

Exhibit A

PUBLIC HEARING REPORT

November 12, 1998

The Hospital Facilities Authority of the City of Portland, Oregon held two public hearings on November 12, 1998 at 12 00 a m in Conference Room 1250 of the Portland Building, 1120 S W Fifth Avenue, Portland, Oregon 97204

The purpose of the public hearings was to provide a reasonable opportunity for interested persons to express their views on the proposed issuance of Revenue Bonds by the Hospital Facility Authority of Clackamas County, Oregon (the "Clackamas Authority") for and on behalf of Kaiser Permanente and Legacy Health System

- A) Kaiser Permanente – The Hospital Facility Authority of Clackamas County, Oregon (the "Clackamas Authority") has received a request from Kaiser Foundation Hospitals, a nonprofit organization, to refund the Clackamas Authority's Kaiser Permanente Medical Care Program Semiannual Tender Revenue Bonds, 1984 Tender Bonds
- B) Legacy Health System – The Hospital Facility Authority of Clackamas County, Oregon (the "Clackamas Authority") has received a request from the Legacy Health System, a nonprofit organization, to provide funds for the construction of multiple projects (collectively, the "Project") and other related costs

Section 147(f) of the Internal Revenue Code of 1986, as amended, and the rules and regulations issued thereunder require that a public hearing on the issuance of the Bonds be held by (1) the governmental unit issuing the Bonds **and** (2) the governmental unit having jurisdiction over the area in which the project is located

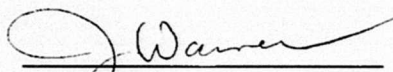
On November 12, 1998 the Board of County Commissioners of Clackamas County, Oregon will hold a public hearing at 10 00 a m to provide a reasonable opportunity for interest persons within Clackamas County to express their views on the proposed issuance of the Revenue Bonds

At the time and place announced, the following person, after being designated to do so by The Hospital Facilities Authority of the City of Portland, Oregon (the "Portland Authority"), was present to conduct the public hearing for and on behalf of the Portland Authority

Jan Warner, Financial Analyst

No written comments were delivered at the two public hearings, no written comments were received by mail, and no person or persons appeared at the public hearings to express their views. The undersigned declared the public hearing for Kaiser Permanente closed at 12 15 p m and the public hearing for Legacy Health System closed at 12 20 p m on November 12, 1998.

Dated this 12th day of November, 1998

A handwritten signature in cursive script, appearing to read "Jan Warner", written over a horizontal line.

Jan Warner
Financial Analyst
City of Portland, Oregon

35741

RESOLUTION No.

Approve the issuance of Revenue Bonds (Legacy Health System) Series 1998, by the Hospital Facility Authority of Clackamas County, Oregon as approved by the Hospital Facilities Authority of the City of Portland, Oregon (Resolution)

WHEREAS, it appearing before the City Council that the Hospital Facility Authority of Clackamas County, Oregon (the "Clackamas Authority") has received a request from Legacy Health System, a private, non-profit corporation organized and existing under the laws of the State of Oregon (the "Borrower") to issue Revenue Bonds (Legacy Health System), Series 1998 (the "1998 Bonds") in an amount not to exceed \$110,000,000 for the purpose of financing the following projects (collectively, the "Project")

- (1) To finance the remodeling and construction and the acquisition of equipment at Legacy Health System Office in Portland, Oregon, Mount Hood Medical Center in Gresham, Oregon, Emanuel Hospital and Health Center in Portland, Oregon, Good Samaritan Hospital and Medical Center in Portland, Oregon, and Meridian Park Hospital in Clackamas County, Oregon,
- (2) To pay capitalized interest during the Project acquisition and construction period, and
- (3) To pay certain expenses incurred in connection with the issuance of the Bonds, and

WHEREAS, on October 27, 1998 the Clackamas Authority adopted an Inducement Resolution in which the Clackamas Authority agreed to use its best efforts, in cooperation with the Borrower, to issue the 1998 Bonds pursuant to law and to loan the proceeds to the Borrower, and

WHEREAS, the principal of and interest on the 1998 Bonds will not constitute a debt of Clackamas County, Oregon, the City of Portland, Oregon, the Hospital Facilities Authority of the City of Portland (the "Authority"), nor the City of Gresham, Oregon, nor shall the 1998 Bonds be payable from a tax of any nature levied upon any property by the City of Portland, Clackamas county, Oregon, the City of Gresham, Oregon, nor any other political subdivision of the State of Oregon The 1998 Bonds will be payable only from the revenues and resources of the Borrower, and

WHEREAS, the Internal Revenue Code of 1986, as amended, (the "Code") authorizes the issuance of revenue bonds for a "qualified 501(c)(3) entity," such as the Borrower, and

WHEREAS, Section 147(f) of the Code requires that qualified 501(c)(3) bonds be approved by the applicable elected representatives of (1) the governmental unit issuing such bonds and (2) all governmental units having jurisdiction over the areas in which the Projects are located, and

WHEREAS, the applicable elected representatives of the City of Portland, Oregon, as the governmental unit having jurisdiction over the area in which a portion of the Project is located, must approve of the issuance of the 1998 Bonds following a public hearing. The Board of Directors of the Authority are not "elected representatives" but are appointed by the City Council of the City of Portland, Oregon. Thus, for the Clackamas Authority to issue the 1998 Bonds, it is necessary that the City Council of the City of Portland, Oregon, as the applicable elected representatives of the governmental unit having jurisdiction over the area in which a portion of the Project is located, approve the issuance of the 1998 Bonds after a public hearing. The public hearing (Public Hearing Report, attached hereto as Exhibit A) was held by Jan Warner, Financial Analyst for the City of Portland, on November 12, 1998, and

WHEREAS, the Authority on November 12, 1998, considered the request of the Clackamas Authority to issue the 1998 Bonds for the Borrower and authorized the execution of an Intergovernmental Agreement between the Authority, the Clackamas Authority and the City of Gresham, Oregon, wherein the Authority, the Clackamas Authority and the City of Gresham, Oregon agree that the Clackamas Authority will be the issuer of the 1998 Bonds, and

WHEREAS, the Authority reports that no written comments were received and no members of the public appeared at the public hearing to express their views on the proposed issue of revenue bonds, and

WHEREAS, the City Council finds that it would be in the best interest of the City of Portland, Oregon to approve of the issuance of the 1998 bonds by the Clackamas Authority pursuant to the requirements of Section 147(f) of the Code

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Portland, Oregon, as the applicable elected representatives of the governmental unit having jurisdiction over the area in which a portion of the Project is located, ratifies and confirms the holding of the public hearing and does approve of the issuance of the 1998 Bonds

ADOPTED by the Council,

Mayor Katz
Office of Finance and Administration
Tim Grewe J Warner
November 18, 1998

BARBARA CLARK
Auditor of the City of Portland

By *Britta Olson*
Deputy

1719

Agenda No

RESOLUTION NO

35741

Title

Approve the issuance of Revenue Bonds (Legacy Health System) Series 1998, by the Hospital Facility Authority of Clackamas County, Oregon as approved by the Hospital Facilities Authority of the City of Portland, Oregon (Resolution)

INTRODUCED BY	Filed
Mayor Vera Katz	NOV 19 1998
NOTED BY COMMISSIONER	Barbara Clark Auditor of the City of Portland
Affairs	By <u>Cay Kirschner</u> Deputy
Finance and Administration <i>VK</i>	
Safety	
Utilities	
Works	
BUREAU APPROVAL	
Bureau Office of Finance and Administration-	For Meeting of _____
Prepared by Date	ACTION TAKEN
J Warner 11-18-98	
Budget Impact Review	
X Completed Not Required	
Bureau Head Tim Grewe <i>Tim Grewe</i>	

AGENDA		FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS	
Consent	Regular			
X		Francesconi	}	
NOTED BY		Hales		
City Attorney		Kafoury		
City Auditor		Sten		
City Engineer		Katz		