

MINUTES of a public hearing of the South Dakota Health and Educational Facilities Authority held in the offices of the South Dakota Health and Educational Facilities Authority at 330 South Poplar, Suite 102, Pierre, South Dakota 57501 at 9:00 A.M., on January 5, 2016.

Donald A. Templeton called the meeting to order as the Executive Director of the South Dakota Health and Educational Facilities Authority (the “*South Dakota Authority*”).

Donald A. Templeton presented publishers’ affidavits, with newspaper clippings attached, showing the publication on December 16, 2015 of the notice (the “*Notice*”) of the meeting in the *Sioux Falls Argus Leader*, a newspaper of general circulation in the State of South Dakota and the City of Sioux Falls, South Dakota and in the *Daily Capital Journal*, a newspaper of general circulation in the State of South Dakota and the City of Pierre, South Dakota, said publications being at least 14 days prior to the date hereof, which affidavits are on file in the office of the South Dakota Authority as a part of the permanent records of the South Dakota Authority.

Donald A. Templeton stated that the purpose of the meeting was to conduct a public hearing, pursuant to published notice as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, and Section 1-16A-15.1 of the South Dakota codified Laws, on the proposed issuance by the Colorado Health Facilities Authority (the “*Colorado Authority*”) of its revenue bonds (the “*Bonds*”), approximately \$630,000 of the proceeds of which will be loaned to American Baptist Homes of the Midwest (“*ABHM*”) and used to finance the completion of the renovation and remodeling of various portions of its entire healthcare campus, including in particular the independent living corridors, common areas and support service areas, and the construction, improvement and equipping of a new wellness center and related amenities, a new memory support service line with 22 apartments, and a new 40-unit assisted living addition, all at the Trail Ridge Retirement Community located at 3408 W. Ralph Rogers Road in Sioux Falls, South Dakota 57108, and on the property located immediately to the south of and adjacent to the existing Trail Ridge Retirement Community facilities at 3408 W. Ralph Rogers Road (collectively, the “*South Dakota Project*”). The remainder of the proceeds of the Bonds will be used to (i) finance or reimburse the costs of completion of the acquisition, construction, improvement and equipping of certain skilled nursing facilities and other health care facilities of ABHM in various locations outside of the State of South Dakota which have been under construction since 2013, due to unanticipated additional project costs, (ii) establish a reserve fund for the Bonds, (iii) pay capitalized interest on the Bonds, and (iv) pay certain costs of issuing the Bonds.

The Bonds will constitute special limited obligations of the Colorado Authority payable solely from amounts received by the Colorado Authority pursuant to a loan agreement between the Colorado Authority and ABHM, the principal owner, operator and manager of the South Dakota Project. The South Dakota Authority will not issue the Bonds, nor will the South Dakota Authority or the State of South Dakota have any liability with respect to the Bonds or the sale or offering thereof. This public hearing and any subsequent action, if any, taken by the South Dakota Authority is solely for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “*Code*”), and in compliance with Section 1-16A-15.1 of the South Dakota Codified Laws. The South Dakota Authority has not reviewed, passed upon, or approved, and will not review, pass upon or approve, among other matters: (i) the financial feasibility of the

plan of finance described in the notice; (ii) the feasibility or advisability of the financing of the South Dakota Project, (iii) the adequacy or operations of the South Dakota Project financed with the proceeds of the Bonds or (iv) the validity, enforceability, credit, or feasibility of the Bonds or the tax status of interest on the Bonds themselves. The South Dakota Authority will not pass upon or approve the sufficiency of any official statement or other offering document with respect to the Bonds, or any document securing or providing for the issuance of or relating to such Bonds.

Donald A. Templeton then announced that all those interested persons wishing to argue for or protest against the issuance by the Colorado Authority of such revenue Bonds for such purposes in South Dakota, orally or in writing, would be heard and that all such written or oral statements would be considered.

All interested persons wishing to speak were then given full opportunity to be heard, the persons so speaking being as follows:

<u>Name</u>	<u>Address</u>
NONE	

All interested persons wishing to file written statements were given the opportunity to do so, the persons so filing written statements being as follows:

<u>Name</u>	<u>Address</u>
NONE	

Written statements had been received and filed by the Executive Director of the South Dakota Authority prior to the meeting from the following persons, copies of which are attached:

<u>Name</u>	<u>Address</u>
NONE	

Thereupon, after all persons desiring to speak or submit written statements had been permitted to do so, Donald A. Templeton stated that the public hearing on the proposed issuance of such revenue Bonds by the Colorado Authority was concluded.

Executive Director