principal amount not to exceed \$465,000,000 (the “Bonds”) for Avera Health, a South Dakota nonprofit corporation (“Avera Health”), and Avera Marshall (“Avera Marshall”), a Minnesota nonprofit corporation and an affiliate of Avera Health (together, the “Borrowers”). The Bonds will be issued in one or more series pursuant to Sections 1-16A-1 through 1-16A-92 of the South Dakota Codified Laws as part of a plan of finance to provide the Borrowers and certain of their corporate affiliates with moneys to finance or refinance projects located in the States of South Dakota and Minnesota. Public approval by the State of South Dakota and each other local jurisdiction will be obtained following a public notice and public hearing regarding the Bonds and the projects financed or refinanced in the State of South Dakota or such local jurisdiction. In the City, proceeds of the Bonds in an aggregate principal amount not to exceed \$3,000,000 will be used, together with certain other moneys, to pay or reimburse Avera Marshall for the costs of remodeling, renovating and equipping the Avera Marshall Regional Medical Center, an acute care hospital located at 300 South Bruce Street in Marshall, Minnesota, to relocate the pharmacy therein. In addition, a portion of the proceeds of the Bonds will be applied to pay expenses incurred in connection with the issuance of the Bonds. The Bonds will be issued as qualified 501(c)(3) bonds pursuant to Section 145 of the Internal Revenue Code of 1986.

The facilities and assets in the City to be financed with the proceeds of the Bonds are or will be owned or principally used by Avera Marshall and are or will be located at: 300 South Bruce Street, Marshall, Minnesota.

The Bonds shall not be deemed to constitute a debt or liability of the City, the State of Minnesota, the State of South Dakota or of any political subdivision thereof other than the Authority or a pledge of the faith and credit of the City, the State of Minnesota, the State of South Dakota or of any such political subdivision other than the Authority, and neither the City, the State of Minnesota, the State of South Dakota nor any political subdivision thereof will be liable on the Bonds nor will the Bonds be payable out of any funds other than those pledged and assigned under the Loan Agreement between the Authority and Avera Health. The Bonds will not be issued by the City, nor will the City have any liability with respect to the Bonds.

The public hearing is required by Section 147(f) of the Internal Revenue Code of 1986 and the regulations promulgated thereunder. Immediately following the public hearing, the City Council of the City will consider the adoption of the resolution providing host approval for the issuance of the Bonds by the Authority, a portion of which, in the maximum aggregate principal amount of \$3,000,000, will be used to finance the remodeling, renovating and equipping the Avera Marshall Regional Medical Center. Written comments may be submitted to Steven Anderson, City Clerk of the City of Marshall, Minnesota at his office located at 344 West Main

Street, Marshall, Minnesota 56258, until 5:00 p.m. on March 11, 2024. Immediately following the public hearing, the City Council will meet to consider approval of the issuance of the Bonds.

Notice dated: March 5, 2024

BY ORDER OF THE CITY COUNCIL
Steven Anderson, City Clerk