



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: May 21, 2019

Title: RESOLUTION OF THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA APPROVING FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") THE ISSUANCE BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF MARICOPA OF NOT TO EXCEED \$326,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS REVENUE BONDS (BANNER HEALTH), SERIES 2019 AND APPROVING SUCH OTHER MATTERS FOR PURPOSES OF SECTION 147(f) OF THE CODE AS SET FORTH HEREIN

Introduction/Background:

Maricopa County's Industrial Development Authority plans to issue \$660 million of revenue bonds in 2019 of which \$326 million will be spent on Banner Health facilities in Pima County. Because a portion of the proceeds will be spent on projects within Pima County, in order for Maricopa County's Industrial Development Authority to issue tax exempt bonds, Pima County must approve the bonds after a public hearing. The public hearing and approval of Pima County is required by the Internal Revenue Code of 1986, Section 147(f). The public hearing, authorized by Pima County Board of Supervisors Resolution 2018-52, was held Tuesday, April 23, 2019. The Report of Public Hearing to the Pima County Board of Supervisors is included with this resolution. The Report documents that the hearing was noticed and conducted and that no one requested to comment or be heard. This resolution approves using proceeds from the 2019 tax exempt bonds, or reallocated proceeds from prior Maricopa County Industrial Development tax exempt bonds, to the Banner Health facilities in Pima County.

Discussion:

The bonds will not be Pima County's debt. Neither the faith and credit, nor the taxing power of Pima County will be pledged for the bonds. Similarly, none of Pima County's revenues will be pledged to repay the bonds. Pima County's approval of the Banner Health project in Pima County will be solely for the purpose of satisfying the requirements of Section 147(f) of the Internal Revenue Code requiring public approval for tax exempt status of Maricopa County Industrial Development Authority's bonds.

Conclusion:

Because the bonds will not be Pima County debt, because a significant portion of the Maricopa County Industrial Development Authority's bond proceeds will be spent enhancing health care facilities within Pima County, and because no one spoke or commented against using the proceeds for the project within Pima County, staff recommends that Pima County approve the use of tax exempt bond proceeds for the project.

Recommendation:

Approve this resolution to use Maricopa County Industrial Development Authority's 2019 tax exempt bond proceeds, or reallocated prior bond proceeds, for the Banner Health projects within Pima County.

Fiscal Impact:

There will be no direct fiscal impact to Pima County. However, Pima County will receive the benefits of improved health care facilities

Board of Supervisor District:

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ All

Department: Finance and Risk Management

Telephone: 520-74-3669

Contact: Michelle Campagne

Telephone: 520-724-8410

Department Director Signature/Date:

Michelle Campagne 5-7-19

Deputy County Administrator Signature/Date:

Jon Zula 5-8-19

County Administrator Signature/Date:

C. Delaney 5/8/19

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA APPROVING FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") THE ISSUANCE BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF MARICOPA OF NOT TO EXCEED \$326,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS REVENUE BONDS (BANNER HEALTH), SERIES 2019 AND APPROVING SUCH OTHER MATTERS FOR PURPOSES OF SECTION 147(f) OF THE CODE AS SET FORTH HEREIN

WHEREAS, the Industrial Development Authority of the County of Maricopa (the "Maricopa Authority") proposes to issue its Revenue Bonds (Banner Health), Series 2019 (the "Bonds") and to loan a portion of the proceeds from the sale of the Bonds in an aggregate principal amount not to exceed \$326,000,000 to Banner Health (the "Corporation") to provide for a 3-year plan of financing and refinancing of the costs of the projects described herein in Tucson, Pima County, Arizona (hereinafter collectively referred to as the "Tucson Projects").

WHEREAS, a portion of the proceeds of the Bonds in a maximum principal amount of \$225,000,000 will be applied by the Corporation to finance the costs of construction, renovations, furnishing and equipping of a new patient care and clinical tower to be located on the Banner-University Medical Center Tucson campus ("Banner UMC Tucson") located at 1501 North Campbell Avenue, Tucson, Arizona 85724 and related campus improvements and miscellaneous capital expenditures on the Banner UMC Tucson campus. The new patient care tower will total approximately 700,000 square feet, consisting of 9 stories and housing approximately 204 patient beds, operating rooms, diagnostic and laboratory facilities.

WHEREAS, a portion of the proceeds of the Bonds in a maximum principal amount of \$101,000,000 will be applied by the Corporation to refund all or a portion of the Arizona Health Facilities Authority Revenue Bonds (Banner Health), Series 2015D (the "Prior Bonds"), a portion of which Prior Bonds were applied by the Corporation to finance and refinance the costs of the acquisition by the Corporation of (i) the Banner UMC Tucson facilities located at the address above, and including an emergency generator building located at 1611 North Cherry Avenue, Tucson, Arizona, and parking facilities located at 1625 North Martin Avenue, Tucson, Arizona and at 1652 N. Campbell Avenue, Tucson, Arizona, (ii) certain administrative office facilities located at 2701, 2711, 2721 and 2731 East Elvira Road, Tucson, Arizona, and (iii) the Banner-University Medical Center North Campus facilities located at 3838 North Campbell Avenue, Tucson, Arizona.

WHEREAS, prior to the issuance of the Bonds, the public hearing and approval requirements of Section 147(f) of the Code require that Pima County, being the governmental unit having jurisdiction over the area in which the Tucson Projects are or will be located, approve the issuance of the Bonds.

WHEREAS, by previous action of the Board of Supervisors of Pima County, Michelle Campagne, Director of Finance and Risk Management of Pima County, or her designee, was appointed to hold and conduct a public hearing on behalf of Pima County, with respect to the proposed issuance of the Bonds, and to report to the Board of Supervisors with regard to such public hearing.

WHEREAS, on April 23, 2019 at 9:30 A.M. in the First Floor Lobby of the County Administration Building, 130 West Congress Street, Tucson, Arizona 85701, William F. Wilder, as counsel to the Maricopa Authority and as the designee of Michelle Campagne, held and conducted a public hearing (the "Public Hearing"), after public notice was given by publication in the *Daily Territorial* and the *Arizona Daily Star* (a copy of the published Notice of Public Hearing being attached hereto as Exhibit 1), for the purposes of satisfying the requirements of Section 147(f) of the Code.

WHEREAS, the Notice of Public Hearing indicates that the Tucson Projects are or will be owned and/or operated by the Corporation or its wholly owned affiliates, Banner-University Medical Center Tucson Campus, LLC and Banner-University Medical Center South Campus, LLC, and are or will be located at the addresses set forth in the Notice of Public Hearing.

WHEREAS, following the Public Hearing, this Board was provided a Report of Public Hearing (a copy of such Report of Public Hearing being attached hereto as Exhibit 2), and such Report of Public Hearing indicates that no persons requested to comment or be heard at the Public Hearing, either in person or by written submission, with respect to any aspect of the Tucson Projects or the proposed issuance of the Bonds.

WHEREAS, the Bonds are to be issued in one or more series from time to time, during the expected 3-year period commencing on the date of adoption and approval of this Resolution, and the Corporation intends to issue one or more series of the Bonds not later than one year from the date of adoption and approval of this Resolution.

WHEREAS, the Bonds will be, and the Prior Bonds are, special limited obligations of the respective issuer thereof, and will not be, and are not, a debt, obligation or liability of Pima County.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Pima County, Arizona as follows:

1. Solely for the purpose of satisfying the requirements of Section 147(f) of the Code, the issuance of the Bonds by the Maricopa Authority to provide funds to finance or refinance the Tucson Projects located or to be located in Pima County are approved.

2. The Bonds shall not, and the Prior Bonds do not and shall not, constitute a debt, obligation or liability of Pima County or any political subdivision of Pima County, and neither Pima County or any political subdivision of Pima County shall be obligated for the payment of the Bonds or the Prior Bonds, for the manner or extent to which the proceeds from the sale of the Bonds or the Prior Bonds are expended or allocated or for any aspect whatsoever of the Tucson Projects.

ADOPTED AND APPROVED this ____th day of May, 2019.

Chairman, Board of Supervisors
Pima County, Arizona

ATTEST:

Clerk, Board of Supervisors
Pima County, Arizona

APPROVED AS TO FORM:



Deputy County Attorney
REGINA NASSEN

RESOLUTION NO. 2018-52

RESOLUTION OF THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA APPOINTING MICHELLE CAMPAGNE, DIRECTOR OF FINANCE AND RISK MANAGEMENT OF PIMA COUNTY, OR HER DESIGNEE, TO CONDUCT A PUBLIC HEARING AS REQUIRED BY THE PROVISIONS OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED IN CONNECTION WITH THE ISSUANCE BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF MARICOPA OF ITS REVENUE BONDS (BANNER HEALTH) SERIES 2018

WHEREAS, The Industrial Development Authority of the County of Maricopa (the "Authority") proposes to issue its Revenue Bonds (Banner Health) Series 2018 (the "Bonds") and to loan a portion of the proceeds from the sale of the Bonds to Banner Health (the "Borrower"), to (i) finance the construction and equipping of a new, approximately 700,000 square-foot, 204-bed patient and clinical care tower to be located at Banner-University Medical Center Tucson ("Banner-UMC Tucson"), and to finance and refinance miscellaneous capital projects at the Banner-University Medical Center Tucson campus, (ii) to refund all or a portion of the Arizona Health Facilities Authority Revenue Bonds (Banner Health), Series 2015D (the "Prior Bonds"), a portion of the proceeds of which were applied by the Borrower to finance and refinance the costs of acquisition by the Borrower from the University of Arizona Health Network of the Banner-UMC Tucson facilities and administrative offices (collectively, the "Tucson Projects"), and (iii) pay costs of issuance of the Bonds; and


WHEREAS, prior to the issuance of the Bonds, the Borrower and the Authority must satisfy the public hearing and approval requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Section 147(f)") and the regulations promulgated thereunder (the "Regulations"); and

WHEREAS, Section 147(f) and the pertinent Regulations require that Pima County, being the governmental unit having jurisdiction over the area in which the Tucson Projects are or will be located, approve the issuance of the Bonds. Pursuant to the Code and the pertinent Regulations, Pima County, Arizona may appoint an individual to: (a) hold a public hearing concerning the proposed issuance of the Bonds at which a reasonable opportunity to be heard shall be provided for persons with differing views on the issuance of the Bonds and the location and nature of the Tucson Projects (the "Hearing"), (b) give public notice at least fourteen (14) days in advance thereof, and (c) report on the Hearing.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Pima County, Arizona as follows:

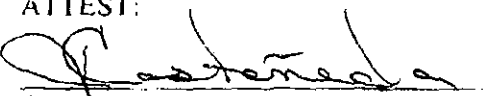
Michelle Campagne, Director of Finance and Risk Management of Pima County, or a person designated by her, is appointed to conduct the Hearing, after appropriate public notice, as required by the provisions of Section 147(f), with regard to the financing and refinancing of the Tucson Projects described herein and the issuance by the Authority of the Bonds, and to report the results of the Hearing to this Board. Following such report, the Board will consider approving the issuance of the Bonds, solely for the purpose of satisfying the public approval requirement of Section 147(f); and provided that in no event shall Pima County, Arizona, be liable for the payment of the Bonds or the Prior Bonds nor shall the Bonds or the Prior Bonds constitute a debt of Pima County, Arizona.

ADOPTED AND APPROVED this 20 day of August, 2018.

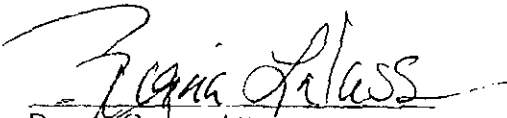

Chairman, Board of Supervisors
Pima County, Arizona

AUG 20 2018

ATTEST:


Clerk, Board of Supervisors
Pima County, Arizona

APPROVED AS TO FORM:


Deputy County Attorney
REGINA NASSEN



April 10, 2019

Ms. Shelby Scharbach
Executive Director
The Industrial Development Authority
of the County of Maricopa
301 West Jefferson, Room 950
Phoenix, Arizona 85003

William F. Wilder, Esq.
Riley, Carlock & Applewhite
One North Central Avenue
Suite 1200
Phoenix, Arizona 85004

Re: The Industrial Development Authority of the County of Maricopa Revenue Bonds (Banner Health) Series 2019.


Dear Mr. Wilder:

On August 20, 2018, the Board of Supervisors of Pima County adopted Resolution No. 2018-52, appointing me or my designee as a person authorized to conduct a public hearing, as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, with regard to the proposed action by The Industrial Development Authority of the County of Maricopa to authorize and issue its Revenue Bonds (Banner Health) Series 2019. Due to a delay in the financing schedule, the public hearing for the bonds has not yet been held. Banner Health has requested that the public hearing be held on or about April 23, 2019.

By this letter and as authorized by the Resolution, I am acting to designate each of you, acting in the alternative, as persons to conduct the subject public hearing, which I understand will be held at 9:30 a.m. on April 23, 2019, following at least seven days of publication of a Notice of Public Hearing in both the *Daily Territorial* and *Arizona Daily Star*.

Upon conclusion of the public hearing, you are to submit to the Clerk of the Board of Supervisors of Pima County a Report of Public Hearing and thereupon request the Pima County Board of Supervisors to adopt a resolution approving the issuance by The Industrial Development Authority of the County of Maricopa of the subject bonds.

Yours very truly,


Michelle Campagne

Michelle Campagne, Director

130 W. Congress, 6th Fl Tucson, Arizona 85701-1317 • Phone: 520-724-8410 • Fax: 520-770-4173

PIMA COUNTY, ARIZONA

**REPORT OF PUBLIC HEARING WITH RESPECT TO
THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE COUNTY OF MARICOPA REVENUE BONDS
(BANNER HEALTH)
SERIES 2019**

On Tuesday, April 23, 2019, commencing at 9:30 a.m., MST, in the First Floor Lobby of the Pima County Administration Building, 130 West Congress Street, Tucson, Arizona 85701, the undersigned, as the designee of Michelle Campagne, Finance Director for Pima County, and on behalf of Pima County, Arizona, conducted a Public Hearing pursuant to the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), regarding the proposed issuance by The Industrial Development Authority of the County of Maricopa of its Revenue Bonds (Banner Health), Series 2019, in an aggregate principal amount not to exceed \$660,000,000 (the "Bonds"), a portion of which in the maximum aggregate principal amount of \$326,000,000 will be for the benefit of Banner Health (the "Corporation"), an Arizona nonprofit corporation, to provide a three year plan of financing and refinancing of the projects described herein in Tucson, Pima County, Arizona and to pay costs of issuance of the Bonds.

A portion of the proceeds of the Bonds in a maximum principal amount of \$225,000,000 will be applied by the Corporation to finance the costs of construction, renovations, furnishing and equipping of a new patient care and clinical tower to be located on the Banner-University Medical Center Tucson campus ("Banner UMC Tucson") located at 1501 North Campbell Avenue, Tucson, AZ 85724 and related campus improvements and miscellaneous capital expenditures on the Banner UMC Tucson campus. The new patient care tower will total approximately 700,000 square feet, consisting of 9 stories and housing approximately 204 patient beds, operating rooms, diagnostic and laboratory facilities.

A portion of the proceeds of the Bonds in a maximum principal amount of \$101,000,000 will be applied by the Corporation to refund all or a portion of the Arizona Health Facilities Authority Revenue Bonds (Banner Health), Series 2015D (the "Prior Bonds"), a portion of which Prior Bonds were applied by the Corporation to finance and refinance the costs of the acquisition by the Corporation of (i) the Banner UMC Tucson facilities located at the address above, and including an emergency generator building located at 1611 North Cherry Avenue, Tucson, Arizona, and parking facilities located at 1625 North Martin Avenue, Tucson, Arizona and at 1652 N. Campbell Avenue, Tucson, Arizona, (ii) certain administrative office facilities located at 2701, 2711, 2721 and 2731 East Elvira Road, Tucson, Arizona, and (iii) the Banner-University Medical Center North Campus facilities located at 3838 North Campbell Avenue, Tucson, Arizona.

The owner and operator of the projects being financed is the Corporation through its wholly owned affiliates, Banner-University Medical Center Tucson Campus, LLC and Banner-University Medical Center South Campus, LLC. The projects to be financed and refinanced with the proceeds of the Bonds as described herein are or will be located at the addresses set forth herein. The Corporation expects that the mailing address of the Banner UMC Tucson campus

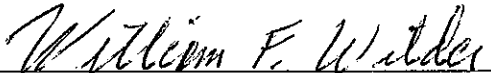
will be changed to 1625 North Campbell Avenue, Tucson, Arizona in connection with the construction of the new patient tower described above.

A Notice of Public Hearing was published in the *Daily Territorial* and the *Arizona Daily Star* on April 16, 2019, and copies of the Notice of Public Hearing and the Affidavits of Publication of Notice of Public Hearing are attached to this report.

At the time and place set for the Public Hearing, I announced that the Public Hearing was open and asked if there were interested persons wishing to comment and be heard with respect to the matters for which the Public Hearing was being conducted.

No persons appeared at the Public Hearing requesting to comment or be heard with regard to the matters for which the Public Hearing was conducted and no written comments or submissions were received prior to the Public Hearing, whereupon I declared the Public Hearing closed.

DATED: April 23, 2019.



William F. Wilder

NOTICE OF PUBLIC HEARING

Notice is hereby given that on April 23, 2019, a public hearing (the "Public Hearing") will be conducted by an authorized representative on behalf of the County of Pima, Arizona (the "County") at 9:30 am in the First Floor Lobby of the County Administration Building, 130 West Congress Street, Tucson, Arizona 85701 with respect to the proposed issuance by The Industrial Development Authority of the County of Maricopa (the "Maricopa Authority") of its Revenue Bonds (Banner Health), Series 2019 (the "Bonds") in one or more series from time to time. A portion of the proceeds of the Bonds in the maximum aggregate principal amount of \$326,000,000 will be used to assist Banner Health (the "Corporation"), an Arizona nonprofit corporation, to provide for a 3-year plan of financing and refinancing of the costs of the projects described herein in Tucson, Pima County, Arizona and to pay costs of issuance of the Bonds.

A portion of the proceeds of the Bonds in a maximum principal amount of \$225,000,000 will be applied by the Corporation to finance the costs of construction, renovations, furnishing and equipping of a new patient care and clinical tower to be located on the Banner-University Medical Center Tucson campus ("Banner UMC Tucson") located at 1501 North Campbell Avenue, Tucson, AZ 85724 and related campus improvements and miscellaneous capital expenditures on the Banner UMC Tucson campus. The new patient care tower will total approximately 700,000 square feet, consisting of 9 stories and housing approximately 204 patient beds, operating rooms, diagnostic and laboratory facilities.

A portion of the proceeds of the Bonds in a maximum principal amount of \$101,000,000 will be applied by the Corporation to refund all or a portion of the Arizona Health Facilities Authority Revenue Bonds (Banner Health), Series 2015D (the "Prior Bonds"), a portion of which Prior Bonds were applied by the Corporation to finance and refinance the costs of the acquisition by the Corporation of (i) the Banner UMC Tucson facilities located at the address above, and including an emergency generator building located at 1611 North Cherry Avenue, Tucson, Arizona, and parking facilities located at 1625 North Martin Avenue, Tucson, Arizona and at 1652 N. Campbell Avenue, Tucson, Arizona, (ii) certain administrative office facilities located at 2701, 2711, 2721 and 2731 East Elvira Road, Tucson, Arizona, and (iii) the Banner-University Medical Center North Campus facilities located at 3838 North Campbell Avenue, Tucson, Arizona.

The owner and operator of Banner UMC Tucson and Banner UMC South is the Corporation through its wholly owned affiliates, Banner-University Medical Center Tucson Campus, LLC and Banner-University Medical Center South Campus, LLC. The projects to be financed and refinanced with the proceeds of the Bonds as described herein are or will be located at the addresses set forth herein. The Corporation expects that the mailing address of the Banner UMC Tucson campus will be changed to 1625 North Campbell Avenue, Tucson, Arizona in connection with the construction of the new patient tower described above.

The Bonds will be, and the Prior Bonds are, special limited obligations of the issuers thereof, payable solely from payments to be made therefor by the Corporation, and will not constitute a general obligation or a pledge of the faith and credit or the taxing power of the Maricopa Authority, the County of Pima, Arizona, the County of Maricopa, Arizona, the State of Arizona or any agency or political subdivision thereof. The Authority has no taxing power.

The Bonds are to be issued from time to time in one or more issues during the expected 3-year period commencing on the date of approval of the plan of financing described herein. The Corporation intends to issue the Bonds not later than one year from the date of approval of the plan of finance described herein.

Any person may appear at such hearing and express his or her views, or may submit his or her views in writing, regarding the proposed Bonds and the location and nature of the projects described herein to be financed and refinanced with the proceeds of the Bonds. Any written submissions must be sent to the County at County Administration Building, 130 West Congress Street, Tucson, Arizona 85701, Attention: Michelle Campagne, Director of Finance and clearly marked "Banner Health Projects." Written submissions should be mailed or delivered in sufficient time to be received on or before April 22, 2019.

THE COUNTY OF PIMA, ARIZONA

THE DAILY TERRITORIAL

AFFIDAVIT OF PUBLICATION

STATE OF ARIZONA }
COUNTY OF PIMA } ss.

Roxanne Murray, being first duly sworn, deposes and says that (s)he is the Lead Public Notice Clerk of THE DAILY TERRITORIAL, a daily newspaper printed and published in the County of Pima, State of Arizona, and of general circulation in the City of Tucson, County of Pima, State of Arizona and elsewhere, and hereto attached:

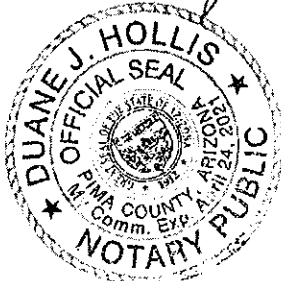
NOTICE OF PUBLIC HEARING
REVENUE BONDS BANNER
Legal #154266
APRIL 23, 2019

was printed and published correctly in the regular and entire issue of said THE DAILY TERRITORIAL for 1 issues; that the first was made on the 16th day of April, 2019 and the last publication thereof was made on the 16th day of April, 2019; that said publication was made on each of the following dates, to-wit:

04/16/2019

at the Request of: HAWKINS DELAFIELD & WOOD LLP

by _____, Lead Public Notice Clerk, subscribed and sworn to before me this 16th day of April, 2019.



Notary Public in and for the County of Pima, State of Arizona

My commission expires 04/24/2021

DAILY TERRITORIAL
WICK COMMUNICATIONS
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333 E W WILCOX DR
SIERRA VISTA AZ 85635
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ORDER CONFIRMATION (CONTINUED)

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Status: New WHOLD WH

NOTICE OF PUBLIC HEARING

Notice is hereby given that on April 23, 2019, a public hearing (the "Public Hearing") will be conducted by an authorized representative on behalf of the County of Pima, Arizona (the "County") at 9:30 am in the First Floor Lobby of the County Administration Building, 130 West Congress Street, Tucson, Arizona 85701 with respect to the proposed issuance by The Industrial Development Authority of the County of Maricopa (the "Maricopa Authority") of Revenue Bonds (Banner Health), Series 2019 (the "Bonds") in one or more series from time to time. A portion of the proceeds of the Bonds in the maximum aggregate principal amount of \$126,000,000 will be used to assist Banner Health (the "Corporation"), an Arizona non-profit corporation, to provide for a 3-year plan of financing and refinancing of the costs of the projects described herein in Tucson, Pima County, Arizona and to pay costs of issuance of the Bonds.

A portion of the proceeds of the Bonds in a maximum principal amount of \$123,000,000 will be applied by the Corporation to finance the costs of construction, renovations, furnishing and equipping of a new patient care and clinical tower to be located on the Banner University Medical Center Tucson campus ("Banner UMC Tucson") located at 1901 North Campbell Avenue, Tucson, AZ 85714 and related campus improvements and miscellaneous capital expenditures on the Banner UMC Tucson campus. The new patient care tower will total approximately 700,000 square feet, consisting of 5 stories and housing approximately 204 patient beds, operating rooms, diagnostic and laboratory facilities.

A portion of the proceeds of the Bonds in a maximum principal amount of \$103,000,000 will be applied by the Corporation to refund all or a portion of the Arizona Health Facilities Authority Revenue Bonds (Banner Health), Series 1015D (the "Prior Bonds"), a portion of which Prior Bonds were applied by the Corporation to finance and refinance the costs of the acquisition by the Corporation of (i) the Banner UMC Tucson facilities located at the address above, and including an emergency generator building located at 1611 North Cherry Avenue, Tucson, Arizona, and parking facilities located at 1615 North Martin Avenue, Tucson, Arizona and at 1651 N. Campbell Avenue, Tucson, Arizona, (ii) certain administrative office facilities located at 2701, 2711, 2721 and 2731 East Elgin Road, Tucson, Arizona, and (iii) the Banner University Medical Center North Campus facilities located at 3834 North Campbell Avenue, Tucson, Arizona.

The owner and operator of Banner UMC Tucson and Banner UMC South is the Corporation through its wholly owned affiliate, Banner University Medical Center Tucson Campus, LLC and Banner University Medical Center South Campus, LLC. The projects to be financed and refinanced with the proceeds of the Bonds as described herein are or will be located at the addresses set forth herein. The Corporation expects that the mailing address of the Banner UMC Tucson campus will be changed to 1915 North Campbell Avenue, Tucson, Arizona in connection with the construction of the new patient tower described above.

The Bonds will be, and the Prior Bonds are, special limited obligations of the issuers thereof, payable solely from payments to be made therefor by the Corporation, and will not constitute a general obligation or a pledge of the faith and credit or the taxing power of the Maricopa Authority, the County of Pima, Arizona, the County of Maricopa, Arizona, the State of Arizona or any agency or political subdivision thereof. The Authority has no taxing power.

The Bonds are to be issued from time to time in one or more series during the expected 3-year period commencing on the date of approval of the plan of financing described herein. The Corporation intends to issue the Bonds not later than one year from the date of approval of the plan of financing described herein.

Any person may appear at such hearing and express his or her views, or may submit his or her views in writing regarding the proposed Bonds and the location and nature of the projects described herein to be financed and refinanced with the proceeds of the Bonds. Any written submissions must be sent to the County at County Administration Building, 130 West Congress Street, Tucson, Arizona 85701, Attention: Michele Champagne, Director of Finance and clearly marked "Banner Health Projects." Written submissions should be mailed or delivered in sufficient time to be received on or before April 22, 2019.

THE COUNTY OF PIMA, ARIZONA

PUBLISHED: The Daily Territorial

4-10-19

ARIZONA DAILY STAR

Tucson, Arizona

STATE OF ARIZONA)
COUNTY OF PIMA)

Debbie Sanchez, being first duly sworn deposes and says: that she is the Advertising Representative of **TNI PARTNERS**, a General Partnership organized and existing under the laws of the State of Arizona, and that it prints and publishes the Arizona Daily Star, a daily newspaper printed and published in the City of Tucson, Pima County, State of Arizona, and having a general circulation in said City, County, State and elsewhere, and that the attached ad was printed and

Legal Notice

published correctly in the entire issue of the said Arizona Daily Star on each of the following dates, to-wit:

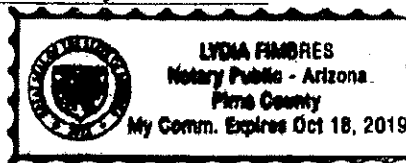
APRIL 16, 2019

Debbie Sanchez
Subscribed and sworn to before me this 16th day of April 2019

Lydia Fimbres
Notary Public

My commission expires

AD NO. 8876799



NOTICE OF PUBLIC HEARING

Notice is hereby given that on April 22, 2019 a public hearing (the "Public Hearing") will be conducted by an authorized representative on behalf of the County of Pima, Arizona (the "County") and the Pima County Board of Supervisors (the "Board") at the County Administration Building, 100 West Congress Street, Tucson, Arizona 85701, with respect to the proposed issuance by the Industrial Development Authority of the County of Maricopa (the "Authority") of its Revenue Bonds (Banner Health) Series 2019 (the "Bonds") in one or more series from time to time. A portion of the proceeds of the Bonds in the maximum aggregate principal amount of \$325,000,000 will be used to assist Banner Health (the "Corporation") in Arizona nonprofit corporation to provide for a seven year period financing and refinancing of the costs of the projects described herein in Pima County, Arizona and to pay costs of issuance of the Bonds.

A portion of the proceeds of the Bonds in a maximum principal amount of \$225,000,000 will be applied by the Corporation to finance the costs of construction, renovations, furnishing and equipping of a new patient care and clinical tower to be located on the Banner University Medical Center Tucson campus ("Banner UMC Tucson") located at 1501 North Campbell Avenue, Tucson, AZ 85724 and related various improvements and miscellaneous capital expenditures on the Banner UMC Tucson campus. The new patient care tower will total approximately 1,000,000 square feet consisting of approximately 200 patient beds, operating rooms, diagnostic and laboratory facilities.

A portion of the proceeds of the Bonds in a maximum principal amount of \$100,000,000 will be applied by the Corporation to extend all or a portion of the Arizona Health Facilities Authority Revenue Bonds (Banner Health) Series 2015B (the "Prior Bonds") a portion of which Prior Bonds were applied by the Corporation to finance and refinance the costs of the acquisition by the Corporation of the Banner UMC Tucson campus located at the address above and including expenses of operation and maintenance of the Banner UMC Tucson campus and parking facilities located at 1625 North Martin Avenue, Tucson, Arizona and at 1652 N. Campbell Avenue, Tucson, Arizona. In certain administrative offices located at 2701, 2711, 2721 and 2731 East Elvira Road, Tucson, Arizona and (ii) the Banner University Medical Center North Campus facilities located at 3838 North Campbell Avenue, Tucson, Arizona.

The owner and operator of Banner UMC Tucson and Banner UMC South is the Corporation through its wholly owned affiliate, Banner University Medical Center Tucson Campus, LLC and Banner University Medical Center South Campus, LLC. The projects to be financed and refinanced with the proceeds of the Bonds as described herein are or will be located at the addresses set forth herein. The Corporation expects the mailing address of the Banner UMC Tucson campus will be changed to 1625 N. Campbell Avenue, Tucson, Arizona in connection with

patient tower described above.

The Bonds will be and the Prior Bonds are special limited obligations of the County, the principal payable solely from payments to be made therefor by the Corporation, and will not constitute a general obligation or a pledge of the faith and credit of the County of Pima, Arizona. The County of Pima, Arizona, the County of Maricopa, Arizona, the State of Arizona, and the State of California are not political subdivisions of the County of Pima, Arizona.

The Bonds are to be issued from time to time in one or more series during the 20-year period commencing on the date of issuance of the Bonds, the financing of which herein the Corporation intends to issue the Bonds for a period of seven years from the date of application of the plan of financing described herein.

Any and all written notices, requests, proposals, or other communications in connection with the Bonds, including any and all written notices, requests, proposals, or other communications in connection with the Bonds, should be made or delivered in sufficient time to be received on or before April 22, 2019.

THE COUNTY OF PIMA, ARIZONA

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Order # 0008876206 # of Affidavits 1

P.O # 4/22 PH

Published Date(s):

04/15/19

STATE OF WISCONSIN

COUNTY OF BROWN

SS.

I, being first duly sworn, upon oath depose and says: That I am the legal clerk of the Arizona Republic, a newspaper of general circulation in the counties of Maricopa, Coconino, Pima and Pinal, in the State of Arizona, published weekly at Phoenix, Arizona, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates indicated.

Kana Kanitz

Sworn to before me this

15 TH day of
APRIL 2019

Notary Public

My Commission expires: 11/1/20

NOTICE OF PUBLIC HEARING

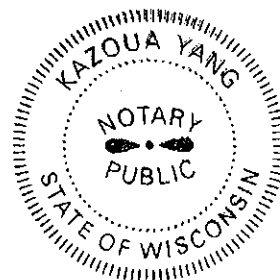
Notice is hereby given that on April 22, 2019, a public hearing (the "Public Hearing") will be conducted by an authorized representative on behalf of The Industrial Development Authority of the County of Maricopa (the "Authority") at 9:30 am in the Maricopa County Administration Building, First Floor Lobby, 301 West Jefferson Street, Phoenix, Arizona 85003 with respect to the proposed issuance by the Authority of its Revenue Bonds (Banner Health), Series 2019 (the "Bonds") in one or more series from time to time, in the maximum aggregate principal amount of \$600,000,000 to assist Banner Health (the "Corporation"), an Arizona nonprofit corporation, to provide for a 3-year plan of financing and refinancing of the costs of construction, renovations, furnishing and equipping of certain health care facilities as hereinafter described and to pay costs of issuance of the Bonds.

Up to \$155,000,000 aggregate principal amount of Bonds may be issued to finance and refinance construction, furnishing and equipping of a new 18-story patient care and clinical tower to be located on the Banner-University Medical Center Phoenix campus ("Banner UMC Phoenix") located at 1111 E. McDowell Road, Phoenix, AZ 85006, consisting of approximately 700,000 square feet and housing approximately 278 patient beds, a new emergency department and trauma center, operating rooms, diagnostic and laboratory facilities, and related campus improvements and miscellaneous capital expenditures at Banner UMC Phoenix.

Up to \$155,000,000 aggregate principal amount of Bonds may be issued to finance and refinance the construction, furnishing and equipping of Banner Ocotillo Medical Center, a new, 4-story, approximately 240,000 square-foot hospital to be located at 1405 S Alma School Road, Chandler, AZ 85286.

Up to \$225,000,000 aggregate principal amount of Bonds may be issued to finance and refinance construction, furnishing and equipping of a new 9-story patient care and clinical tower to be located on the Banner-University Medical Center Tucson campus ("Banner UMC Tucson") located at 1501 N. Campbell Avenue, Tucson, AZ 85724, consisting of approximately 700,000 square feet and housing approximately 204 patient beds, operating rooms, diagnostic and laboratory facilities and related campus improvements and miscellaneous capital expenditures at Banner UMC Tucson. The Corporation expects that the mailing address of the Banner UMC Tucson campus will be changed to 1625 N. Campbell Avenue, Tucson, AZ in connection with the construction of the new patient tower.

Up to \$300,000,000 aggregate principal amount of the Series 2019 Bonds may be issued to re-



and all or a portion of the Arizona Health Facilities Authority Revenue Bonds (Banner Health), Series 2008B and Series 2008C (the "Series 2008BC Prior Bonds"), and Series 2015D (the "Series 2015 Prior Bonds", and collectively with the Series 2008BC Prior Bonds, the "Prior Bonds"). The proceeds of the Prior Bonds were used by the Corporation as follows: (1) approximately \$161,000,000 of proceeds of the Series 2008BC Prior Bonds were applied to refund the Arizona Health Facilities Authority Revenue Bonds (Banner Health), Series 2005B and Series 2005C, the proceeds of which financed, and refinanced: (a) construction and equipping of Banner Gateway Medical Center, 1900 North Higley Road, Gilbert, AZ; (b) construction of a parking garage at Banner Thunderbird Medical Center, 5555 W. Thunderbird Road, Glendale, AZ; (c) construction, renovations and equipping of the Corporation's corporate offices located at 1441 N. 12th Street, Phoenix, AZ; and (d) construction and equipping at McKee Medical Center located at 2000 Boise Avenue, Loveland, Colorado; and (2) approximately \$101,000,000 of proceeds of the Series 2015D Prior Bonds were applied to finance (a) the acquisition of Banner UMC Tucson, (b) construction of a parking garage at Banner UMC Phoenix, and (c) the acquisition of Banner Payson Medical Center located at 807 S. Ponderosa Street, Payson, AZ. The projects and facilities to be financed and refinanced with the proceeds of the Bonds are or will be owned and/or operated by the Corporation or its wholly owned affiliates, Banner University Medical Center Tucson Campus, LLC or Banner University Medical Center South Campus, LLC. The projects to be financed and refinanced with the proceeds of the Bonds are or will be located at the addresses set forth herein. The Bonds will be, and the Prior Bonds are, special limited obligations of the issuers thereof, payable solely from payments to be made therefor by the Corporation, and will not constitute a general obligation or a pledge of the faith and credit or the taxing power of the Authority, the County of Maricopa, Arizona, the State of Arizona or any agency or political subdivision thereof. The Authority has no taxing power. The Bonds are to be issued from time to time in one or more issues during the expected 3-year period commencing on the date of approval of the plan of financing described herein. The Corporation intends to issue the Bonds not later than one year from the date of approval of the plan of finance described herein. Any person may appear at such hearing and express his or her views, or may submit his or her views, in writing, regarding the proposed Bonds and the location and nature of the projects described herein to be financed and refinanced with the proceeds of the Bonds. Any written submissions must be sent to the Authority c/o Maricopa County, 301 West Jefferson Street, 10th Floor, Phoenix, Arizona, 85003 Attention: President and clearly marked "Banner Health Projects." Written submissions should be mailed or delivered in sufficient time to be received on or before April 19, 2019.

THE INDUSTRIAL DEVELOPMENT
AUTHORITY
OF THE COUNTY OF MARICOPA
Pub. April 15, 2019