

A RESOLUTION 2008-01-10-0001R

**CONSENTING TO THE ISSUANCE AND USE OF VARIABLE RATE DEMAND HEALTH CARE REVENUE BONDS NOT TO EXCEED \$59,000,000, SERIES 2008A AND SERIES 2008B, TO BE ISSUED BY THE KENDALL COUNTY HEALTH FACILITIES DEVELOPMENT CORPORATION TO PAY CERTAIN COSTS OF ISSUANCE AND TO FINANCE AND REFINANCE THE COSTS OF CONTINUING CARE FACILITIES OF MORNINGSIDЕ MINISTRIES AND/OR THE MORNINGSIDЕ MINISTRIES FOUNDATION, INC. LOCATED WITHIN THE BOUNDARIES OF SAN ANTONIO, TEXAS; AND RESCINDING RESOLUTION NO. 2007-12-06-022R.**

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**WHEREAS**, the Kendall County Health Facilities Development Corporation (the “Issuer”) was created by Kendall County, Texas (the “County”) pursuant to the provisions of the Health Facilities Development Act, Chapter 221, Texas Health and Safety Code, as amended (the “Act”); and

**WHEREAS**, it has been proposed that the Issuer issue two series of its limited obligation revenue bonds (the “Bonds”), in an aggregate principal amount not to exceed \$59,000,000, and loan the proceeds thereof to Morningside Ministries, a Texas nonprofit corporation, and/or The Morningside Ministries Foundation, Inc., a Texas nonprofit corporation (together, “Morningside”), to (i) finance and refinance the costs of continuing care facilities within the territorial limits of San Antonio, Texas (“San Antonio”), which will be utilized by Morningside, and (ii) pay certain costs of issuance; and

**WHEREAS**, San Antonio is a “sponsoring entity” within the meaning of the Act; and

**WHEREAS**, under the Act, use of the proceeds of the Bonds to finance costs relating to a continuing care facility located outside the limits of the County and within the limits of San Antonio requires the consent of the City Council of San Antonio (the “City Council”); and

**WHEREAS**, the Bonds are payable, in part, from revenues to be paid by Morningside and are not payable from taxes by any jurisdiction, including the County, San Antonio or the State of Texas; and

**WHEREAS**, it is deemed necessary and advisable that this Resolution be adopted; **NOW THEREFORE**, be it Resolved by the City Council of the City of San Antonio:

**Section 1.** This Resolution is adopted for the purpose of satisfying the conditions and requirements of Section 221.030 of the Health Facilities Development Act, Texas Health and Safety Code, as amended.

**Section 2.** The City of San Antonio, acting by and through its City Council, consents to the issuance by the Kendall County Health Facilities Development Corporation (the "Issuer") of its limited obligation revenue Bonds and the loan of the proceeds thereof to Morningside Ministries and/or The Morningside Ministries Foundation, Inc. (together, "Morningside") to finance and refinance the costs of continuing care facilities to be utilized by Morningside and to pay certain costs of issuance.

**Section 3.** San Antonio, acting by and through its City Council, hereby consents to the issuance of the Bonds approved in Section 2, upon such terms as the Issuer deems appropriate and approves.

**Section 4.** The adoption of this Resolution is not intended to, nor shall it, create any liability on the part of the City of San Antonio with respect to the Bonds or the projects being financed and refinanced therewith and, further, the City shall not be required to take any further action with respect thereto.

**Section 5.** The City Council and each of its members is hereby authorized, jointly and severally, to execute and deliver such endorsements, instruments, certificates, documents or papers necessary and advisable to carry out the intent and purpose of this Resolution.

**Section 6.** The recitals contained in the preamble are found to be true and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.

**Section 7.** All ordinances and resolutions, or relevant parts thereof, which are in conflict or inconsistent with any provision of this Resolution, including Resolution No. 2007-12-06-022R, are hereby repealed to the extent of such conflict and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

**Section 8.** This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

**Section 9.** If any provision of this Resolution or the application hereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid and this City Council hereby declares that this Resolution would have been enacted without such invalid provision.

**Section 10.** It is officially found, determined and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

**Section 11.** This Resolution shall be effective immediately upon the passage of eight (8) affirmative votes; however, in the event that eight (8) affirmative votes are not obtained, the Resolution shall be effective ten (10) days after passage by majority vote.

PASSED AND APPROVED this 10<sup>th</sup> day of January, 2008.

City of San Antonio, Texas

  
MAYOR  
**PHIL HARDBERGER**

ATTEST:

  
\_\_\_\_\_  
Leticia Vacek  
CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
for City Attorney

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS           §  
COUNTY OF BEXAR           §  
CITY OF SAN ANTONIO       §

We, the undersigned officers of the City Council of the City of San Antonio, Texas hereby certify as follows:

1. The City Council of the City of San Antonio, Texas convened in regular meeting on the 10<sup>TH</sup> day of January, 2008, at its regular meeting place, Council Chambers, Municipal Plaza, San Antonio, Texas, and the roll was called of the duly constituted officers and members of the City Council and the City Secretary, to-wit:

Phil Hardberger.	Mayor
Mary Alice P. Cisneros	Councilmember
Sheila D. McNeil	Councilmember
Roland Gutierrez	Councilmember
Philip A. Cortez	Councilmember
Lourdes Galvan	Councilmember
Delicia Herrera	Councilmember
Justin Rodriguez	Councilmember
Diane G. Cibrian	Councilmember
Kevin Wolff	Councilmember
John G. Clamp	Councilmember

and all of these persons were present, except GUTIERREZ AND WOLFF, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting:

A written

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was duly introduced for the consideration of the City Council and read in full. After due discussion, it was then duly moved and seconded that the Resolution be adopted; and the motion carried by the following vote: AYES: 9; NOS: 0; ABSTAINED: 0.

2. That a true, full and correct copy of the Resolution adopted at the meeting described in Paragraph 1 above is attached to and follows this certificate; that the Resolution has been duly recorded in the City Council's minutes of the meeting; that the persons named in Paragraph 1 above are the duly chosen, qualified and acting officers and members of the City Council as indicated therein; that each of the officers and members of the City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the meeting, and that the Resolution would be introduced and considered for adoption at the meeting; that the meeting was open to the public as required by law; and that public notice of the hour, date, place and subject of the meeting was given as required by the Texas Open Meetings Act (Texas Government Code, Chapter 551), as amended.

SIGNED AND SEALED this 10<sup>TH</sup> day of January, 2008.

(SEAL)



*Leticia M. Vaca*  
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City Clerk  
City of San Antonio, Texas