

1 [Public hearing approval for the issuance and sale of revenue bonds by the Arizona Health
2 Facilities Authority for Blood Centers of the Pacific and Blood Systems, Inc.]

3 **Resolution authorizing the issuance and sale of revenue bonds by the Arizona Health**
4 **Facilities Authority for Blood Centers of the Pacific and Blood Systems, Inc. in an**
5 **aggregate principal amount not to exceed \$55,000,000 for the Project (as defined**
6 **herein).**

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8 WHEREAS, The Arizona Health Facilities Authority (the "Authority") , a political
9 subdivision and instrumentality of the State of Arizona, has proposed to issue and sell
10 revenue bonds (the "Bonds") in an aggregate principal amount not to exceed \$55,000,000 for
11 the purpose of making a loan to Blood Systems, Inc., an Arizona nonprofit corporation and its
12 affiliate Blood Centers of the Pacific, a California nonprofit public benefit corporation,
13 (collectively, the "Borrower"); and,

14 WHEREAS, The project to be financed with the proceeds of the Bonds includes
15 financing or refinancing (including refinancing indebtedness used for) the acquisition of land
16 for and the acquisition, construction, improvement, equipping, renovation, rehabilitation and/or
17 remodeling of capital projects of certain blood centers, research, health care and related
18 administrative facilities, including: (i) a blood center and related facilities of Blood Centers of
19 the Pacific located at or near 270 Masonic Avenue, San Francisco, California, including a new
20 approximately 5,000 square foot research laboratory addition to such blood center (in an
21 amount not expected to exceed \$13,000,000 with respect to such local project); (ii) facilities of
22 the Borrower located elsewhere in California and other states; (iii) the payment of related
23 expenses, including but not limited to underwriters' discounts, fees and expenses of counsel
24 and other costs of issuance (collectively, the "Project"); and,

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1 WHEREAS, The interest on the Bonds may qualify for tax exemption under Section
2 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the Bonds are
3 approved in accordance with Section 147(f) of the Code; and,

4 WHEREAS, The Authority has requested the Board of Supervisors of the City (the
5 "Board") to approve the issuance and sale of the Bonds in order to satisfy the public approval
6 requirements of Section 147(f) of the Code; and,

7 WHEREAS, On October 30, 2004, the City caused a notice stating that a public
8 hearing with respect to the issuance of the Bonds would be held by the Mayor's Office of
9 Public Finance on November 15, 2004, to appear in *The Independent* which is a newspaper of
10 general circulation in the City; and,

11 WHEREAS, The Mayor's Office of Public Finance has held the public hearing
12 described above on November 15, 2004, and an opportunity was provided for persons to
13 comment on the issuance and sale of the Bonds and the Project; and,

14 WHEREAS, This Board is the elected legislative body of the City and is the applicable
15 elected representative required to approve the issue within the meaning of Section 147(f) of
16 the Code; now, therefore be it

17 RESOLVED, That this Board hereby finds and declares the above recitals are true and
18 correct; and, be it

19 FURTHER RESOLVED, That this Board hereby approves the issuance and sale of the
20 Bonds by the Authority. It is the purpose and intent of this Board that this Resolution
21 constitute approval of the Bonds by the applicable elected representative of the governmental
22 unit having jurisdiction over the area in which the Project is located in accordance with Section
23 147(f) of the Code; and, be it

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1 FURTHER RESOLVED, That the approval of the issuance and sale of the Bonds by
2 the City is neither an approval of the underlying credit issues of the proposed Project nor an
3 approval of the financial structure of the Bonds.

4 FURTHER RESOLVED, That this resolution shall take effect immediately upon its
5 adoption.

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7 APPROVED AS TO FORM:

8 DENNIS J. HERRERA
9 CITY ATTORNEY

10 By: _____
11 Theresa Alvarez Hackett
12 Deputy City Attorney

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