

1 Introduced by the Council President at the request of the Mayor and
2 amended by the Neighborhoods, Community Services, Public Health and
3 Safety Committee:

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6 **ORDINANCE 2022-331-E**

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

COUNTY, FLORIDA, NASSAU COUNTY, FLORIDA AND ST. JOHNS COUNTY, FLORIDA; PROVIDING THAT SAID BONDS SHALL NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE CITY OR OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE REVENUES HEREIN PROVIDED; APPOINTING A BOND TRUSTEE; AUTHORIZING A DELEGATED NEGOTIATED SALE OF SAID BONDS, APPROVING THE CONDITIONS AND CRITERIA FOR SUCH SALE, AND AUTHORIZING THE ECONOMIC DEVELOPMENT OFFICER OF THE CITY OF JACKSONVILLE, FLORIDA TO AWARD THE NEGOTIATED SALE OF THE BONDS TO THE PURCHASER; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS REQUIRED IN CONNECTION WITH THE FOREGOING; MAKING CERTAIN OTHER APPOINTMENTS; PROVIDING CERTAIN OTHER DETAILS IN CONNECTION THEREWITH; ALL PURSUANT TO CHAPTER 159, PART II, FLORIDA STATUTES, AS AMENDED, SECTION 163.01, FLORIDA STATUTES, AS AMENDED, AND OTHER APPLICABLE PROVISIONS OF LAW; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED by the Council of the City of Jacksonville:

SECTION 1. AUTHORITY: This Ordinance is enacted pursuant to Chapter 104 of the Ordinance Code of the City of Jacksonville, Florida (referred to herein as the "City" or the "Issuer"), as amended, particularly as amended by Ordinance 2012-681-E enacted by the City Council (the "Council") of the City on February 12, 2013; Chapter 159, Part II, Florida Statutes, as amended; Section 163.01, Florida

Statutes, as amended (the "Interlocal Act"); and other applicable provisions of law.

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

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

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

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

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

"Bonds" means the bonds of the Issuer to be designated "City of Jacksonville, Florida Health Care Facilities Revenue Bonds (Baptist Health), Series 2022" (or such other series designation as may be set forth in the Indenture) in an aggregate principal amount not to exceed \$200,000,000, in one or more series, taxable, tax-exempt or a combination thereof, substantially in the form and with the rates of interest, maturity dates and other details provided for herein, in

1 the Indenture and Bond Purchase Agreement to be authorized and issued
2 by the Issuer, authenticated by the Trustee and delivered under the
3 Indenture.

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

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

13 "Corporation Secretary" as used herein refers to the Corporation
14 Secretary of the Issuer or such other person as may be authorized to
15 act in the place of the Corporation Secretary.

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

20 "Indenture" means, individually and collectively, one or more
21 Trust Indentures to be executed by and between the Issuer and the
22 Trustee, substantially in the form to be placed **Revised On File** with
23 the Legislative Services Division and incorporated herein by
24 reference.

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

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

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

3 "Loan Agreement" means, individually and collectively, one or
4 more Loan Agreements to be executed by and between the Issuer and the
5 Borrower, substantially in the form to be placed **Revised On File** with
6 the Legislative Services Division and incorporated herein by
7 reference.

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

13 "Master Indenture Obligation" means, individually and
14 collectively, one or more obligations to be issued under the Master
15 Indenture and executed and delivered by or on behalf of the Baptist
16 Obligated Group to the Issuer and assigned to the Trustee,
17 substantially in the form to be placed **Revised On File** in the
18 Legislative Services Division and incorporated herein by reference.

19 "Official Statement" means, individually and collectively, one
20 or more official statements relating to the offering and sale of the
21 Bonds, if applicable, substantially in the form to be placed **Revised**
22 **On File** with the Legislative Services Division and incorporated herein
23 by reference.

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

26 "Other Jurisdictions" means, collectively, Clay County, Florida,
27 Nassau County, Florida and St. Johns County, Florida.

28 "Person" or words importing persons means firms, associations,
29 partnerships (including, without limitation, general and limited
30 partnerships), joint ventures, limited liability companies,

1 corporations, societies, estates, trusts, public or governmental
2 bodies, other legal entities and natural persons.

3 "Project" means certain capital expenditures at the health care
4 facilities of the Borrower and its affiliates and related parties,
5 as more particularly described on **Exhibit 1** attached hereto, all
6 located or to be located within or outside the geographical limits
7 of the Issuer.

8 "Purchaser" means, individually and collectively, one or more
9 underwriter(s), placement agent(s), financial institution(s),
10 institutional lender(s), any affiliate(s) of any of the foregoing,
11 or any combination of the foregoing, in each case selected by the
12 Borrower, and their respective successors and assigns.

13 "State" means the State of Florida.

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

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

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

1 the Issuer and the State, and to increase purchasing power and
2 opportunities for gainful employment, to improve living conditions
3 and health care and to advance and improve the prosperity and the
4 welfare of the State and its inhabitants, to foster the industrial
5 and business development of the Issuer and the State, and to otherwise
6 provide for and contribute to the health, safety and welfare of the
7 people of the Issuer and the State.

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

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

28 (D) A notice of a public hearing to be held by the Economic
29 Development Officer, or his designee, on behalf of the Issuer and the
30 Council of the City, inviting comments and discussion concerning the
31 nature and location of the Project and the issuance of the Bonds, was

published in *The Jacksonville Daily Record*, a newspaper of general circulation in Duval County, Florida, not less than seven (7) days prior to the scheduled date of such public hearing. Following such notice, a public hearing was held by the Economic Development Officer, or his designee, on behalf of the Issuer and the Council of the City, at which hearing members of the public were offered reasonable opportunity to be heard on all matters pertaining to the location and nature of the Project and to the issuance of the Bonds. The public hearing provided a reasonable opportunity for interested individuals to express their views, both orally and in writing, on the proposed issuance of the Bonds and the location and nature of the Project, and was held in a location which, under the facts and circumstances, was convenient for residents of Duval County, Florida. The notice was reasonably designed to inform residents of Duval County, Florida of the proposed issue, stated that the Issuer would be the issuer of the Bonds, stated the time and place for the hearing, and contained the information required by the Code. The 7-day period was adequate for notice to be brought to the attention of all interested persons, equals or exceeds the normal periods for notices of public hearings conducted by other affected governmental units, various agencies thereof and the State, and provided sufficient time for interested persons to prepare for and express their views at such hearing. A copy of the proof of publication of Notice of Hearing, the minutes of the public meeting and the written report of hearing officer are currently **Revised On File** with the Legislative Services Division at a later date and are incorporated herein by reference.

(E) The Borrower has requested that the Issuer enter into one or more Interlocal Agreements, which are incorporated herein by reference, to provide for the issuance by the Issuer of the Bonds to finance, refinance or reimburse all or a portion of the costs of the Other Jurisdiction Projects through a single financing plan which

1 will result in substantial cost savings for the Borrower in connection
2 with the Project. The Bonds will not be issued to finance, refinance
3 or reimburse any portion of any of the Other Jurisdiction Projects
4 located or to be located in any Other Jurisdiction unless the City
5 shall have entered into the related Interlocal Agreement with such
6 Other Jurisdiction.

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

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

26 (H) Pursuant to the Master Indenture, the Baptist Obligated
27 Group will issue the Master Indenture Obligation in order to secure
28 the obligations of the Borrower under the Loan Agreement to make
29 payments sufficient to pay the principal and purchase price of,
30 premium, if any, and interest on the Bonds when and as the same shall
31 become due, as provided in the Master Indenture Obligation.

1 (I) Based in part and in reliance upon the determinations and
2 representations to be received from each Other Jurisdiction in the
3 Interlocal Agreement to which such Other Jurisdiction is a party, the
4 Project and the financing, refinancing and reimbursing of all or a
5 portion of the costs of the Project by the Issuer will be in
6 furtherance of the purposes of the Act.

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

25 (K) The Borrower has shown that the Project will provide or
26 preserve employment within the jurisdiction of the Issuer and each
27 Other Jurisdiction, respectively; that it will improve health care
28 within the jurisdiction of the Issuer and each Other Jurisdiction,
29 respectively; that it will foster the economic growth and development
30 and the industrial and business development of the Issuer, each Other
31 Jurisdiction, and the State; and that it will serve other

1 predominately public purposes as set forth in the Act. It is desirable
2 and will further the public purposes of the Act, and it will most
3 effectively serve the purposes of the Act, for the Issuer to issue
4 and sell the Bonds under the Indenture for the purpose of providing
5 funds to finance, refinance and reimburse all or a portion of the
6 costs of the Project, all as provided in the documents referred to
7 herein, which contain such provisions as are necessary or convenient
8 to effectuate the purposes of the Act.

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

29 (M) Taking into account the Master Indenture Obligation to be
30 executed and delivered by or on behalf of the Baptist Obligated Group,
31 the Borrower is financially responsible based on the criteria

1 established by the Act and is fully capable and willing to fulfill
2 its obligations under the Loan Agreement, including the obligation
3 to pay loan payments or other payments in an amount sufficient in the
4 aggregate to pay all of the principal of, premium, if any, and
5 interest on the Bonds, in the amounts and at the times required, the
6 obligation to operate, repair and maintain the Project at the
7 Borrower's own expense, and to serve the purposes of the Act and such
8 other responsibilities as may be imposed under such agreements.

9 (N) Pursuant to the Interlocal Act, in order to make efficient
10 use of shared powers, the Issuer and each Other Jurisdiction will
11 enter into a separate Interlocal Agreement, pursuant to which such
12 Other Jurisdiction will approve the issuance of the Bonds by the
13 Issuer with respect to the portion of the Other Jurisdiction Projects
14 located or to be located within such Other Jurisdiction.

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

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

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

1 taxing power for the payment of the principal or purchase price of,
2 or premium, if any, or interest on any of the Bonds.

3 (R) The payments required to be made by the Borrower under the
4 Loan Agreement will be sufficient to pay the principal of, and
5 premium, if any, and interest on the Bonds, when and as the same
6 shall become due, and all other costs incurred in connection with
7 financing, refinancing and reimbursing of costs of the Project, except
8 as may be paid out of the proceeds of sale of the Bonds or otherwise,
9 and to make all other payments required by the Indenture.

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

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

31 (U) Prior to the execution of a Bond Purchase Agreement, the

Purchaser shall provide the Issuer with a disclosure statement, satisfactory to the Issuer, containing the information required by Section 218.385, Florida Statutes, as amended. The Issuer shall not require any further disclosure pursuant to Section 218.385, Florida Statutes, as amended.

(V) All requirements precedent to the enactment of this Ordinance, of the Constitution and other laws of the State, including the Act, have been complied with.

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

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

The Bonds shall be in the aggregate principal amounts, shall be dated such dates, shall bear interest at such rates, shall be payable or shall mature on such dates and in such amounts, shall be issued in such denominations, shall be subject to optional and mandatory redemption and tender at such time or times, and upon such terms and conditions, shall be payable at the place or places and in the manner,

1 shall be executed, authenticated and delivered, shall otherwise be
2 in such forms, and subject to such terms and conditions, all as
3 provided in the Indenture and the Bond Purchase Agreement. Authority
4 for the issuance of such aggregate principal amount of the Bonds
5 herein authorized which shall not be hereafter delivered to the
6 Purchaser pursuant to the provisions of the Bond Purchase Agreement
7 is hereby cancelled and rescinded.

8 The Bonds, the principal and purchase price thereof, and the
9 premium, if any, and the interest thereon shall not be deemed to
10 constitute a general debt, liability or obligation of the Issuer, the
11 State, or of any political subdivision thereof, but shall be payable
12 solely from the revenues and proceeds pledged therefor and neither
13 the faith and credit nor the taxing power of the Issuer, the State
14 or any political subdivision thereof is pledged to the payment of the
15 principal of, or premium, if any, or interest on the Bonds.

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

1 **SECTION 7. AUTHORIZATION OF EXECUTION AND DELIVERY OF THE**
2 **INDENTURE.** In order to secure the payment of the principal of and
3 premium, if any, and interest on the Bonds herein authorized,
4 according to their tenor, purport and effect, and in order to secure
5 the performance and observance of all the covenants, agreements and
6 conditions in the Bonds, the Issuer has agreed to enter into the
7 Indenture with the Trustee. The Indenture, with such changes,
8 corrections, insertions and deletions as may be approved by the
9 Economic Development Officer, such approval to be evidenced
10 conclusively by execution thereof, is hereby approved and authorized;
11 the Issuer hereby authorizes and directs the Economic Development
12 Officer, to date and execute the Indenture, and deliver the Indenture
13 to the Trustee; and all of the provisions of the Indenture, when
14 executed and delivered by the Issuer as authorized herein and by the
15 Trustee, shall be deemed to be a part of this Ordinance as fully and
16 to the same extent as if incorporated verbatim herein.

17 **SECTION 8. DELEGATED SALE OF BONDS; AUTHORIZATION OF**
18 **EXECUTION AND DELIVERY OF THE BOND PURCHASE AGREEMENT.** Subject to the
19 satisfaction of the conditions set forth in this Section, a delegated
20 negotiated sale of the Bonds is hereby authorized. The Economic
21 Development Officer is hereby authorized and directed to award the
22 sale of the Bonds to the Purchaser pursuant to the provisions of the
23 Bond Purchase Agreement, subject to all the following conditions:

24 (A) Receipt by the Economic Development Officer of a written
25 offer to purchase the Bonds by the Purchaser, substantially in the
26 form of the Bond Purchase Agreement, said offer to provide for, among
27 other things, (i) the issuance of the Bonds in an aggregate principal
28 amount of not to exceed \$200,000,000, (ii) an underwriting discount
29 (including management fee and all expenses) not in excess of 1.00%
30 of the par amount of the Bonds, (iii) an initial interest rate or an
31 average initial interest rate on the date of issuance of not more

1 than 8.00% per annum, and (iv) the final maturity date of the Bonds
2 to be no later than forty (40) years from the dated date of the Bonds.

3 (B) The Bonds will be subject to optional or mandatory
4 redemption prior to maturity and optional or mandatory tender for
5 purchase pursuant to the provisions of the Indenture authorized
6 hereunder.

7 (C) Receipt by the Economic Development Officer from the
8 Purchaser of a disclosure statement and truth-in-bonding information
9 complying with Section 218.385, Florida Statutes, as amended.

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

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

28 **SECTION 9. APPROVAL OF MASTER INDENTURE OBLIGATION SECURING**
29 **BONDS.** To provide additional security for the payment of the Bonds,
30 Baptist Health System, Inc. ("BHS") has agreed to issue a Master
31 Indenture Obligation on behalf of the Baptist Obligated Group. The

1 Master Indenture Obligation is hereby approved, subject to such
2 changes, insertions and omissions as may be approved in such form by
3 the Baptist Obligated Group and by the Economic Development Officer,
4 such approval by the Economic Development Officer to be evidenced
5 conclusively by the Economic Development Officer's execution of the
6 Indenture; and all of the provisions of the Master Indenture
7 Obligation, when executed by BHS, as agent of the Baptist Obligated
8 Group, and delivered to the Trustee as authorized herein, shall be
9 deemed to be a part of this Ordinance as fully and to the same extent
10 as if incorporated verbatim herein.

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

30 **SECTION 11. AUTHORIZATION TO EXECUTE IDENTIFICATION OF**
31 **ANTICIPATORY HEDGE.** In connection with the issuance of the Bonds, the

1 Borrower may enter into one or more "qualified hedges" as defined by
2 Section 1.148-4(h)(2) of the Treasury Regulations (each a "Hedge
3 Contract"). The Economic Development Officer is authorized to execute
4 an identification of one or more of any such Hedge Contracts.

5 **SECTION 12. AUTHORIZATION OF EXECUTION AND DELIVERY OF THE**
6 **INTERLOCAL AGREEMENT.** In order to provide for the issuance of the
7 portion of the Bonds, the proceeds of which are to be used to finance,
8 refinance or reimburse costs of all or any portion of the Other
9 Jurisdiction Projects to be located within any Other Jurisdiction,
10 the Issuer has agreed to enter into a separate Interlocal Agreement
11 with such Other Jurisdiction. Each Interlocal Agreement, with such
12 changes, corrections, insertions and deletions as may be approved by
13 the Economic Development Officer, such approval to be evidenced
14 conclusively by execution thereof, is hereby approved and authorized;
15 the Issuer hereby authorizes and directs the Economic Development
16 Officer to date and execute each Interlocal Agreement, and deliver
17 each Interlocal Agreement to the Other Jurisdiction party thereto;
18 and all of the provisions of each Interlocal Agreement, when executed
19 and delivered by the Issuer as authorized herein and by the Other
20 Jurisdiction party thereto, shall be deemed to be a part of this
21 Ordinance as fully and to the same extent as if incorporated verbatim
22 herein. The Economic Development Officer is hereby further authorized
23 to do all things which may be required or advisable with respect or
24 in any way related thereto, including, but not limited to, recording
25 each Interlocal Agreement with the Clerk of the Circuit Court in and
26 for Duval County, Florida. The Economic Development Officer is hereby
27 further authorized to take such further action and execute such
28 further instruments as may be necessary or appropriate to fully
29 effectuate the purpose and intention of each Interlocal Agreement.
30 The officer executing each Interlocal Agreement is hereby further
31 authorized to do all acts which may be required or advisable with

1 respect or in any way relating thereto, including, but not limited
2 to, filing each Interlocal Agreement with the Clerks of the Circuit
3 Court in and for Duval County, Florida and in and for the jurisdiction
4 of the applicable Public Agency in accordance with Section 163.01(11),
5 Florida Statutes, as amended.

6 **SECTION 13. ASSIGNMENT OF LOAN AGREEMENT.** All rights of the
7 Issuer under the Loan Agreement (other than certain rights of the
8 Issuer reserved therein) and the Master Indenture Obligation will be
9 assigned by the Issuer to the Trustee under the terms of the
10 Indenture.

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

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

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

1 and certificates in his place. Such signature shall have the effect
2 of the Economic Development Officer's signature as authorized in this
3 Ordinance.

4 **SECTION 17. AUTHORIZATION OF EXECUTION OF OTHER CERTIFICATES**
5 **AND INSTRUMENTS.** The Economic Development Officer, the Corporation
6 Secretary and the members of Council are hereby authorized and
7 directed, either alone or jointly, to execute and deliver:
8 (i) certificates of the Issuer certifying such facts as the Issuer's
9 counsel or Bond Counsel shall require in connection with the issuance,
10 sale and delivery of the Bonds, (ii) such certificates as may be
11 required under Section 103 of the Code or under the provisions of
12 Florida law, (iii) such agreements and instruments as shall be
13 necessary or desirable in connection with the delivery of any credit
14 enhancement or liquidity facilities relating to the Bonds, and
15 (iv) such other agreements and instruments, including but not limited
16 to, tax compliance agreements, deeds, assignments, bills of sale and
17 financing statements, as shall be necessary or desirable to perform
18 the Issuer's obligations under the Loan Agreement, the Indenture, the
19 Bond Purchase Agreement and the Interlocal Agreement and to consummate
20 the transactions hereby authorized.

21 **SECTION 18. NO PERSONAL LIABILITY.** No representation,
22 statement, covenant, warranty, stipulation, obligation or agreement
23 herein contained, or contained in the Bonds or the documents referred
24 to herein or any certificate or other instrument to be executed on
25 behalf of the Issuer in connection with the issuance of the Bonds,
26 shall be deemed to be a representation, statement, covenant, warranty,
27 stipulation, obligation or agreement of any member, officer, employee
28 or agent of the Issuer in his or her individual capacity, and none
29 of the foregoing persons nor any officer of the Issuer executing the
30 Bonds or any document referred to herein or any certificate or other
31 instrument to be executed in connection with the issuance of the

1 Bonds shall be liable personally thereon or be subject, to any
2 personal liability or accountability by reason of the execution or
3 delivery thereof.

4 **SECTION 19. NO THIRD PARTY BENEFICIARIES.** Except as
5 otherwise expressly provided herein, in the Bonds or in the documents
6 referred to herein, nothing in this Ordinance, the Bonds or the
7 documents, express or implied, is intended or shall be construed to
8 confer upon any person, firm, corporation or other organization,
9 other than the Issuer, the Borrower, the Baptist Obligated Group, the
10 Trustee and the Purchaser (and subsequent holders from time to time)
11 of the Bonds any right, remedy or claim, legal or equitable, under
12 and by reason of this Ordinance or any provision hereof, or of the
13 Bonds or the documents, all provisions hereof and thereof being
14 intended to be and being for the sole and exclusive benefit of the
15 Issuer, the Borrower, the Baptist Obligated Group, the Trustee and
16 the Purchaser (and subsequent holders from time to time) of the Bonds.

17 **SECTION 20. PREREQUISITES PERFORMED.** All acts, conditions
18 and things relating to the passage of this Ordinance, to the issuance,
19 sale and delivery of the Bonds, and to the execution and delivery of
20 the Loan Agreement, Indenture, Bond Purchase Agreement and Interlocal
21 Agreement, required by the Constitution or other laws of the State,
22 to happen, exist and be performed precedent to the passage hereof,
23 and precedent to the issuance, sale and delivery of the Bonds, to the
24 execution and delivery of the Loan Agreement, Indenture, Bond Purchase
25 Agreement and Interlocal Agreement, have either happened, exist and
26 have been performed as so required or will have happened, will exist
27 and will have been performed prior to such execution and delivery.

28 **SECTION 21. COMPLIANCE WITH CHAPTER 218, PART III, FLA.**
29 **STATS.** The Issuer hereby approves and authorizes the completion,
30 execution and filing with the Division of Bond Finance of the State
31 Board of Administration of the State of Florida, at the expense of

1 the Borrower, of advance notice of the impending sale of the Bonds,
2 of Bond Information Form BF 2003/2004, and of a copy of Internal
3 Revenue Service Form 8038 for the Bonds (or any portion thereof), and
4 any other acts as may be necessary to comply with Chapter 218, Part
5 III, Florida Statutes, as amended.

6 **SECTION 22. GENERAL AUTHORITY.** The members of the Council
7 and its officers, attorneys, agents and employees are hereby
8 authorized to do all acts and things required of them by this
9 Ordinance, the Bonds, the Loan Agreement, the Indenture, the Bond
10 Purchase Agreement and the Interlocal Agreement, and to do all acts
11 and things which are desirable and consistent with the requirements
12 hereof or of the Bonds, the Loan Agreement, the Indenture, the Bond
13 Purchase Agreement and the Interlocal Agreement, for the full,
14 punctual and complete performance of all the terms, covenants and
15 agreements contained herein or in the Bonds, the Loan Agreement, the
16 Indenture, the Bond Purchase Agreement and the Interlocal Agreement.

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

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

29 **SECTION 25. EFFECTIVE DATE.** This Ordinance shall become
30 effective immediately upon signature by the Mayor or upon becoming
31 effective without the Mayor's signature

Form Approved:

/s/ Paige H. Johnston

Office of General Counsel

Legislation prepared by: McGuireWoods LLP and Assistant General
Counsel

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