

1 Introduced by the Council President at the request of the Mayor:  
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4 **ORDINANCE 2022-331**

5 AN ORDINANCE PROVIDING FOR AND AUTHORIZING THE  
6 ISSUANCE BY THE CITY OF JACKSONVILLE, FLORIDA OF  
7 ITS HEALTH CARE FACILITIES REVENUE BONDS  
8 (BAPTIST HEALTH), SERIES 2022, IN ONE OR MORE  
9 SERIES, TAXABLE, TAX-EXEMPT OR A COMBINATION  
10 THEREOF, FROM TIME TO TIME, IN AN AGGREGATE  
11 PRINCIPAL AMOUNT OF NOT TO EXCEED \$200,000,000,  
12 AND PROVIDING FOR AND AUTHORIZING ONE OR MORE  
13 LOANS BY THE CITY TO SOUTHERN BAPTIST HOSPITAL  
14 OF FLORIDA, INC. (D/B/A BAPTIST MEDICAL CENTER  
15 JACKSONVILLE, BAPTIST MEDICAL CENTER SOUTH,  
16 WOLFSON CHILDREN'S HOSPITAL AND BAPTIST MEDICAL  
17 CENTER CLAY), A FLORIDA NOT FOR PROFIT  
18 CORPORATION (THE "BORROWER"), IN AN AGGREGATE  
19 PRINCIPAL AMOUNT EQUAL TO THE AGGREGATE  
20 PRINCIPAL AMOUNT OF SAID BONDS, FOR THE PURPOSES  
21 OF FINANCING, REFINANCING AND REIMBURSING ALL OR  
22 A PORTION OF THE COSTS OF CERTAIN CAPITAL  
23 EXPENDITURES AT CERTAIN HEALTH CARE FACILITIES  
24 OF THE BORROWER AND ITS AFFILIATES AND RELATED  
25 PARTIES, INCLUDING WITHOUT LIMITATION THE  
26 ACQUISITION, PLANNING, DEVELOPMENT, CONSTRUCTION,  
27 RENOVATION, IMPROVEMENT, EQUIPPING AND  
28 INSTALLATION OF CERTAIN CAPITAL PROJECTS  
29 DESCRIBED HEREIN IN DUVAL COUNTY, FLORIDA, CLAY  
30 COUNTY, FLORIDA, NASSAU COUNTY, FLORIDA AND ST.  
31 JOHNS COUNTY, FLORIDA; PROVIDING THAT SAID BONDS

1 SHALL NOT CONSTITUTE A DEBT, LIABILITY OR  
2 OBLIGATION OF THE CITY OR OF THE STATE OF FLORIDA  
3 OR ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL  
4 BE PAYABLE SOLELY FROM THE REVENUES HEREIN  
5 PROVIDED; APPOINTING A BOND TRUSTEE; AUTHORIZING  
6 A DELEGATED NEGOTIATED SALE OF SAID BONDS,  
7 APPROVING THE CONDITIONS AND CRITERIA FOR SUCH  
8 SALE, AND AUTHORIZING THE ECONOMIC DEVELOPMENT  
9 OFFICER OF THE CITY OF JACKSONVILLE, FLORIDA TO  
10 AWARD THE NEGOTIATED SALE OF THE BONDS TO THE  
11 PURCHASER; APPROVING AND AUTHORIZING THE  
12 EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS  
13 REQUIRED IN CONNECTION WITH THE FOREGOING;  
14 MAKING CERTAIN OTHER APPOINTMENTS; PROVIDING  
15 CERTAIN OTHER DETAILS IN CONNECTION THEREWITH;  
16 ALL PURSUANT TO CHAPTER 159, PART II, FLORIDA  
17 STATUTES, AS AMENDED, SECTION 163.01, FLORIDA  
18 STATUTES, AS AMENDED, AND OTHER APPLICABLE  
19 PROVISIONS OF LAW; AND PROVIDING AN EFFECTIVE  
20 DATE.

21  
22 **BE IT ORDAINED** by the Council of the City of Jacksonville:

23 **SECTION 1. AUTHORITY:** This Ordinance is enacted pursuant to  
24 Chapter 104 of the Ordinance Code of the City of Jacksonville, Florida  
25 (referred to herein as the "City" or the "Issuer"), as amended,  
26 particularly as amended by Ordinance 2012-681-E enacted by the City  
27 Council (the "Council") of the City on February 12, 2013; Chapter  
28 159, Part II, Florida Statutes, as amended; Section 163.01, Florida  
29 Statutes, as amended (the "Interlocal Act"); and other applicable  
30 provisions of law.  
31

1           **SECTION 2.           DEFINITIONS.** Unless the context otherwise  
2 requires, all terms used herein in capitalized forms shall have the  
3 respective meanings specified in this section. Words importing the  
4 singular shall include the plural, and words importing the plural  
5 shall include the singular.

6           "Act" means, collectively, Chapter 159, Part II, Florida  
7 Statutes, as amended, and the Interlocal Act.

8           "Baptist Obligated Group" means collectively, the Borrower,  
9 Baptist Health System, Inc., Baptist Medical Center of the Beaches,  
10 Inc., Baptist Medical Center of Nassau, Inc., Baptist Health  
11 Properties, Inc., Baptist Health Ambulatory Services, Inc., each  
12 a Florida not for profit corporation, and Baptist Behavioral  
13 Health, LLC, a Florida limited liability company.

14           "Bond Counsel" means the law firm of McGuireWoods LLP,  
15 Jacksonville, Florida.

16           "Bond Purchase Agreement" means, individually and collectively,  
17 one or more Bond Purchase Agreements to be executed by and among the  
18 Issuer and the Purchaser, together with any Letters of Representation  
19 from the Borrower to the Issuer and the Purchaser, substantially in  
20 the form currently **On File** with the Legislative Services Division and  
21 incorporated herein by reference.

22           "Bonds" means the bonds of the Issuer to be designated "City of  
23 Jacksonville, Florida Health Care Facilities Revenue Bonds (Baptist  
24 Health), Series 2022" (or such other series designation as may be set  
25 forth in the Indenture) in an aggregate principal amount not to exceed  
26 \$200,000,000, in one or more series, taxable, tax-exempt or a  
27 combination thereof, substantially in the form and with the rates of  
28 interest, maturity dates and other details provided for herein, in  
29 the Indenture and Bond Purchase Agreement to be authorized and issued  
30 by the Issuer, authenticated by the Trustee and delivered under the  
31 Indenture.

1 "Borrower" means Southern Baptist Hospital of Florida, Inc.  
2 (d/b/a Baptist Medical Center Jacksonville, Baptist Medical Center  
3 South, Wolfson Children's Hospital and Baptist Medical Center Clay),  
4 a Florida not for profit corporation, and any successor, surviving,  
5 resulting or transferee Person as provided in the Loan Agreement.

6 "Code" means the Internal Revenue Code of 1986, as amended from  
7 time to time, and the Regulations thereunder, whether proposed,  
8 temporary or final, promulgated by the Department of the Treasury,  
9 Internal Revenue Service.

10 "Corporation Secretary" as used herein refers to the Corporation  
11 Secretary of the Issuer or such other person as may be authorized to  
12 act in the place of the Corporation Secretary.

13 "Economic Development Officer" as used herein refers to the  
14 Economic Development Officer of the Issuer or such other person as  
15 may be authorized to act in the place of the Economic Development  
16 Officer.

17 "Indenture" means, individually and collectively, one or more  
18 Trust Indentures to be executed by and between the Issuer and the  
19 Trustee, substantially in the form currently **On File** with the  
20 Legislative Services Division and incorporated herein by reference.

21 "Interlocal Agreement" means, individually and collectively, the  
22 separate Interlocal Agreements to be executed by and between the  
23 Issuer and each of the Other Jurisdictions, each substantially in the  
24 form currently **On File** with the Legislative Services Division and  
25 incorporated herein by reference.

26 "Issuer" means the City of Jacksonville, Florida, a consolidated  
27 municipal and county political subdivision of the State of Florida.

28 "Jacksonville Project" means the portion of the Project located  
29 or to be located in Duval County, Florida.

30 "Loan Agreement" means, individually and collectively, one or  
31 more Loan Agreements to be executed by and between the Issuer and the

1 Borrower, substantially in the form currently **On File** with the  
2 Legislative Services Division and incorporated herein by reference.

3 "Master Indenture" means the First Amended and Restated Master  
4 Trust Indenture dated as of July 15, 2017 (as heretofore and hereafter  
5 amended and supplemented from time to time), between the Baptist  
6 Obligated Group and The Bank of New York Mellon Trust Company, N.A.,  
7 as master trustee.

8 "Master Indenture Obligation" means, individually and  
9 collectively, one or more obligations to be issued under the Master  
10 Indenture and executed and delivered by or on behalf of the Baptist  
11 Obligated Group to the Issuer and assigned to the Trustee,  
12 substantially in the form currently **On File** in the Legislative  
13 Services Division and incorporated herein by reference.

14 "Official Statement" means, individually and collectively, one  
15 or more official statements relating to the offering and sale of the  
16 Bonds, if applicable, substantially in the form to be placed **On File**  
17 with the Legislative Services Division and incorporated herein by  
18 reference.

19 "Other Jurisdiction Projects" means the portions of the Project  
20 located or to be located in one or more Other Jurisdictions.

21 "Other Jurisdictions" means, collectively, Clay County, Florida,  
22 Nassau County, Florida and St. Johns County, Florida.

23 "Person" or words importing persons means firms, associations,  
24 partnerships (including, without limitation, general and limited  
25 partnerships), joint ventures, limited liability companies,  
26 corporations, societies, estates, trusts, public or governmental  
27 bodies, other legal entities and natural persons.

28 "Project" means certain capital expenditures at the health care  
29 facilities of the Borrower and its affiliates and related parties,  
30 as more particularly described on **Exhibit 1** attached hereto, all  
31 located or to be located within or outside the geographical limits

1 of the Issuer.

2 "Purchaser" means, individually and collectively, one or more  
3 underwriter(s), placement agent(s), financial institution(s),  
4 institutional lender(s), any affiliate(s) of any of the foregoing,  
5 or any combination of the foregoing, in each case selected by the  
6 Borrower, and their respective successors and assigns.

7 "State" means the State of Florida.

8 "Trustee" means The Bank of New York Mellon Trust Company, N.A.,  
9 a national banking association, and any successor banking  
10 organization, banking association or trust company at the time serving  
11 as corporate trustee under the provisions of the Indenture.

12 **SECTION 3. FINDINGS.** The Issuer hereby finds, determines  
13 and declares as follows:

14 (A) The Issuer is a consolidated municipal and county political  
15 subdivision of the State of Florida, and is a local agency as defined  
16 in the Florida Industrial Development Financing Act, Chapter 159,  
17 Part II, Florida Statutes, as amended. As such, the Issuer is duly  
18 authorized and empowered by the Act to provide for the issuance of  
19 and to issue and sell its industrial development revenue bonds, for  
20 the purposes of financing, refinancing and reimbursing all or any  
21 part of the "cost" of any "project," including any "health care  
22 facility" (as such terms are defined or used in the Act), in order  
23 to promote and foster the economic growth and development of the  
24 Issuer and the State, to improve health care in the Issuer and the  
25 State, to enhance and expand industry and other economic activity in  
26 the Issuer and the State, and to increase purchasing power and  
27 opportunities for gainful employment, to improve living conditions  
28 and health care and to advance and improve the prosperity and the  
29 welfare of the State and its inhabitants, to foster the industrial  
30 and business development of the Issuer and the State, and to otherwise  
31 provide for and contribute to the health, safety and welfare of the

1 people of the Issuer and the State.

2 (B) The Borrower has requested that the Council authorize the  
3 issuance of the Bonds for the purposes of financing, refinancing and  
4 reimbursing all or a portion of the costs of the Project, all in  
5 accordance with the provisions of the Act and Chapter 104 of the  
6 Ordinance Code of the Issuer, and other applicable provisions of  
7 law, as more particularly described in the Report of Hearing Officer  
8 hereinafter described.

9 (C) On April 19, 2022, the Industrial Development Revenue Bond  
10 Review Committee of the Issuer adopted the Preliminary Resolution  
11 expressing the intent of the Issuer to issue the Bonds and authorizing  
12 the execution and delivery of a Memorandum of Agreement with the  
13 Borrower relating to the proposed issuance of the Bonds. A copy of  
14 the Preliminary Resolution is **On File** with the Legislative Services  
15 Division and incorporated herein by reference, and a copy of such  
16 Memorandum of Agreement is **On File** with the Legislative Services  
17 Division and incorporated herein by reference. The Borrower has  
18 requested that the Issuer loan the proceeds of the Bonds to the  
19 Borrower pursuant to the Loan Agreement for the purposes of financing,  
20 refinancing and reimbursing all or a portion of the costs of the  
21 Project.

22 (D) A notice of a public hearing to be held by the Economic  
23 Development Officer, or his designee, on behalf of the Issuer and the  
24 Council of the City, inviting comments and discussion concerning the  
25 nature and location of the Project and the issuance of the Bonds, was  
26 published in *The Jacksonville Daily Record*, a newspaper of general  
27 circulation in Duval County, Florida, not less than seven (7) days  
28 prior to the scheduled date of such public hearing. Following such  
29 notice, a public hearing was held by the Economic Development Officer,  
30 or his designee, on behalf of the Issuer and the Council of the City,  
31 at which hearing members of the public were offered reasonable

1 opportunity to be heard on all matters pertaining to the location and  
2 nature of the Project and to the issuance of the Bonds. The public  
3 hearing provided a reasonable opportunity for interested individuals  
4 to express their views, both orally and in writing, on the proposed  
5 issuance of the Bonds and the location and nature of the Project, and  
6 was held in a location which, under the facts and circumstances, was  
7 convenient for residents of Duval County, Florida. The notice was  
8 reasonably designed to inform residents of Duval County, Florida of  
9 the proposed issue, stated that the Issuer would be the issuer of the  
10 Bonds, stated the time and place for the hearing, and contained the  
11 information required by the Code. The 7-day period was adequate for  
12 notice to be brought to the attention of all interested persons,  
13 equals or exceeds the normal periods for notices of public hearings  
14 conducted by other affected governmental units, various agencies  
15 thereof and the State, and provided sufficient time for interested  
16 persons to prepare for and express their views at such hearing. A  
17 copy of the proof of publication of Notice of Hearing, the minutes  
18 of the public meeting and the written report of hearing officer are  
19 to be placed **On File** with the Legislative Services Division at a  
20 later date and are incorporated herein by reference.

21 (E) The Borrower has requested that the Issuer enter into one  
22 or more Interlocal Agreements, which are incorporated herein by  
23 reference, to provide for the issuance by the Issuer of the Bonds to  
24 finance, refinance or reimburse all or a portion of the costs of the  
25 Other Jurisdiction Projects through a single financing plan which  
26 will result in substantial cost savings for the Borrower in connection  
27 with the Project. The Bonds will not be issued to finance, refinance  
28 or reimburse any portion of any of the Other Jurisdiction Projects  
29 located or to be located in any Other Jurisdiction unless the City  
30 shall have entered into the related Interlocal Agreement with such  
31 Other Jurisdiction.



1 (F) Pursuant to the Loan Agreement, the Borrower will be  
2 obligated to operate, repair and maintain the Project at no expense  
3 to the Issuer, to make payments sufficient to pay the principal and  
4 purchase price of, premium, if any, and interest on the Bonds when  
5 and as the same become due, and for the payment of all other costs  
6 incurred by the Issuer in connection with the issuance of the Bonds  
7 and financing, refinancing and reimbursing costs of the Project which  
8 are not paid out of Bond proceeds or otherwise.

9 (G) The Issuer has initially determined that the interest on  
10 all or a portion of the Bonds will be excludable from gross income  
11 for federal income tax purposes under Section 103(a) of the Code,  
12 based in part on a certificate to be obtained from the Borrower; and  
13 to the extent interest on all or a portion of the Bonds is to be  
14 excluded from federal income taxation, such Bonds (or portion thereof)  
15 will not be issued unless the Issuer has received a satisfactory  
16 opinion of Bond Counsel to the effect (among other things) that the  
17 interest on such Bonds (or portion thereof) will be excluded from  
18 gross income for federal income tax purposes at the time of delivery  
19 of such Bonds (or portion thereof).

20 (H) Pursuant to the Master Indenture, the Baptist Obligated  
21 Group will issue the Master Indenture Obligation in order to secure  
22 the obligations of the Borrower under the Loan Agreement to make  
23 payments sufficient to pay the principal and purchase price of,  
24 premium, if any, and interest on the Bonds when and as the same shall  
25 become due, as provided in the Master Indenture Obligation.

26 (I) Based in part and in reliance upon the determinations and  
27 representations to be received from each Other Jurisdiction in the  
28 Interlocal Agreement to which such Other Jurisdiction is a party, the  
29 Project and the financing, refinancing and reimbursing of all or a  
30 portion of the costs of the Project by the Issuer will be in  
31 furtherance of the purposes of the Act.

1 (J) The Jacksonville Project is appropriate to the needs and  
2 circumstances of, and will make a significant contribution to, the  
3 economic growth of the Issuer and each other political subdivision  
4 or local agency in which all or any portion of the Project is located  
5 or is to be located; will provide or preserve gainful employment;  
6 will protect the environment; or will serve a public purpose by  
7 advancing the economic prosperity, public health and general welfare  
8 of the Issuer, the State and its people, as stated in Section 159.26,  
9 Florida Statutes, as amended. Based in part on the determinations and  
10 representations to be received from each Other Jurisdiction in the  
11 Interlocal Agreement to which such Other Jurisdiction is a party, the  
12 Other Jurisdiction Projects are appropriate to the needs and  
13 circumstances of and shall make a significant contribution to the  
14 economic growth of each Other Jurisdiction, and shall preserve and  
15 provide gainful employment and shall serve a public purpose by  
16 advancing the economic prosperity, the public health and the general  
17 welfare of each Other Jurisdiction, the State and its people as stated  
18 in Section 159.26, Florida Statutes, as amended

19 (K) The Borrower has shown that the Project will provide or  
20 preserve employment within the jurisdiction of the Issuer and each  
21 Other Jurisdiction, respectively; that it will improve health care  
22 within the jurisdiction of the Issuer and each Other Jurisdiction,  
23 respectively; that it will foster the economic growth and development  
24 and the industrial and business development of the Issuer, each Other  
25 Jurisdiction, and the State; and that it will serve other  
26 predominately public purposes as set forth in the Act. It is desirable  
27 and will further the public purposes of the Act, and it will most  
28 effectively serve the purposes of the Act, for the Issuer to issue  
29 and sell the Bonds under the Indenture for the purpose of providing  
30 funds to finance, refinance and reimburse all or a portion of the  
31 costs of the Project, all as provided in the documents referred to

1 herein, which contain such provisions as are necessary or convenient  
2 to effectuate the purposes of the Act.

3 (L) The Issuer and other political subdivisions and local  
4 agencies in which all or any portion of the Jacksonville Project is  
5 located or is to be located have been and will continue to be able  
6 to cope satisfactorily with the impact of the Jacksonville Project  
7 and will be able to provide, or cause to be provided when needed, the  
8 public facilities, including utilities and public services, that are  
9 necessary for the operation, repair and maintenance of the  
10 Jacksonville Project and on account of any increases in population  
11 or other circumstances resulting therefrom. Based in part on the  
12 determinations and representations to be received from each Other  
13 Jurisdiction in the Interlocal Agreement to which such Other  
14 Jurisdiction is a party, each such Other Jurisdiction and other local  
15 agencies will be able to cope satisfactorily with the impact of the  
16 portion of the Other Jurisdiction Projects located or to be located  
17 in such Other Jurisdiction and will be able to provide, or cause to  
18 be provided when needed, the public facilities, including utilities  
19 and public services, that will be necessary for the operation, repair  
20 and maintenance of such portion of the Other Jurisdiction Projects  
21 and on account of any increase in population or other circumstances  
22 resulting therefrom.

23 (M) Taking into account the Master Indenture Obligation to be  
24 executed and delivered by or on behalf of the Baptist Obligated Group,  
25 the Borrower is financially responsible based on the criteria  
26 established by the Act and is fully capable and willing to fulfill  
27 its obligations under the Loan Agreement, including the obligation  
28 to pay loan payments or other payments in an amount sufficient in the  
29 aggregate to pay all of the principal of, premium, if any, and  
30 interest on the Bonds, in the amounts and at the times required, the  
31 obligation to operate, repair and maintain the Project at the

1 Borrower's own expense, and to serve the purposes of the Act and such  
2 other responsibilities as may be imposed under such agreements.

3 (N) Pursuant to the Interlocal Act, in order to make efficient  
4 use of shared powers, the Issuer and each Other Jurisdiction will  
5 enter into a separate Interlocal Agreement, pursuant to which such  
6 Other Jurisdiction will approve the issuance of the Bonds by the  
7 Issuer with respect to the portion of the Other Jurisdiction Projects  
8 located or to be located within such Other Jurisdiction.

9 (O) Adequate provision has been made in the documents  
10 referenced herein for the operation, repair and maintenance of the  
11 Project at the expense of the Borrower and for the payment of the  
12 principal and purchase price of, and premium, if any, and interest  
13 on the Bonds when and as the same become due and payable.

14 (P) The costs to be paid or reimbursed with the proceeds of  
15 the Bonds are or will be "costs" of a "project" within the meaning  
16 of the Act.

17 (Q) The Issuer is not obligated to pay the Bonds except from  
18 the proceeds derived from the repayment of the loan(s) to the  
19 Borrower, or from the other security pledged therefor, and neither  
20 the faith, credit nor the taxing power of the Issuer, or of the State  
21 or any political subdivision thereof, is pledged to the payment of  
22 the principal of, or premium, if any, or interest on the Bonds. No  
23 owner or holder of any of the Bonds shall ever have the power,  
24 directly or indirectly, to compel the exercise of the ad valorem  
25 taxing power for the payment of the principal or purchase price of,  
26 or premium, if any, or interest on any of the Bonds.

27 (R) The payments required to be made by the Borrower under the  
28 Loan Agreement will be sufficient to pay the principal of, and  
29 premium, if any, and interest on the Bonds, when and as the same  
30 shall become due, and all other costs incurred in connection with  
31 financing, refinancing and reimbursing of costs of the Project, except

1 as may be paid out of the proceeds of sale of the Bonds or otherwise,  
2 and to make all other payments required by the Indenture.

3 (S) The Issuer is advised that due to the present volatility  
4 of the market for public obligations such as the Bonds, it is in the  
5 best interest of the Issuer to sell the Bonds by a delegated  
6 negotiated sale, allowing the Issuer to enter such market at the most  
7 advantageous time, rather than at a specified advertised future date,  
8 thereby permitting the Issuer to obtain the best possible price,  
9 interest rate and other terms for the Bonds and, accordingly, the  
10 Issuer does hereby find and determine that it is in the best financial  
11 interest of the Issuer that a delegated negotiated sale of the Bonds  
12 to the Purchaser be authorized.

13 (T) The Purchaser will use reasonable efforts to submit to the  
14 Issuer an offer to purchase the Bonds in the form of the Bond Purchase  
15 Agreement upon terms acceptable to the Issuer as hereinafter  
16 authorized, and the Issuer does hereby find and determine that it is  
17 in the best financial interest of the Issuer to accept the offer of  
18 the Purchaser to purchase the Bonds at a negotiated sale and to  
19 authorize the execution and delivery of the Bond Purchase Agreement  
20 in the manner and upon the terms hereinafter provided. Upon the  
21 execution of the Bond Purchase Agreement by the Issuer, the Borrower  
22 and the Purchaser, the Bonds shall be sold to the Purchaser pursuant  
23 to the terms and provisions of the Bond Purchase Agreement.

24 (U) Prior to the execution of a Bond Purchase Agreement, the  
25 Purchaser shall provide the Issuer with a disclosure statement,  
26 satisfactory to the Issuer, containing the information required by  
27 Section 218.385, Florida Statutes, as amended. The Issuer shall not  
28 require any further disclosure pursuant to Section 218.385, Florida  
29 Statutes, as amended.

30 (V) All requirements precedent to the enactment of this  
31 Ordinance, of the Constitution and other laws of the State, including

1 the Act, have been complied with.

2           **SECTION 4.           FINANCING, REFINANCING AND REIMBURSING OF COSTS**  
3 **OF THE PROJECT AUTHORIZED.** The financing, refinancing and reimbursing  
4 of costs of the Project in the manner provided herein is hereby  
5 authorized.

6           **SECTION 5.           AUTHORIZATION OF BONDS.** The issuance of the  
7 Bonds in one or more series, taxable, tax-exempt or a combination  
8 thereof, from time to time, in an aggregate principal amount of not  
9 to exceed \$200,000,000 is hereby authorized; provided, however, that  
10 in order to finance, refinance and reimburse all or any portion of  
11 the costs of any portion of the Other Jurisdiction Projects located  
12 or to be located within any Other Jurisdiction, the Issuer shall have  
13 entered into a separate Interlocal Agreement with such Other  
14 Jurisdiction. The Bonds shall be designated as provided in Section 2  
15 hereof, shall be issued and shall be subject to payment as provided  
16 in the Indenture and shall be issued in the name of and delivered to  
17 the Purchaser, or as directed by the Purchaser, as provided in the  
18 Bond Purchase Agreement.

19           The Bonds shall be in the aggregate principal amounts, shall be  
20 dated such dates, shall bear interest at such rates, shall be payable  
21 or shall mature on such dates and in such amounts, shall be issued  
22 in such denominations, shall be subject to optional and mandatory  
23 redemption and tender at such time or times, and upon such terms and  
24 conditions, shall be payable at the place or places and in the manner,  
25 shall be executed, authenticated and delivered, shall otherwise be  
26 in such forms, and subject to such terms and conditions, all as  
27 provided in the Indenture and the Bond Purchase Agreement. Authority  
28 for the issuance of such aggregate principal amount of the Bonds  
29 herein authorized which shall not be hereafter delivered to the  
30 Purchaser pursuant to the provisions of the Bond Purchase Agreement  
31 is hereby cancelled and rescinded.

1           The Bonds, the principal and purchase price thereof, and the  
2 premium, if any, and the interest thereon shall not be deemed to  
3 constitute a general debt, liability or obligation of the Issuer, the  
4 State, or of any political subdivision thereof, but shall be payable  
5 solely from the revenues and proceeds pledged therefor and neither  
6 the faith and credit nor the taxing power of the Issuer, the State  
7 or any political subdivision thereof is pledged to the payment of the  
8 principal of, or premium, if any, or interest on the Bonds.

9           **SECTION 6.           AUTHORIZATION OF EXECUTION AND DELIVERY OF LOAN**  
10 **AGREEMENT.** As authorized by and in conformity with the Act, it is  
11 desirable and in the public interest that the Issuer loan funds to  
12 the Borrower to finance, refinance and reimburse costs of the Project  
13 in the manner provided herein and in the Loan Agreement, such loan(s)  
14 to be evidenced by and to be made pursuant to the Loan Agreement. The  
15 Loan Agreement, with such changes, corrections, insertions and  
16 deletions as may be approved by the Economic Development Officer,  
17 such approval to be evidenced conclusively by execution thereof, is  
18 hereby approved and authorized; the Issuer hereby authorizes and  
19 directs the Economic Development Officer to date and execute the Loan  
20 Agreement, and to deliver the Loan Agreement to the Borrower; and all  
21 of the provisions of each Loan Agreement, when executed and delivered  
22 by the Issuer as authorized herein and by the Borrower, shall be  
23 deemed to be a part of this Ordinance as fully and to the same extent  
24 as if incorporated verbatim herein.

25           **SECTION 7.           AUTHORIZATION OF EXECUTION AND DELIVERY OF THE**  
26 **INDENTURE.** In order to secure the payment of the principal of and  
27 premium, if any, and interest on the Bonds herein authorized,  
28 according to their tenor, purport and effect, and in order to secure  
29 the performance and observance of all the covenants, agreements and  
30 conditions in the Bonds, the Issuer has agreed to enter into the  
31 Indenture with the Trustee. The Indenture, with such changes,

1 corrections, insertions and deletions as may be approved by the  
2 Economic Development Officer, such approval to be evidenced  
3 conclusively by execution thereof, is hereby approved and authorized;  
4 the Issuer hereby authorizes and directs the Economic Development  
5 Officer, to date and execute the Indenture, and deliver the Indenture  
6 to the Trustee; and all of the provisions of the Indenture, when  
7 executed and delivered by the Issuer as authorized herein and by the  
8 Trustee, shall be deemed to be a part of this Ordinance as fully and  
9 to the same extent as if incorporated verbatim herein.

10 **SECTION 8. DELEGATED SALE OF BONDS; AUTHORIZATION OF**  
11 **EXECUTION AND DELIVERY OF THE BOND PURCHASE AGREEMENT.** Subject to the  
12 satisfaction of the conditions set forth in this Section, a delegated  
13 negotiated sale of the Bonds is hereby authorized. The Economic  
14 Development Officer is hereby authorized and directed to award the  
15 sale of the Bonds to the Purchaser pursuant to the provisions of the  
16 Bond Purchase Agreement, subject to all the following conditions:

17 (A) Receipt by the Economic Development Officer of a written  
18 offer to purchase the Bonds by the Purchaser, substantially in the  
19 form of the Bond Purchase Agreement, said offer to provide for, among  
20 other things, (i) the issuance of the Bonds in an aggregate principal  
21 amount of not to exceed \$200,000,000, (ii) an underwriting discount  
22 (including management fee and all expenses) not in excess of 1.00%  
23 of the par amount of the Bonds, (iii) an initial interest rate or an  
24 average initial interest rate on the date of issuance of not more  
25 than 8.00% per annum, and (iv) the final maturity date of the Bonds  
26 to be no later than forty (40) years from the dated date of the Bonds.

27 (B) The Bonds will be subject to optional or mandatory  
28 redemption prior to maturity and optional or mandatory tender for  
29 purchase pursuant to the provisions of the Indenture authorized  
30 hereunder.

31 (C) Receipt by the Economic Development Officer from the



1 Purchaser of a disclosure statement and truth-in-bonding information  
2 complying with Section 218.385, Florida Statutes, as amended.

3 (D) Prior to the issuance of the Bonds, the Bonds shall be  
4 rated by at least one of the three major bond rating agencies, in a  
5 rating category of at least "A" or its equivalent (without regard to  
6 gradations or modifiers) or shall otherwise meet the requirements of  
7 Section 104.306(b)(3) of the Ordinance Code of the City of  
8 Jacksonville.

9 Upon satisfaction of the foregoing conditions, the Bond Purchase  
10 Agreement, with such other changes, corrections, insertions and  
11 deletions as may be approved by the Economic Development Officer,  
12 such approval to be evidenced conclusively by the Economic Development  
13 Officer's execution thereof, is approved and authorized; the Issuer  
14 hereby authorizes and directs the Economic Development Officer to  
15 date and execute the Bond Purchase Agreement and to deliver the Bond  
16 Purchase Agreement to the Purchaser; and all of the provisions of the  
17 Bond Purchase Agreement, when executed and delivered by the Issuer  
18 as authorized herein and by the Borrower and the Purchaser, shall be  
19 deemed to be a part of this Ordinance as fully and to the same extent  
20 as if incorporated verbatim herein.

21 **SECTION 9. APPROVAL OF MASTER INDENTURE OBLIGATION SECURING**  
22 **BONDS.** To provide additional security for the payment of the Bonds,  
23 Baptist Health System, Inc. ("BHS") has agreed to issue a Master  
24 Indenture Obligation on behalf of the Baptist Obligated Group. The  
25 Master Indenture Obligation is hereby approved, subject to such  
26 changes, insertions and omissions as may be approved in such form by  
27 the Baptist Obligated Group and by the Economic Development Officer,  
28 such approval by the Economic Development Officer to be evidenced  
29 conclusively by the Economic Development Officer's execution of the  
30 Indenture; and all of the provisions of the Master Indenture  
31 Obligation, when executed by BHS, as agent of the Baptist Obligated

1 Group, and delivered to the Trustee as authorized herein, shall be  
2 deemed to be a part of this Ordinance as fully and to the same extent  
3 as if incorporated verbatim herein.

4           **SECTION 10.           APPROVAL           AND           AUTHORIZATION           OF           OFFICIAL**  
5 **STATEMENT.** The form of the Official Statement, with such omissions,  
6 insertions and variations as may be necessary and/or desirable and  
7 approved by the Economic Development Officer to allow the Economic  
8 Development Officer to deem the Official Statement final as  
9 hereinafter described, is authorized to be delivered by the Issuer  
10 to the Purchaser, used by the Purchaser in connection with the sale  
11 of the Bonds, and distributed by the Purchaser prior to the issuance  
12 and delivery of the Bonds. The Economic Development Officer is hereby  
13 authorized to deem the Official Statement final as of its date on  
14 behalf of the Issuer for purposes of Rule 15c2-12 of the Securities  
15 and Exchange Commission, as amended (except for such omissions  
16 permitted by such Rule), and to execute a certificate to that effect  
17 to be delivered to the Purchaser. The Economic Development Officer  
18 is hereby authorized to evidence the Issuer's approval of the Official  
19 Statement by the Economic Development Officer's endorsement thereof  
20 upon one or more copies, and approval of all such omissions,  
21 insertions and variations may be presumed from such endorsement upon  
22 any copy of such Official Statement.

23           **SECTION 11.           AUTHORIZATION           TO           EXECUTE           IDENTIFICATION           OF**  
24 **ANTICIPATORY HEDGE.** In connection with the issuance of the Bonds, the  
25 Borrower may enter into one or more "qualified hedges" as defined by  
26 Section 1.148-4(h)(2) of the Treasury Regulations (each a "Hedge  
27 Contract"). The Economic Development Officer is authorized to execute  
28 an identification of one or more of any such Hedge Contracts.

29           **SECTION 12.           AUTHORIZATION OF EXECUTION AND DELIVERY OF THE**  
30 **INTERLOCAL AGREEMENT.** In order to provide for the issuance of the  
31 portion of the Bonds, the proceeds of which are to be used to finance,

1 refinance or reimburse costs of all or any portion of the Other  
2 Jurisdiction Projects to be located within any Other Jurisdiction,  
3 the Issuer has agreed to enter into a separate Interlocal Agreement  
4 with such Other Jurisdiction. Each Interlocal Agreement, with such  
5 changes, corrections, insertions and deletions as may be approved by  
6 the Economic Development Officer, such approval to be evidenced  
7 conclusively by execution thereof, is hereby approved and authorized;  
8 the Issuer hereby authorizes and directs the Economic Development  
9 Officer to date and execute each Interlocal Agreement, and deliver  
10 each Interlocal Agreement to the Other Jurisdiction party thereto;  
11 and all of the provisions of each Interlocal Agreement, when executed  
12 and delivered by the Issuer as authorized herein and by the Other  
13 Jurisdiction party thereto, shall be deemed to be a part of this  
14 Ordinance as fully and to the same extent as if incorporated verbatim  
15 herein. The Economic Development Officer is hereby further authorized  
16 to do all things which may be required or advisable with respect or  
17 in any way related thereto, including, but not limited to, recording  
18 each Interlocal Agreement with the Clerk of the Circuit Court in and  
19 for Duval County, Florida. The Economic Development Officer is hereby  
20 further authorized to take such further action and execute such  
21 further instruments as may be necessary or appropriate to fully  
22 effectuate the purpose and intention of each Interlocal Agreement.  
23 The officer executing each Interlocal Agreement is hereby further  
24 authorized to do all acts which may be required or advisable with  
25 respect or in any way relating thereto, including, but not limited  
26 to, filing each Interlocal Agreement with the Clerks of the Circuit  
27 Court in and for Duval County, Florida and in and for the jurisdiction  
28 of the applicable Public Agency in accordance with Section 163.01(11),  
29 Florida Statutes, as amended.

30 **SECTION 13. ASSIGNMENT OF LOAN AGREEMENT.** All rights of the  
31 Issuer under the Loan Agreement (other than certain rights of the

1 Issuer reserved therein) and the Master Indenture Obligation will be  
2 assigned by the Issuer to the Trustee under the terms of the  
3 Indenture.

4 **SECTION 14. APPOINTMENT OF TRUSTEE.** The Bank of New York  
5 Mellon Trust Company, N.A., with its designated corporate trust office  
6 presently located in the City of Jacksonville, Florida, is hereby  
7 appointed as the Trustee under the Indenture and as registrar and  
8 paying agent with respect to the Bonds.

9 **SECTION 15. VALIDATION.** The Bonds shall not be required to  
10 be validated pursuant to Chapter 75, Florida Statutes, as amended;  
11 provided, however, that if required by counsel to the Issuer, counsel  
12 to the Borrower or Bond Counsel, the Bonds may be validated and in  
13 such event Issuer's counsel is hereby authorized, at the expense of  
14 the Borrower, to prepare validation pleadings on behalf of the Issuer  
15 and to take any and all action as Issuer's counsel may deem necessary  
16 or desirable for the validation of the Bonds.

17 **SECTION 16. DESIGNATIONS OF SIGNATORIES.** The Economic  
18 Development Officer is hereby authorized to designate by written  
19 certificate one or more authorized signatories to execute any and all  
20 instruments, documents and certificates in his place. Such signature  
21 shall have the effect of the Economic Development Officer's signature  
22 as authorized in this Ordinance. The Economic Development Officer is  
23 hereby authorized to designate by written certificate one or more  
24 authorized signatories to execute any and all instruments, documents  
25 and certificates in his place. Such signature shall have the effect  
26 of the Economic Development Officer's signature as authorized in this  
27 Ordinance.

28 **SECTION 17. AUTHORIZATION OF EXECUTION OF OTHER CERTIFICATES**  
29 **AND INSTRUMENTS.** The Economic Development Officer, the Corporation  
30 Secretary and the members of Council are hereby authorized and  
31 directed, either alone or jointly, to execute and deliver:

1 (i) certificates of the Issuer certifying such facts as the Issuer's  
2 counsel or Bond Counsel shall require in connection with the issuance,  
3 sale and delivery of the Bonds, (ii) such certificates as may be  
4 required under Section 103 of the Code or under the provisions of  
5 Florida law, (iii) such agreements and instruments as shall be  
6 necessary or desirable in connection with the delivery of any credit  
7 enhancement or liquidity facilities relating to the Bonds, and  
8 (iv) such other agreements and instruments, including but not limited  
9 to, tax compliance agreements, deeds, assignments, bills of sale and  
10 financing statements, as shall be necessary or desirable to perform  
11 the Issuer's obligations under the Loan Agreement, the Indenture, the  
12 Bond Purchase Agreement and the Interlocal Agreement and to consummate  
13 the transactions hereby authorized.

14 **SECTION 18. NO PERSONAL LIABILITY.** No representation,  
15 statement, covenant, warranty, stipulation, obligation or agreement  
16 herein contained, or contained in the Bonds or the documents referred  
17 to herein or any certificate or other instrument to be executed on  
18 behalf of the Issuer in connection with the issuance of the Bonds,  
19 shall be deemed to be a representation, statement, covenant, warranty,  
20 stipulation, obligation or agreement of any member, officer, employee  
21 or agent of the Issuer in his or her individual capacity, and none  
22 of the foregoing persons nor any officer of the Issuer executing the  
23 Bonds or any document referred to herein or any certificate or other  
24 instrument to be executed in connection with the issuance of the  
25 Bonds shall be liable personally thereon or be subject, to any  
26 personal liability or accountability by reason of the execution or  
27 delivery thereof.

28 **SECTION 19. NO THIRD PARTY BENEFICIARIES.** Except as  
29 otherwise expressly provided herein, in the Bonds or in the documents  
30 referred to herein, nothing in this Ordinance, the Bonds or the  
31 documents, express or implied, is intended or shall be construed to

1 confer upon any person, firm, corporation or other organization,  
2 other than the Issuer, the Borrower, the Baptist Obligated Group, the  
3 Trustee and the Purchaser (and subsequent holders from time to time)  
4 of the Bonds any right, remedy or claim, legal or equitable, under  
5 and by reason of this Ordinance or any provision hereof, or of the  
6 Bonds or the documents, all provisions hereof and thereof being  
7 intended to be and being for the sole and exclusive benefit of the  
8 Issuer, the Borrower, the Baptist Obligated Group, the Trustee and  
9 the Purchaser (and subsequent holders from time to time) of the Bonds.

10 **SECTION 20. PREREQUISITES PERFORMED.** All acts, conditions  
11 and things relating to the passage of this Ordinance, to the issuance,  
12 sale and delivery of the Bonds, and to the execution and delivery of  
13 the Loan Agreement, Indenture, Bond Purchase Agreement and Interlocal  
14 Agreement, required by the Constitution or other laws of the State,  
15 to happen, exist and be performed precedent to the passage hereof,  
16 and precedent to the issuance, sale and delivery of the Bonds, to the  
17 execution and delivery of the Loan Agreement, Indenture, Bond Purchase  
18 Agreement and Interlocal Agreement, have either happened, exist and  
19 have been performed as so required or will have happened, will exist  
20 and will have been performed prior to such execution and delivery.

21 **SECTION 21. COMPLIANCE WITH CHAPTER 218, PART III, FLA.**  
22 **STATS.** The Issuer hereby approves and authorizes the completion,  
23 execution and filing with the Division of Bond Finance of the State  
24 Board of Administration of the State of Florida, at the expense of  
25 the Borrower, of advance notice of the impending sale of the Bonds,  
26 of Bond Information Form BF 2003/2004, and of a copy of Internal  
27 Revenue Service Form 8038 for the Bonds (or any portion thereof), and  
28 any other acts as may be necessary to comply with Chapter 218, Part  
29 III, Florida Statutes, as amended.

30 **SECTION 22. GENERAL AUTHORITY.** The members of the Council  
31 and its officers, attorneys, agents and employees are hereby

1 authorized to do all acts and things required of them by this  
2 Ordinance, the Bonds, the Loan Agreement, the Indenture, the Bond  
3 Purchase Agreement and the Interlocal Agreement, and to do all acts  
4 and things which are desirable and consistent with the requirements  
5 hereof or of the Bonds, the Loan Agreement, the Indenture, the Bond  
6 Purchase Agreement and the Interlocal Agreement, for the full,  
7 punctual and complete performance of all the terms, covenants and  
8 agreements contained herein or in the Bonds, the Loan Agreement, the  
9 Indenture, the Bond Purchase Agreement and the Interlocal Agreement.

10       **SECTION 23. SEVERABILITY OF INVALID PROVISIONS.** If any one  
11 or more of the covenants, agreements or provisions herein contained  
12 shall be held contrary to any express provisions of law or contrary  
13 to the policy of express law, though not expressly prohibited, or  
14 against public policy, or shall for any reason whatsoever be held  
15 invalid, then such covenants, agreements or provisions shall be null  
16 and void and shall be deemed separable from the remaining covenants,  
17 agreements or provisions, and shall in no way affect the validity of  
18 any of the other provisions hereof or of the Bonds.

19       **SECTION 24. REPEALING CLAUSE.** All ordinances or parts  
20 thereof in conflict with the provisions herein contained are, to the  
21 extent of such conflict, hereby superseded and repealed.

22       **SECTION 25. EFFECTIVE DATE.** This Ordinance shall become  
23 effective immediately upon signature by the Mayor or upon becoming  
24 effective without the Mayor's signature

25  
26 Form Approved:

27  
28 \_\_\_\_\_  
      /s/ Joelle J. Dillard

29 Office of General Counsel

30 Legislation prepared by: McGuireWoods LLP and Assistant General  
31 Counsel