

## **RESOLUTION NO. 2016-02**

### **RESOLUTION AUTHORIZING THE ISSUANCE BY THE HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY, TENNESSEE OF ONE OR MORE SERIES OF REVENUE BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO FINANCE ONE OR MORE LOANS TO VANDERBILT UNIVERSITY MEDICAL CENTER**

**WHEREAS**, Vanderbilt University Medical Center (“VUMC”), a Tennessee nonprofit corporation, has requested that The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee (the “Issuer”), approve a plan of financing (the “VUMC Plan of Financing”) to entail the issuance by the Issuer of one or more series of tax-exempt revenue bonds and tax-exempt revenue refunding bonds, in an aggregate principal amount not to exceed \$1,200,000,000 (the “VUMC Tax-Exempt Obligations”), for the purpose of providing funds to make one or more loans to the VUMC, the proceeds of which, together with other available funds, are to be used to (1) refinance and/or refund all or any portion of the Prior Obligations, as more particularly described in the notice of meeting and public hearing held by the Issuer on January 7, 2016 (the “January 7, 2016 Meeting”), a copy of which notice, published once in The Tennessean on December 22, 2015, is attached hereto as Exhibit A, (2) finance or refinance the acquisition of certain assets from The Vanderbilt University (the “University”), a Tennessee nonprofit corporation, comprising an academic medical center (the “Medical Center”), including, but not limited to, hospital facilities, research buildings, facilities used for professional education programs, administrative offices, medical office buildings, parking structures, and other clinical and healthcare service facilities (the “Acquisition Projects”), (3) finance and/or refinance the construction, renovation, remodeling and equipping of capital projects for the Medical Center, including, but not limited to, hospital facilities, research buildings, facilities used for professional education programs, administrative offices, medical office buildings, parking structures, and other clinical and healthcare service facilities (the “Future Projects”), and (4) pay certain expenses incurred in connection with the issuance of the VUMC Tax-Exempt Obligations; and

**WHEREAS**, the proceeds of the Prior Obligations were used to finance or refinance a variety of capital projects for the Medical Center (collectively, the “Prior Projects”); and

**WHEREAS**, VUMC has also requested that the Issuer approve the issuance by the Issuer of one or more series of taxable revenue bonds (the “VUMC Taxable Obligations”) for the purpose of providing funds to make one or more loans to VUMC, the proceeds of which, together with other available funds, are to be used to (1) refinance all or any portion of outstanding bonds, notes or other obligations issued by the Issuer or the University, the proceeds of which were used to finance or refinance a variety of capital projects for the University’s educational, research and clinical programs, (2) finance the acquisition of certain assets of the Medical Center from the University not being financed or refinanced with the VUMC Tax-Exempt Obligations, and (3) pay certain expenses incurred in connection with the issuance of the VUMC Taxable Obligations and/or the VUMC Tax-Exempt Obligations; and

**WHEREAS**, prior to the issuance of the VUMC Tax-Exempt Obligations, it is required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), that a public hearing be held during which members of the public are given an opportunity to express their views on the proposed VUMC Plan of Financing and the issuance of the VUMC Tax-Exempt Obligations; and

**WHEREAS**, pursuant to Section 147(f) of the Code, the Issuer held a public hearing at the January 7, 2016 Meeting for the purpose of receiving public comment regarding, and considering the authorization of, the request of the VUMC for approval of the VUMC Plan of Financing and the issuance of the VUMC Tax-Exempt Obligations; and

**WHEREAS**, the assets to be acquired by VUMC and to be financed by the Issuer include (1) a medical oncology office building located at 324 Cool Springs Boulevard, Franklin, Tennessee, (2) an outpatient clinical office building located at 2105 Edward Curd Lane, Franklin, Tennessee, (3) the Vanderbilt Ingram Cancer Center located at 2107 Edward Curd Lane, Franklin, Tennessee, (4) the Vanderbilt Bone and Joint Clinic located at 206 Bedford Way, Franklin, Tennessee, (5) the Vanderbilt Bone and Joint Surgery Center parking lot located at 217 Bedford Way, Franklin, Tennessee, (6) the Vanderbilt Bone and Joint Surgery Center located at 225 Bedford Way, Franklin, Tennessee and (7) 22 acres of unimproved land located at the southwest corner of the intersection of Carothers and McEwen Roads, Franklin, Tennessee (collectively, the “Franklin VUMC Acquisition Projects” and, together with the Prior Projects, the Acquisition Projects and the Future Projects, the “Projects”); and

**WHEREAS**, the Franklin VUMC Acquisition Projects to be financed by the Issuer are located in the City of Franklin, Tennessee; and

**WHEREAS**, pursuant to the provisions of Section 48-101-301, et. seq. Tennessee Code Annotated, as amended (the “Act”), it is necessary that such financing by the Issuer be approved by one of certain specified entities, among which is the governing body of the city in which all or a portion of the Projects are or will be located; and

**WHEREAS**, pursuant to Section 147(f) of the Code, it is necessary that such financing by the Issuer be approved by each governmental unit having jurisdiction over the area in which any portion of the Projects are or will be located; and

**WHEREAS**, the Board of Mayor and Aldermen (the “Board”) of the City of Franklin, Tennessee (the “Municipality”), now desires to approve (a) the VUMC Plan of Financing to entail the issuance of the VUMC Tax-Exempt Obligations by the Issuer and (b) the issuance of the VUMC Taxable Obligations by the Issuer for the purpose of financing the Franklin VUMC Acquisition Projects located in the City of Franklin, Tennessee;

**NOW, THEREFORE, BE IT RESOLVED** BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF FRANKLIN, TENNESSEE, AS FOLLOWS:

1. The Board hereby approves, pursuant to Section 48-101-301 of the Act and Section 147(f) of the Code, (a) the VUMC Plan of Financing to entail the issuance by the Issuer of the VUMC Tax-Exempt Obligations, in an aggregate principal amount of not to exceed \$1,200,000,000, and (b) the issuance by the Issuer of the VUMC Taxable Obligations for the purpose of providing funds to make one or more loans to the VUMC, the proceeds of which, together with other available funds, are to be used to finance the Franklin VUMC Acquisition Projects and to effectuate the other purposes described in the preamble to this resolution.

2. The VUMC Tax-Exempt Obligations and VUMC Taxable Obligations shall be limited obligations of the Issuer payable solely from the revenues and other funds pledged therefor and shall not be deemed to constitute a debt, liability or obligation of the State of Tennessee or of any political subdivision thereof, including the City of Franklin, Tennessee, and neither the faith and credit nor the

taxing power of the State of Tennessee or any political subdivision thereof, including the City of Franklin, Tennessee, is pledged to the payment of the VUMC Tax-Exempt Obligations or the VUMC Taxable Obligations.

3. This resolution shall take effect from and after its adoption, the welfare of the Municipality requiring it.

**IT IS SO RESOLVED AND DONE** on this 26<sup>th</sup> day of January, 2016

**ATTEST:**

**CITY OF FRANKLIN, TENNESSEE**

By: \_\_\_\_\_  
**ERIC S. STUCKEY**  
City Administrator/Recorder

By: \_\_\_\_\_  
**DR. KEN MOORE**  
Mayor

**Approved as to Form**

By: \_\_\_\_\_  
**Sauna R. Billingsley, City Attorney**