

# Hospital Facility Authority

# AGENDA

**Wednesday, February 11, 2026**

**6:00 p.m.**

This meeting includes in-person and virtual participation.

Council Chambers, City Hall

333 Broadalbin Street SW

<https://albanyoregon.gov/council/groups/haf/zoom>

Meeting ID: 899 3230 1142

Passcode: 092878

Please help us get Albany's work done.

Be respectful and refer to the rules of conduct posted by the main door to the Chambers and on the website.

**1. Call to order**

**2. Roll call**

**3. Election of Vice Chair and Treasurer**

**4. Public Comment**

*Persons wanting to provide comments may:*

*1-Email written comments to Jeanna.yeager@albanyoregon.gov, including your name, before noon on the day before the meeting.*

*2- To comment virtually during the meeting, register by emailing Jeanna.yeager@albanyoregon.gov before noon on the day before the meeting, with your name. The chair will call upon those who have registered to speak.*

*3- Appear in person at the meeting and register to speak.*

**5. Action Items**

a. **Resolutions**-Adoption of Bylaws for the Hospital Facility Authority of the City of Albany, Oregon  
– Jeanna Yeager [Pages 2-7] RES NO.2026-1

b. **Resolutions**-Authorization to Issue Revenue Bonds for Mennonite Home of Albany (Mennonite Village Project) – Jeanna Yeager [Pages 8-20] RES NO.2026-2

**6. Next meeting dates**

TBD

**7. Adjournment**

*This meeting is accessible to the public via video connection. The location for in-person attendance is accessible to people with disabilities. If you have a disability that requires accommodation, please notify city staff at least 48 hours in advance of the meeting at: [cityrecorder@albanyoregon.gov](mailto:cityrecorder@albanyoregon.gov)*

*Testimony provided at the meeting is part of the public record. Meetings are recorded, capturing both in-person and virtual participation, and are posted on the City website.*

**TO:** Hospital Facility Authority of the City of Albany, Oregon

**VIA:** Peter Troedsson, City Manager



**FROM:** Jeanna Yeager, Finance Director

**DATE:** January 28, 2026, for the February 11, 2026, Hospital Facility Authority of the City of Albany, Oregon Meeting

**SUBJECT:** Adoption of Bylaws for the Hospital Facility Authority of the City of Albany, Oregon

**Purpose:**

To adopt bylaws for the Hospital Facility Authority (HFA) of the City of Albany, Oregon, establishing governance, officer roles, meeting procedures, and administrative requirements necessary for the Authority to operate in compliance with state law.

**Background/Discussion:**

The Hospital Facility Authority of the City of Albany, Oregon, is a municipal corporation authorized under Oregon law to assist eligible healthcare facilities through the issuance of revenue bonds and related financing activities. In order to operate effectively and lawfully, the Authority must adopt formal bylaws governing its structure and procedures.

The proposed bylaws establish the composition of the HFA Board of Directors as the Mayor and current members of the Albany City Council, consistent with ORS 441.535. The bylaws outline director terms, quorum and voting requirements, officer roles and duties, meeting procedures, and compliance with Oregon Public Meetings and Public Records laws. They also designate City Hall as the Authority's business office.

Adoption of the bylaws provides the foundational governance framework necessary for the Authority to conduct meetings, elect officers, manage records, and carry out its statutory responsibilities. The bylaws do not create new financial obligations for the City and provide that any reimbursable expenses or administrative costs associated with bond issuances are borne proportionally by the entities utilizing the Authority.

**Fiscal/Staffing Impact:**

There is no direct fiscal impact associated with adoption of the bylaws. Any expenses incurred by the Authority are to be reimbursed by participating borrowers.

**Attachments:**

1. Bylaws for the Hospital Facility Authority of the City of Albany, Oregon

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

**RESOLUTION NO. 2026-1**

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A RESOLUTION OF THE HOSPITAL FACILITY AUTHORITY OF THE CITY OF ALBANY, OREGON  
ADOPTING BYLAWS.

WHEREAS, on January 28, 2026, the City Council (the “City Council”) of the City of Albany, Oregon (the “City”) adopted Resolution No. 7479 (the “City Resolution”) reestablishing the Hospital Facility Authority of the City of Albany, Oregon (the “Authority”), appointing the board of directors of the Authority, and naming the chair of the Authority.

WHEREAS, pursuant to Oregon Revised Statutes 441.540(2), the board of directors of the Authority (the “Board”) is authorized and directed to adopt bylaws and rules for calling and conducting the Authority’s meetings and carrying out its business (the “Bylaws”).

WHEREAS, the Board has determined that it would be in the best interest of the Authority to adopt the Bylaws attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Hospital Facility Authority of the City of Albany, Oregon, the Bylaws attached hereto as Exhibit A are hereby adopted and shall become effective immediately.

DATED AND EFFECTIVE THIS 11TH DAY OF FEBRUARY 2026.

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Chair

ATTEST:

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Secretary/Treasurer

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

**BYLAWS**

**ARTICLE I  
NAME OF AUTHORITY**

The name of the Authority shall be the "*Hospital Facility Authority of the City of Albany, Oregon.*"

**ARTICLE II  
BOARD OF DIRECTORS**

**2.1 NUMBER OF DIRECTORS; TERMS OF SERVICE.** The number of directors of the Authority shall be seven (7). The Board shall be composed of the then-current Mayor of the City and each of the then-current City Council members of the City of Albany, Oregon (the "City"). Said Mayor and City Council Members shall each serve as an authorized director only so long as they are the duly elected or appointed Mayor of the City or a member of the City Council of the City, as applicable. All seven (7) Directors shall be voting members of the Board. The City Council of the City may, by Resolution, change the composition of the Board so long as at least one member of the Board shall be a member of the City Council as required by Section 441.535(2)(c) of the Act. No director shall, in any event, serve for a term greater than the term permitted by ORS 441.535(2)(c) and the Albany Charter of 1956, as amended from time to time (the "City Charter").

**2.2 GENERAL POWER.** All Authority powers shall be exercised by, or under the authority of, the Board and the business affairs of the Authority shall be managed under the direction of the Board.

**2.3 COMPENSATION.** The directors shall serve without compensation. However, the Authority may reimburse the directors for their expenses incurred on the performance of their duties. The money to be used for said expenses shall be obtained proportionally from the entities using the Authority to issue bonds.

**2.4 DECISIONS OF BOARD.** All decisions of the Board shall be made by motion or resolution and shall be recorded in the minute book for the Board.

**2.5 QUORUM.** At least four (4) Board members shall be present (a majority of the Board) to constitute a quorum for the transaction of business. A majority thereof shall then be sufficient for the passage of any motion or resolution.

**2.6 EMPLOYEES AND AGENTS.** The board may employ such employees and agents as it deems appropriate and provide compensation for them. The money to be used for said compensation shall be obtained proportionally from the entities using the Authority to issue bonds.

## 2.7 MEETINGS.

(a) **ANNUAL BOARD MEETING.** An annual meeting of the Board shall be held at least once during each calendar year, at such time and date as shall be fixed by the Board.

(b) **SPECIAL BOARD MEETINGS.** Special meetings may be called at the discretion of the chairperson or shall be called upon the written request of three (3) Directors of the Authority. The call for a special meeting of the Authority shall be for the purpose of transacting any business designated in the call. The call for a special meeting shall be delivered or mailed to each director of the Authority not less than forty-eighty (48) hours before the date of the meeting. At such special meeting no business shall be considered other than as designated in the call, but if all of the directors of the Authority are present at a special meeting, any and all business may be transacted at such special meeting upon unanimous consent of the Authority.

(c) **PLACE OF MEETINGS.** Unless otherwise designated by the Board, the place of any meeting of the Board shall be at the chambers of the City Council of the City.

(d) **ADJOURNED MEETING.** If any Board meeting is adjourned to a different date, time, or place, notice need not be given of a new date, time, and place, if the new date, time and place is announced at the meeting before adjournment.

(e) **WAIVER OF NOTICE.** The Board may at any time waive notice of the meeting by a waiver of notice signed by the board members entitled to notice and delivered to the Authority for inclusion in the Minutes for filing with the Authority records.

(f) **PUBLIC NOTICE.** The Board shall provide for and give public notice, reasonably calculated to give actual notice to interested persons, including news media, which have requested notice of the time and place for any meeting of the Board. Said notice shall also include a list of the principal subjects anticipated to be discussed at the meeting, but this requirement shall not limit the ability of the Board to consider additional subjects.

Said public notice is given pursuant to the provisions of ORS 191.640.

(g) **BOARD MEETINGS OPEN TO THE PUBLIC.** The Authority, as a municipal corporation, is subject to the Public Meetings Law in Oregon (currently ORS 192.610-192.690). All meetings of the Board shall be held in accordance with said laws. Executive sessions are permitted to be held by the Board for certain reasons to discuss but not act on certain matters. Executive sessions of the Board shall be held pursuant to the appropriate sections of the Oregon Public Meeting Law.

(h) **VOTING.** Voting on all matters coming before the Board shall be by voice vote, except that (1) if the presiding officer doubts the results of the vote or if two (2) directors request a call of the roll, a roll call vote shall be taken in the ayes, nay and names of any directors who have disqualified themselves shall be entered upon the minute book; and (2) the election of officers may be by ballot.

(i) **CONDUCT OF MEETING.** All rules of order not herein provided shall be determined in accordance with the "Roberts Rules of Order."

## **ARTICLE III**

### **OFFICERS**

**3.1 NUMBER OF OFFICERS.** The officers of the Authority shall be a Chair, a Vice Chair and Secretary/Treasurer. Each of the Vice Chair and Secretary/Treasurer shall be elected by the Board at the annual meeting of the Authority. An Assistant Secretary may be appointed by the Board.

**3.2 TERM OF OFFICE.** Except with respect to the Chair, elected officers of the Authority named above shall serve for a term of one (1) year, or until the officer's successor shall have been duly elected, or until the officer's death, or until the officer shall resign or shall have been removed in the manner provided in Section 3.3.

**3.3 REMOVAL OF OFFICERS.** Except with respect to the Chair, any officer or assistant officer may be removed by the Board at any time, with or without cause.

**3.4 CHAIR.** The Mayor of the City shall serve as the chairperson of the Authority. The Chair shall preside at all meetings of the Authority. The Chair shall sign all contracts, deeds, bonds, notes and other instruments made by the Authority except as otherwise authorized by resolution by the Authority. At each meeting, the chairperson shall submit such recommendations and information as the Chair may consider proper concerning the business, affairs and policies of the Authority.

**3.5 VICE CHAIR.** The vice chairperson shall perform the duties of the Chair in the absence or incapacity of the Chair; and in case of the resignation or death of the Chair, the Vice Chair shall perform such duties as are imposed on the Chair until such time as the Authority shall elect or appoint a new Chair.

**3.6 SECRETARY/TREASURER.** The Secretary/Treasurer shall keep the minute book and the official records of the Authority, attest signatures of the Authority, certify copies of Authority documents, and perform such other duties required of a Secretary/Treasurer. Such person shall be responsible for the fiscal administration of all funds of the Authority, shall act as signer of checks drawn upon the accounts of the Authority and shall be responsible for the fiscal accounts of said Authority. The Secretary/Treasurer may delegate the ministerial/secretarial functions of the office to an assistant secretary who need not be an Authority director.

**3.7 ADDITIONAL DUTIES.** The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Authority of the Bylaws or rules and regulations of the Authority.

**3.8 ASSISTANT SECRETARY.** The Assistant Secretary shall assist the Chair and/or the Secretary/Treasurer in performing the following tasks: (1) in providing notice to the board

members of any meeting of the Board; (2) in providing public notice of any meeting of the Board; and (3) in keeping the minute book and the official records of the Authority.

#### **ARTICLE IV AMENDMENTS**

The Bylaws of the Authority shall be amended only with the approval of the directors of the Authority at a regular or a special meeting, but no such amendment shall be adopted unless at least five (5) business days' notice thereof has been previously given to all of the directors of the Authority. Such notice shall identify the section or sections of the Bylaws proposed or amended. Provided, however, such notice may be waived by unanimous consent of all directors.

#### **ARTICLE V BUSINESS OFFICE**

The business office of the Authority shall be located at City Hall, 333 Broadalbin Street SW, Albany, Oregon 97321, or such other place within the City as the Board from time to time may designate by resolution.

#### **ARTICLE VI PUBLIC RECORDS**

The Authority, as a municipal corporation, is subject to the Public Records Law in Oregon (currently ORS 192.410-192.505).

**TO:** Hospital Facility Authority of the City of Albany, Oregon

**VIA:** Peter Troedsson, City Manager



**FROM:** Jeanna Yeager, Finance Director

**DATE:** February 3, 2026, for the February 11, 2026, Hospital Facility Authority of the City of Albany, Oregon Meeting

**SUBJECT:** Authorization to Issue Revenue Bonds for Mennonite Home of Albany (Mennonite Village Project)

**Purpose:**

To authorize the Hospital Facility Authority of the City of Albany (HFA) to sell, execute, deliver, and issue tax-exempt revenue bonds, in one or more series, in an aggregate principal amount not to exceed \$100,000,000, on behalf of Mennonite Home of Albany, Inc., and to approve related financing documents and actions.

**Background/Discussion:**

Mennonite Home of Albany, Inc. (the Borrower), a 501(c)(3) nonprofit organization, has requested that the HFA issue tax-exempt senior living revenue bonds to finance and refinance costs associated with capital improvements to its continuing care retirement community, Mennonite Village, located at 5353 Columbus Street SE in Albany.

Bond proceeds may be used to finance or refinance a portion of the costs of construction, acquisition, renovation, and equipping of expansion and other capital projects at the campus; prepay an existing line of credit; fund required debt service and working capital reserves; pay capitalized interest during construction; and cover costs of issuance.

The bonds will be issued pursuant to ORS 441.525–441.595 and ORS Chapter 287A. The Authority has determined that the proposed financing serves a public purpose and is in the best interest of the City of Albany and its residents.

The bonds will be special, limited obligations of the Authority and will not constitute a debt or obligation of the City of Albany, the Authority, or the State of Oregon. No taxing power is pledged. Repayment of the bonds will be solely from revenues and resources provided by the Borrower.

As required under Section 147(f) of the Internal Revenue Code, a public hearing (TEFRA hearing) will be conducted by the City Council, and Council approval of the bond issuance will be requested in a separate action.

This resolution authorizes designated representatives of the Authority to negotiate, approve, and execute the necessary financing documents, including loan agreements, indentures of trust, bond purchase agreements, tax certificates, and official statements, and to complete the sale and issuance of the bonds.

**Fiscal/Staffing Impact:**

There is no fiscal impact to the City of Albany or the Hospital Facility Authority. All costs associated with the bond issuance, administration, and repayment will be borne by the Borrower.

**Attachments:**

1. Resolution
2. Letter of Intent between Hospital Facility Authority of the City of Albany, Oregon and Mennonite Home of Albany, Inc.

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

**RESOLUTION NO. 2026-2**

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A RESOLUTION OF THE HOSPITAL FACILITY AUTHORITY OF THE CITY OF ALBANY, OREGON TO SELL, EXECUTE, DELIVER AND ISSUE REVENUE BONDS, IN ONE OR MORE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$100,000,000, ON BEHALF OF THE MENNONITE HOME OF ALBANY, INC., DESIGNATE AUTHORIZED REPRESENTATIVES OF THE AUTHORITY, PROVIDE FOR THE ADMINISTRATION AND SECURITY FOR THE BONDS AND OTHER MATTERS RELATED THERETO

WHEREAS, the Board of Directors (the “Board”) of the Hospital Facility Authority of the City of Albany, Oregon (the “Authority”), has received a request from the Mennonite Home of Albany, Inc., 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 Senior Living Revenue Bonds (Mennonite Village Project), Series 2026 (the “Bonds”), in one or more series of tax-exempt bonds, in an aggregate principal amount not to exceed \$100,000,000; and

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

1. all or a portion of the costs of the construction, acquisition, development, improvement, renovation and equipping of an expansion project and other capital projects with respect to the Borrower’s continuing care retirement community located at 5353 Columbus Street SE, Albany, Oregon;
2. prepaying a line of credit of the Borrower;
3. funding a debt service reserve fund;
4. funding a working capital reserve fund, if necessary and desirable;
5. paying capitalized interest on the Bonds during construction; and
6. paying certain costs of issuance of the Bonds; and

WHEREAS, the Bonds shall be issued pursuant to Oregon Revised Statutes Sections 441.525 to 441.595, inclusive, and Oregon Revised Statutes Chapter 287A, each as amended from time to time (the “Act”); and

WHEREAS, 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 deems necessary or advisable. The Authority has determined that the financing and refinancing of the Projects are necessary and desirable and that the financing and refinancing of the Projects are in the best interest of the citizens of the City of Albany, Oregon (the “City”); and

WHEREAS, 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 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

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published pursuant to Section 147(f) of the Code; and (ii) on the date that the Authority approved this Resolution, it understands that the City Council expects to conduct a public hearing in connection with the issuance of the Bonds and the financing and refinancing of the Projects and expects to consider a Resolution approving of the issuance of such Bonds and the financing and refinancing of the Projects; and

WHEREAS, in connection with the implementation of the Projects, 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 Indentures of Trust 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. preliminary and final official statements;
4. one or more bond purchase agreements among the Authority, the Borrower and B.C. Ziegler and Company, as underwriter (the “Underwriter”); and
5. a tax certificates or other documents related to the tax-exemption of interest on all or a portion of the Bonds; and

WHEREAS, 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; and

WHEREAS, the Board determines that it is in the best interest of the Authority to proceed with the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Hospital Facility Authority of the City of Albany, Oregon, as follows:

**Section 1.**The Authorized Representatives (defined below) are 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 bonds in an aggregate principal amount not to exceed \$100,000,000 to finance and refinance 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

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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 Chair and shall be attested by the facsimile signature of an Authorized Representative of the Authority. Any Bonds shall mature not later than December 31, 2066. 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 sale of the Bonds to the Underwriter pursuant to the terms and conditions of a bond purchase agreement as may be approved by the Authorized Representative.

**Section 7.**The Authority authorizes the loaning to the Borrower of the net proceeds of any Bonds pursuant to the Financing Documents.

**Section 8.**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 9.**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 or will enter 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.

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**Section 10.** 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 11.** The Authority may defease the Bonds as provided in the bond related documents executed in connection with the Bonds.

**Section 12.** 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 13.** The Authority hereby approves the appointment of Orrick, Herrington & Sutcliffe LLP, as Bond Counsel to the Authority; and U.S. Bank Trust Company, National Association, as bond trustee. The Authority also approves B.C. Ziegler and Company as Underwriter of the Bonds.

**Section 14.** 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, 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 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.

**Section 15.** For purposes of compliance by the Underwriter with Rule 15c2-12(b)(1) of the Federal Securities and Exchange Commission (the "Rule"), the Authority authorizes the distribution of a preliminary and final official statement by the Underwriter, and the Authorized Representative is authorized to deem the preliminary official statement as "final" for purposes of the Rule.

**Section 16.** All actions previously taken by any director, officer, official, employee or agent of the Authority in connection with or related to the matters set forth in or reasonably contemplated by this Resolution are hereby ratified, confirmed and approved in all respects as the acts and deeds of the Authority.

DATED AND EFFECTIVE THIS 11TH DAY OF FEBRUARY 2026.

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Chair

ATTEST:

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Secretary/Treasurer

**EXHIBIT A**

**LETTER OF INTENT**

**between**

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

**and**

**MENNONITE HOME OF ALBANY, INC.**

THIS LETTER OF INTENT is between the HOSPITAL FACILITY AUTHORITY OF THE CITY OF ALBANY, OREGON, a public authority of the State of Oregon (the "Authority"), and MENNONITE HOME OF ALBANY, INC. (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 and refinance the Projects as outlined in Resolution No. 2026-2 adopted by the Authority on February 11, 2026, and pay costs of issuance of such Bonds.

The total estimated cost of the Projects to be financed and refinanced with the proceeds of the Bonds will be in an aggregate principal amount not to exceed \$100,000,000.

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 and refinance all or a portion of the costs of the Projects in a total amount not to exceed \$100,000,000.

d. The Authority finds that the issuance of the Bonds to finance and refinance 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 \$100,000,000.

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 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, the City of Albany, 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 City, the Authority or its elected or appointed officials, employees or agents nor a pledge of the faith and credit of the City, the Authority or its elected or appointed officials, employees or agents nor a debt or pledge of the faith and credit of the City, the Authority 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 solely 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 \$100,000,000 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, including reasonable fees of counsel including general counsel and Hawkins Delafield & Wood LLP in reviewing the documents related to the Bonds on behalf of the City and Authority.

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 (and the other provisions related to indemnification herein) 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, the Authority and the City's counsels, and a paying agent or registrar, if necessary. In addition, the Borrower shall pay the out-of-pocket costs of the providers in the previous sentence. 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 City, the Authority or its elected or appointed officials, employees or agents, the Borrower shall defend the City, 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 11<sup>th</sup> day of February 2026.

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

**MENNONITE HOME OF ALBANY, INC.**

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

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