

A RESOLUTION

APPROVING THE ISSUANCE BY THE ARIZONA INDUSTRIAL DEVELOPMENT AUTHORITY OF A PORTION OF ITS REVENUE BONDS ON BEHALF OF QCF/I, INC., A 501(C)(3) HEALTHCARE ORGANIZATION FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED

WHEREAS, Clark County, Nevada (the “*County*”) is a political subdivision of the State of Nevada and the Board of County Commissioners (the “*Governing Body*”) is the elected governing body of the County; and

WHEREAS, the Borrower (as defined below) has represented the following to the County for this resolution:

1. QCF/I, Inc., a Georgia nonprofit corporation and 501(c)(3) healthcare organization (the “*Borrower*”), has requested that the Arizona Industrial Development Authority (the “*Authority*”) issue its revenue bonds (the “*Bonds*”), in one or more series of tax-exempt and/or taxable bonds, in an amount not to exceed \$640,000,000, in order to finance the acquisition, construction, expansion, rehabilitation, renovation and equipping of hospital facilities located in Nevada and Texas and other purposes described in the form of notice attached hereto as EXHIBIT A (collectively, the “*Project*”), including the acquisition, construction, expansion, rehabilitation, renovation and equipping of the Desert Parkway Behavioral Healthcare Hospital located in Clark County, Nevada at 3223 S. Maryland Pkwy and 3247 S. Maryland Pkwy, Las Vegas, NV 89109, including facilities which are functionally related and subordinate to the main hospital facilities, to which not more than \$300,000,000 will be allocable (the portion of the Project relating to Desert Parkway Behavioral Healthcare Hospital, the “*Clark County Hospital Project*”); and
2. The Clark County Hospital Project will initially be owned and operated by the Borrower or a separate single-member, limited liability company or companies the sole member of which will be the Borrower; thus, the Borrower in all events will be the true beneficial party of interest because any such limited liability company will be a disregarded entity for federal tax purposes; and
3. The Bonds or a portion thereof will be “private activity bonds” and “qualified 501(c)(3) bonds” for purposes of the Internal Revenue Code of 1986, as amended (the “*Code*”); and
4. Pursuant to Section 147(f) of the Code, prior to their issuance, the Bonds are required to be approved by the “applicable elected representative” of a governmental unit having jurisdiction over the entire area in which the Clark County Hospital Project is located, after a public hearing is held following reasonable public notice; and
5. The Borrower has requested that the Governing Body approve the financing of the Clark County Hospital Project and the issuance of the Bonds in order to satisfy the public approval requirement of Section 147(f) of the Code; and

WHEREAS, the County has received and hereby accepts the Borrower’s Indemnification Letter, which has been filed with the County Clerk’s office; and

WHEREAS, pursuant to Section 147(f) of the Code, the Governing Body has, following notice duly given in the form attached hereto as **EXHIBIT A** (the “*TEFRA Notice*”), held a public hearing regarding the financing of the Clark County Hospital Project and the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE ABOVE-NAMED GOVERNING BODY AS FOLLOWS:

1. Solely for purposes of Section 147(f) of the Code, the Governing Body hereby approves the plan of finance and the Clark County Hospital Project and the financing thereof through the issuance of the Bonds by the Authority in an aggregate principal amount not to exceed the amount set forth in the TEFRA Notice attached hereto as **EXHIBIT A**.
2. Nothing in this Resolution obligates the County to grant further approvals for the Clark County Hospital Project or any other project or constitutes a representation that any other County or other approvals needed for the Project or any other project will be granted.
3. The officers of the Governing Body are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution and the financing approved hereby.

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ADOPTED by the Board of County Commissioners of the County at a regular meeting of said body held on the 7th day of December, 2021, by a majority vote:

Marilyn Kirkpatrick, Chair
Board of County Commissioners
Clark County, Nevada

[Seal]

Attest:

Lynn Marie Goya, County Clerk

EXHIBIT A
FORM OF TEFRA NOTICE
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing will be held by the Board of County Commissioners of Clark County (the “County”), on Tuesday, December 7, 2021, at 10:00 a.m., or as soon thereafter as the matter can be heard, in the Clark County Commission Chambers, at the Clark County Government Center, located at 500 S. Grand Central Parkway, Las Vegas, Nevada 89106, regarding the proposed issuance by the Arizona Industrial Development Authority (the “Issuer”) of its taxable and/or tax-exempt revenue notes, bonds or other obligations in one or more series from time to time pursuant to a plan of financing (the “Bonds”), in an amount not to exceed \$640,000,000, with not more than \$300,000,000 being allocable to the Clark County Hospital Project (defined below). The public hearing is required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”).

The following information has been provided by the Borrower (as defined below) for this Notice:

The Bonds are expected to be issued pursuant to the Industrial Development Financing Act, Title 35, Chapter 5, Articles 1 through 5 of the Arizona Revised Statutes, as amended (the “Act”), by the Issuer, an Arizona nonprofit corporation designated as a political subdivision of the State of Arizona, incorporated with the approval of the Arizona Finance Authority (the “Arizona Finance Authority”), pursuant to the provisions of the Constitution and law of the State of Arizona and the Act. A portion of the proceeds from the sale of the Bonds will be loaned to QCF/I, Inc., (the “Borrower”), a Georgia nonprofit corporation and an organization described in Section 501(c)(3) of the Code, and used to (a) finance the acquisition, construction, expansion, rehabilitation, renovation and equipping of hospital facilities located in Nevada and Texas, including Desert Parkway Behavioral Healthcare Hospital comprised of an approximately 95,804 square-foot building located on an approximately 5 acre site located at 3223 S Maryland Pkwy and 3247 S Maryland Pkwy, both in Las Vegas, NV 89109, including facilities which are functionally related and subordinate to the main hospital facilities (the “Clark County Hospital Project”), (b) fund certain reserves, (c) fund interest on the Bonds and (d) finance costs of issuance of the Bonds (collectively, the “Project”).

The Clark County Hospital Project will be initially owned and operated by the Borrower or a separate single-member, limited liability company or companies the sole member of which will be the Borrower; thus, the Borrower in all events will be the true beneficial party of interest because any such limited liability company will be a disregarded entity for federal tax purposes.

The Bonds, including the principal of (premium, if any) and interest thereon, will not constitute a debt or a loan of credit or a pledge of the full faith and credit or taxing power of the Issuer, the Arizona Finance Authority, the State of Arizona or any political subdivision thereof, the State of Nevada or the County, within the meaning of any State of Arizona or State of Nevada Constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Issuer, the Arizona Finance Authority, the State of Arizona or any political subdivision thereof, the State of Nevada or the County. The Bonds shall not constitute, directly or indirectly, or contingently obligate or otherwise constitute a general obligation of or a charge against the general credit of the Issuer, the Arizona Finance Authority, the State of Arizona or any political subdivision thereof, the State of Nevada or the County, but shall be special limited obligations of the Issuer payable solely from the sources provided for in the proceedings for the issuance of the Bonds. The Issuer has no taxing power.

At the time and place set for the public hearing, interested persons will be given a reasonable opportunity to express their views, both orally and in writing, on the merits of the Project, its location, the

issuance of the Bonds or related matters. Written comments may also be submitted to the County at the following address: Clark County Government Center, 500 S. Grand Central Parkway, Las Vegas, Nevada 89106, Attention: Board of County Commissioners, with a copy to the Arizona Industrial Development Authority, c/o Kutak Rock LLP, 8601 N. Scottsdale Road, Suite 300, Scottsdale, Arizona 85253, Attention: President/TEFRA COMMENTS (or admin@arizonaida.com), until the time and date of the hearing.

Date of Notice: November 29, 2021