

**RESOLUTION  
OF  
THE HOSPITAL FACILITY AUTHORITY OF  
CITY OF ASTORIA, OREGON**

The Board of Directors of The Hospital Facility Authority of the City of Astoria, Oregon (the “**Authority**”), has received a request from Columbia Lutheran Charities, dba Columbia Memorial Hospital, an Oregon nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the “**Borrower**”), for the issuance by the Authority of Hospital Revenue Refunding Bonds, Series 2022 (Columbia Memorial Hospital) (the “**Bonds**”), in one or more series of tax-exempt or federally taxable bonds, in an aggregate issue price not to exceed \$25,000,000.

The proceeds of any series of the Bonds issued by the Authority will be applied to finance all or a portion of the following (collectively, the “**Projects**”):

1. refunding all or a portion of the Authority’s outstanding Hospital Revenue and Refunding Bonds, Series 2012 (Columbia Memorial Hospital) (the “**2012 Bonds**”);
2. fund one or more reserve accounts, if necessary; and
3. pay certain costs of issuance of the Bonds.

The Authority has received a letter from the Borrower requesting the approval of the issuance of the Bonds in order to lock in interest rate savings with respect to refunding the 2012 Bonds.

Oregon Revised Statutes Section 441.550 authorizes the Authority to borrow money and to issue revenue bonds for the purpose of carrying out its powers as the Board of Directors deems necessary or advisable. The Authority has determined that the financing and refinancing of the Projects are necessary and desirable and that the refinancing and financing of the Projects are in the best interest of the citizens of the City of Astoria, Oregon (the “**City**”).

In certain circumstances, Section 147(f) of the Internal Revenue Code of 1986 (the “**Code**”) requires that qualified 501(c)(3) bonds be approved by the City Council (the “**City Council**”) of the City, as the applicable elected representatives of the governmental unit issuing the Bonds and having jurisdiction over the area in which a portion of the Projects are located. In certain circumstances, Section 147(f) also 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 such tax-exempt bonds. In connection with the issuance of the Bonds, (i) a Notice of Public Hearing has been published or broadcast pursuant to Section 147(f) of the Code; (ii) on the date that the Authority approved this Resolution, it understands that it will conduct a public hearing in connection with the issuance of the Bonds and the financing of the Projects and will consider a Resolution approving of the issuance of such Bonds and the financing of the Project. On the date hereof, the Authority has conducted a public hearing and will provide a

Public Hearing Report to the City Council for its consideration in considering a Resolution issuing the Bonds and financing of the Project.

In connection with the implementation of the Project, the Authority may be requested to execute and deliver certain agreements, contracts, directions, certificates, notices and other documents (collectively, the “**Financing Documents**”), which may include without limitation:

1. one or more Bond Trust Indentures for the Bonds, between the Authority and U.S. Bank Trust Company, National Association, as bond trustee (the “**Trustee**”);
2. one or more Loan Agreements in connection with the Bonds, between the Authority and the Borrower;
3. one or more amendments, modifications or extensions of financing documents related to the 2012 Bonds;
4. one or more bond purchase agreements; and
5. a tax certificates or other documents related to the tax-exemption of interest on all or a portion of the Bonds.

The principal of and interest on any Bonds will not constitute a debt of the Authority, the City, nor shall any Bonds be payable from a tax of any nature levied upon any property within the City, nor within any other political subdivision of the State of Oregon. The Authority has no taxing power. Any Bonds will be payable only from the revenues and resources provided or arranged by the Borrower.

The City Council determines that it is in the best interest for the Authority to provide adequate hospital facilities and related services within the City, and to proceed with the Projects.

**The Board of Directors of the Authority resolves, as follows:**

**Section 1.** The Authorized Representative (defined below) is authorized, at the request of the Borrower, to approve the Projects, and to execute and deliver the Financing Documents and any agreements, contracts, certificates or other documents in connection with the Projects, including without limitation, notices, directions, confirmations, waivers, amendments or terminations.

**Section 2.** 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, and in the form of tax-exempt or federally taxable bonds in an aggregate issue price not to exceed \$25,000,000 to finance the Projects.

**Section 3.** The Authority designates each of the Chair, the Vice Chair, the Secretary/Treasurer or their designee as an “**Authorized Representative**” of the Authority 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, and to negotiate the term and the sale of any Bonds and to determine and

designate the dated date of any Bonds, the series designations, the maturity dates and amounts, the interest rates and interest rate modes, the optional and mandatory redemption or tender provisions, with or without premium, if any, and the interest payment dates and such other provisions and terms of any Bonds as are deemed necessary and desirable for the issuance, sale and closing of any Bonds. Any Bonds shall be executed by the facsimile signature of the Chairman and shall be attested by the facsimile signature of an Authorized Representative of the Authority. Any Bonds shall mature not later than August 1, [20\_\_]. The Bonds shall be issued or executed in the form as may be approved by the Authorized Representative.

**Section 4.** The Authority will provide for the establishment of any special funds that may be required and as more particularly described in any Financing Documents, to be held in trust as set forth therein. The Authority will be obligated to deposit proceeds of any Bonds to the funds as set forth in and as required by the applicable Financing Documents. In addition, the Authority shall provide for the deposit of all of the loan repayments payable to the Authority pursuant to the Financing Documents.

**Section 5.** The Authority's pledge for the payment of any 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 6.** The Authority authorizes the loaning to the Borrower of the net proceeds of any Bonds pursuant to the Financing Documents.

**Section 7.** The Authority directs the Authorized Representative to execute and deliver the Financing Documents in the forms and with such changes as may be approved by the Authorized Representative. The Authority authorizes the performance by the Authority of the obligations and duties on its part as contained in the Financing Documents. Any one or more of the Authorized Representatives shall approve, execute and deliver each of the above-described documents and such other documents as are necessary to consummate the sale and/or issuance of any Bonds, the implementation of the Projects, or the administration of the Bonds.

**Section 8.** During any time any Bonds are held in a book-entry only system (the "**Book-Entry 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 has entered into a Blanket Issuer Letter of Representations (the "**Letter**") 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 9.** Any Bonds may be transferred or subject to exchange, for fully registered Bonds as provided in the Financing Documents. All Bonds issued upon transfer of or in exchange for a Bond shall be valid obligations of the Authority evidencing the same obligation and shall be entitled to the same benefits as the Bond surrendered for such exchange or transfer. All fees, expenses and charges of a paying agent and registrar shall be payable by the Borrower.

**Section 10.** The Authority may defease the Bonds as provided in the bond related documents executed in connection with the Bonds.

**Section 11.** In consideration of the purchase and acceptance of any or all of any 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 any 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 of such Bond over any other thereof, except as expressly provided in or pursuant to this Resolution.

**Section 12.** The Authority hereby approves the appointment of Orrick, Herrington & Sutcliffe LLP, as Bond Counsel and Special Counsel to the Authority; and U.S. Bank Trust Company, National Association, as bond trustee. The Authority also approves Siemens Public, Inc. (or its affiliate) as the Purchaser of the Bonds.

**Section 13.** 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, an Internal Revenue Service Information Report (Form 8038), an intercreditor agreement, a written certification and “identification” of any interest rate swap within the meaning of Treasury Regulations Section 1.148-4(h)(2) at the request of the Borrower in a timely manner, and any documents necessary to obtain credit enhancement or liquidity support for the Bonds, if applicable, all as may be necessary or desirable in the opinion of Orrick, Herrington & Sutcliffe LLP, as Bond Counsel and Special Counsel to the Authority, for the financing of the Projects. The Authorized Representatives are further authorized to carry out and administer the transactions contemplated by the documents defined in the Financing Documents and as authorized and approved in this Resolution, and to execute and deliver the Financing Documents, a Tax Certificate and Agreement and all other documents hereby authorized, to the respective parties entitled thereto.

[SIGNATURE PAGE FOLLOWS]

ADOPTED and effective this 16<sup>th</sup> day of May, 2022.

**THE HOSPITAL FACILITY AUTHORITY OF  
THE CITY OF ASTORIA, OREGON**

By \_\_\_\_\_  
Chairman

ATTEST:

By \_\_\_\_\_  
Secretary/Treasurer

**EXHIBIT A**

**LETTER OF INTENT**

**between**

**THE HOSPITAL FACILITY AUTHORITY OF  
THE CITY OF ASTORIA, OREGON**

**and**

**COLUMBIA LUTHERAN CHARITIES dba  
COLUMBIA MEMORIAL HOSPITAL**

THIS LETTER OF INTENT is between THE HOSPITAL FACILITY AUTHORITY OF THE CITY OF ASTORIA, OREGON, a public authority of the State of Oregon (the “Authority”), and COLUMBIA LUTHERAN CHARITIES, doing business as COLUMBIA MEMORIAL HOSPITAL (the “Borrower”), an Oregon nonprofit public benefit 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.

**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 and ORS Chapter 287A (the “Act”) to issue revenue bonds, notes or a loan for the purposes specified therein, including providing funds to nonprofit corporations sufficient to improve, extend, maintain, equip and furnish hospital facilities under the Act, upon such terms and conditions as the Authority may deem advisable.

b. The Authority proposes to issue a tax-exempt loan or revenue bonds in one or more series (collectively, the “Bonds”). The proceeds of the Bonds will be applied to finance the Projects as outlined in the Inducement Resolution adopted by the Authority on May 16, 2022 and pay costs of issuance of such Bonds.

The total estimated cost of the Projects to be financed with the proceeds of the Bonds will be in an aggregate principal amount not to exceed \$25,000,000.

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 all or a portion of the costs of the Projects in a total amount not to exceed \$25,000,000.

d. The Authority finds that the issuance of the Bonds to finance the costs of the Projects, 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 (a) the conditions stated herein and (b) 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 of the Borrower to the Authority pursuant to a loan agreement or other financing agreement or documents (collectively, the “Financing Documents”), which Bonds will be in an aggregate principal amount not to exceed \$25,000,000.

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 Projects, 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 and Special Counsel to the Authority (collectively, “Bond Counsel”) to supervise the proceedings and to approve the legality of the Bonds, the tax-exempt status of the Bonds and to conduct due diligence with respect to the Borrower.

e. Neither the Bonds nor the interest thereon shall be an obligation of the Authority, Astoria, Oregon (the “City”), or the State of Oregon, or the personal obligations of the elected or appointed officials, employees or agents of the Authority, the City, or the State of Oregon 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 or the State of Oregon. The Authority has no taxing authority.

f. No presently existing assets of the Authority or the City 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. If the Bond financing herein contemplated is available, it is the intent of the Borrower to cause the Projects to be completed.

b. 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 \$25,000,000 to be used to finance the Projects.

c. The Borrower will pay from Bond proceeds or other available Borrower funds, to Bond Counsel, fees based on the time incurred with respect to the Bonds and the Projects based on its standard hourly rates less a 10 percent professional discount and plus its out-of-pocket expenses.

d. At the time of closing of the Bonds, the Borrower will deliver the executed Financing Documents with the Authority, 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.

e. 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 and hold the Authority, the City and their elected or appointed officials, employees and agents harmless from all liabilities incurred in connection with the Projects or the sale, issuance, marketing or administration of the Bonds. The Borrower will also pay the Authority and the City for any out of pocket expenses the Authority or the City incur with respect to the Bonds.

f. 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.

g. 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.

h. In addition to the indemnification and hold harmless obligations of the Borrower under Section 5(a) hereof, the Borrower shall indemnify and save the Authority, the City, their appointed or elected officials, employees or agents harmless against and from all claims by or on behalf of any person, firm, corporation or other legal entity arising from any fees or costs incurred by the Authority or the City, in responding to any Internal Revenue Service audit, Securities and Exchange Commission inquiry or any other federal, state or regulatory action or proceeding with respect to the Bonds or the Projects. The Borrower agrees to enter into an Agreement Relating to IRS Audits with the Authority as required by the Financing Documents. The Authority may employ, at the Borrower's expense, any counsel (internal or otherwise) or experts required in responding to any audit, inquiry, regulatory action or proceeding with respect to the Bonds or the Projects.

i. The Borrower will take such further action and adopt such further proceedings as may be required to implement these understandings.

#### **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, the Authority's financial advisor, if any, and a paying agent or registrar, if necessary. In addition, the Borrower shall pay the out-of-pocket costs of Bond Counsel, the Authority's financial advisor, if any, and City staff. The

Borrower will also pay the cost and fees of its counsel, underwriter's fees and any other costs incurred in connection with the Projects 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 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.

**5. Miscellaneous Provisions.**

a. The Borrower shall and hereby agrees to indemnify and save the Authority, the City and their appointed or elected officials, employees or agents (collectively, the "Indemnified Parties") harmless 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 Authority or the City, relating to the Projects 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 Projects, including without limitation, (i) any condition related to the Projects, (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 any 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 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 hereunder, 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, if any, 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 or otherwise incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice from the Authority or its elected or appointed officials, employees or agents, the Borrower shall defend the Authority and its elected or appointed officials, employees or agents 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' gross negligence or willful misconduct.

In the event any claim is made against any of 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 Party.

b. If Bond proceeds are not sufficient to complete the Projects, 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 16<sup>th</sup> day of May, 2022.

[SIGNATURE PAGE FOLLOWS]

**THE HOSPITAL FACILITY AUTHORITY  
OF THE CITY OF ASTORIA, OREGON**

**COLUMBIA LUTHERAN CHARITIES,  
dba COLUMBIA MEMORIAL  
HOSPITAL**

By: \_\_\_\_\_  
Authorized Representative

By: \_\_\_\_\_  
Authorized Representative

