

RESOLUTION _____

A RESOLUTION GRANTING FINAL APPROVAL OF THE
ISSUANCE OF AN AMOUNT NOT TO EXCEED
\$125,000,000 PRINCIPAL AMOUNT OF LEASE REVENUE
BONDS (MAYO/BROOKS REHABILITATION FACILITY
PROJECT), SERIES 2024, OF THE INDUSTRIAL
DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX,
ARIZONA

WHEREAS, The Industrial Development Authority of the City of Phoenix,
Arizona (the “Issuer”), is a nonprofit corporation designated a political subdivision of the
State of Arizona (the “State”) incorporated with the approval of the City of Phoenix,
Arizona (the “City”); and

WHEREAS, Title 35, Chapter 5, of the Arizona Revised Statutes, Section
35-701 *et seq.*, as amended (the “Act”), authorizes the Issuer to issue revenue bonds for
the purposes set forth in the Act, including the making of secured and unsecured loans
to finance or refinance the acquisition, construction, improvement, equipping or operation
of a “project” (as defined in the Act) whenever the Board of Directors of the Issuer finds
such loans to further advance the interests of the Issuer or the public interest, and to
refund outstanding obligations incurred by an enterprise to finance the costs of a “project”
when the Board of Directors of the Issuer finds such loans to be in furtherance of the
purposes of the Authority or in the public interest; and

WHEREAS, PAFAF I Phoenix LLC, a Delaware limited liability company

(the “Borrower”), whose sole member is Pan-American Financial Assistance Foundation, Inc., a Delaware nonprofit corporation and an exempt organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), has requested that the Issuer issue its Lease Revenue Bonds (Mayo/Brooks Rehabilitation Facility Project), Series 2024 (the “Bonds”), in one or more series on a tax-exempt or taxable basis, pursuant to a Financing Agreement (the “Financing Agreement”), between the Issuer and the Borrower, pursuant to which the Issuer will loan the proceeds of the Bonds to the Borrower (the “Loan”), for purposes of: (a) financing, refinancing and/or reimbursing a portion of the cost of the development, acquisition, construction and equipping of a 60-bed healthcare facility to be located on the Discovery Oasis Campus on the west side of 64th Street, approximately one quarter mile south of the Mayo Boulevard and 64th Street intersection in Phoenix, Arizona (the “Facility”); (b) funding reserves for capitalized interest, working capital and debt service, as required; and (c) paying costs of issuance and other related transaction costs in connection with the issuance of the Bonds (collectively, the “Project”), all in accordance with the Act; and

WHEREAS, the Facility will be leased to and operated by Brooks West Rehab Services, Inc., an Arizona nonprofit corporation and an exempt organization described under the Code, or one or more of its affiliates (the “Lessee”), pursuant to a Residual Ownership SubleaseSM Agreement to be entered into between the Borrower and the Lessee; and

WHEREAS, the Issuer, by Resolution 2024-___, duly adopted by the Board of Directors of the Issuer at a lawful meeting called and held on August 15, 2024, granted approval of the issuance and sale of the Bonds in an aggregate principal amount not to

exceed \$125,000,000; and

WHEREAS, Section 35-721(B) of the Act provides that the proceedings of the Issuer under which the Bonds are to be issued require the approval of the Council of the City; and

WHEREAS, Section 147(f) of the Code requires that an “applicable elected representative” (as that term is defined in the Code) approve the issuance of the Bonds and the plan of finance for the Project following a public hearing, which public hearing was held by the Issuer on August 16, 2024 at 10:00 a.m. at the offices of the Issuer; and

WHEREAS, information regarding the Project to be financed with the proceeds of the Bonds has been presented to the Council of the City; and

WHEREAS, it is intended that this Resolution shall constitute approval by the Council of the City pursuant to Section 35-721(B) of the Act and of the “applicable elected representative” as defined in Section 147(f) of the Code with respect to the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PHOENIX, ARIZONA as follows:

SECTION 1. The proceedings of the Issuer under which the Bonds are to be issued are hereby approved.

SECTION 2. The issuance of the Bonds and the plan of finance for the Project are hereby approved for purposes of Section 147(f) of the Code.

SECTION 3. Notice of Arizona Revised Statutes Section 38-511 is hereby given. The provisions of that statute are by this reference incorporated herein to the extent of their applicability to matters contained herein.

PASSED BY THE COUNCIL OF THE CITY OF PHOENIX, ARIZONA this
____ day of August, 2024.

MAYOR

ATTEST:

City Clerk

APPROVED AS TO FORM:

Acting City Attorney

REVIEWED BY:

City Manager