

1 Introduced by the Council President at the request of the Mayor and
2 amended by the Neighborhoods, Community Services, Public Health &
3 Safety Committee:
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6 **ORDINANCE 2021-21-E**

7 AN ORDINANCE PROVIDING FOR AND AUTHORIZING THE
8 ISSUANCE BY THE CITY OF JACKSONVILLE, FLORIDA
9 OF ITS HEALTH CARE FACILITIES REVENUE BONDS
10 (BAPTIST HEALTH), SERIES 2021, IN ONE OR MORE
11 TAXABLE OR TAX-EXEMPT SERIES, FROM TIME TO
12 TIME, IN AN AGGREGATE PRINCIPAL AMOUNT NOT
13 TO EXCEED \$150,000,000, AND PROVIDING FOR AND
14 AUTHORIZING ONE OR MORE LOANS BY THE CITY TO
15 SOUTHERN BAPTIST HOSPITAL OF FLORIDA, INC.
16 (D/B/A BAPTIST MEDICAL CENTER JACKSONVILLE,
17 BAPTIST MEDICAL CENTER SOUTH AND WOLFSON
18 CHILDREN'S HOSPITAL), A FLORIDA NOT FOR PROFIT
19 CORPORATION (THE "BORROWER"), IN AN AGGREGATE
20 PRINCIPAL AMOUNT EQUAL TO THE AGGREGATE
21 PRINCIPAL AMOUNT OF SAID BONDS, FOR THE
22 PURPOSES OF FINANCING, REFINANCING AND
23 REIMBURSING ALL OR A PORTION OF THE COSTS OF
24 CERTAIN CAPITAL EXPENDITURES AT CERTAIN HEALTH
25 CARE FACILITIES OF THE BORROWER AND ITS
26 AFFILIATES AND RELATED PARTIES, INCLUDING
27 WITHOUT LIMITATION THE ACQUISITION, PLANNING,
28 DEVELOPMENT, CONSTRUCTION, RENOVATION,
29 IMPROVEMENT, EQUIPPING AND INSTALLATION OF
30 CERTAIN CAPITAL PROJECTS DESCRIBED HEREIN IN

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

23
24 **BE IT ORDAINED** by the Council of the City of Jacksonville:

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

1 applicable provisions of law.

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

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

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

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

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

24 "Bonds" means the bonds of the Issuer to be designated "City
25 of Jacksonville, Florida Health Care Facilities Revenue Bonds
26 (Baptist Health), Series 2021" (or such other series designation as
27 may be set forth in the Indenture) in an aggregate principal amount
28 not to exceed \$150,000,000, in one or more taxable or tax-exempt
29 series, substantially in the form and with the rates of interest,
30 maturity dates and other details provided for herein, in the
31 Indenture and Bond Purchase Agreement to be authorized and issued

1 by the Issuer, authenticated by the Trustee and delivered under the
2 Indenture.

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

8 "Clay County Project" means the portion of the Project located
9 or to be located in Clay County, Florida.

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

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

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

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

26 "Interlocal Agreement" means the Interlocal Agreement to be
27 executed by and between the Issuer and Clay County, Florida,
28 substantially in the form currently **Revised On File** with the
29 Legislative Services Division and incorporated herein by reference.

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

1 State of Florida.

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

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

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

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

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

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

30 "Project" means certain capital expenditures at the health
31 care facilities of the Borrower and its affiliates and related

1 parties, as more particularly described on Exhibit A hereto, all
2 located or to be located within or outside the geographical limits
3 of the Issuer.

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

9 "State" means the State of Florida.

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

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

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

1 State and its inhabitants, to foster the industrial and business
2 development of the Issuer and the State, and to otherwise provide
3 for and contribute to the health, safety and welfare of the people
4 of the Issuer and the State.

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

12 (C) On December 16, 2020, the Industrial Development Revenue
13 Bond Review Committee of the Issuer adopted the Preliminary
14 Resolution expressing the intent of the Issuer to issue the Bonds
15 and authorizing the execution and delivery of a Memorandum of
16 Agreement with the Borrower relating to the proposed issuance of
17 the Bonds. A copy of the Preliminary Resolution is **Revised On File**
18 with the Legislative Services Division and incorporated herein by
19 reference, and a copy of such Memorandum of Agreement is **Revised On**
20 **File** with the Legislative Services Division and incorporated herein
21 by reference. The Borrower has requested that the Issuer loan the
22 proceeds of the Bonds to the Borrower pursuant to the Loan
23 Agreement for the purposes of financing, refinancing and
24 reimbursing all or a portion of the costs of the Project.

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

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

25 (E) The Borrower has requested that the Issuer enter into the
26 Interlocal Agreement, which is incorporated herein by reference, to
27 provide for the issuance by the Issuer of the Bonds to finance,
28 refinance or reimburse all or a portion of the costs of the Clay
29 County Project through a single financing plan which will result in
30 substantial cost savings for the Borrower in connection with the
31 Project. The Bonds will not be issued to finance, refinance or

1 reimburse any portion of the Clay County Project unless the City
2 shall have entered into the Interlocal Agreement with Clay County,
3 Florida.

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

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

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

29 (I) Based in part and in reliance upon the determinations and
30 representations to be received from Clay County, Florida in the
31 Interlocal Agreement, the Project and the financing, refinancing

1 and reimbursing of all or a portion of the costs of the Project by
2 the Issuer will be in furtherance of the purposes of the Act.

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

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

1 refinance and reimburse all or a portion of the costs of the
2 Project, all as provided in the documents referred to herein, which
3 contain such provisions as are necessary or convenient to
4 effectuate the purposes of the Act.

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

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

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

4 (N) Pursuant to the Interlocal Act, in order to make
5 efficient use of shared powers, the Issuer and Clay County, Florida
6 will enter into the Interlocal Agreement, pursuant to which Clay
7 County, Florida will approve the issuance of the Bonds by the
8 Issuer with respect to the Clay County Project.

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
21 State or any political subdivision thereof, is pledged to the
22 payment of the principal of, or premium, if any, or interest on the
23 Bonds. No owner or holder of any of the Bonds shall ever have the
24 power, directly or indirectly, to compel the exercise of the ad
25 valorem taxing power for the payment of the principal or purchase
26 price of, or premium, if any, or interest on any of the Bonds.

27 (R) The payments required to be made by the Borrower under
28 the 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,

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

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

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

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

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

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

8 **SECTION 5. AUTHORIZATION OF BONDS.** The issuance of the
9 Bonds in an aggregate principal amount of not to exceed
10 \$150,000,000 is hereby authorized; provided, however, that in order
11 to finance, refinance and reimburse all or any portion of the costs
12 of the Clay County, Project, the Issuer shall have entered into the
13 Interlocal Agreement with Clay County, Florida. The Bonds shall be
14 designated as provided in Section 2 hereof, shall be issued and
15 shall be subject to payment as provided in the Indenture and shall
16 be issued in the name of and delivered to the Purchaser, or as
17 directed by the Purchaser, as provided in the Bond Purchase
18 Agreement.

19 The Bonds shall be in the aggregate principal amounts, shall
20 be dated such dates, shall bear interest at such rates, shall be
21 payable or shall mature on such dates and in such amounts, shall be
22 issued in such denominations, shall be subject to optional and
23 mandatory redemption and tender at such time or times, and upon
24 such terms and conditions, shall be payable at the place or places
25 and in the manner, shall be executed, authenticated and delivered,
26 shall otherwise be in such forms, and subject to such terms and
27 conditions, all as provided in the Indenture and the Bond Purchase
28 Agreement. Authority for the issuance of such aggregate principal
29 amount of the Bonds herein authorized which shall not be hereafter
30 delivered to the Purchaser pursuant to the provisions of the Bond
31 Purchase Agreement 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,
4 the State, or of any political subdivision thereof, but shall be
5 payable solely from the revenues and proceeds pledged therefor and
6 neither the faith and credit nor the taxing power of the Issuer,
7 the State or any political subdivision thereof is pledged to the
8 payment of the principal of, or premium, if any, or interest on the
9 Bonds.

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

27 **SECTION 7. AUTHORIZATION OF EXECUTION AND DELIVERY OF THE**
28 **INDENTURE.** In order to secure the payment of the principal of and
29 premium, if any, and interest on the Bonds herein authorized,
30 according to their tenor, purport and effect, and in order to
31 secure the performance and observance of all the covenants,

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

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

21 (A) Receipt by the Economic Development Officer of a written
22 offer to purchase the Bonds by the Purchaser, substantially in the
23 form of the Bond Purchase Agreement, said offer to provide for,
24 among other things, (i) the issuance of the Bonds in an aggregate
25 principal amount of not to exceed \$150,000,000, (ii) an underwriting
26 discount (including management fee and all expenses) not in excess
27 of 1.00% of the par amount of the Bonds, (iii) an initial interest
28 rate or an average initial interest rate on the date of issuance of
29 not more than 8.00% per annum, and (iv) the final maturity date of
30 the Bonds to be no later than forty (40) years from the dated date
31 of the Bonds.

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

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

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

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

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

1 Group. The Master Indenture Obligation is hereby approved, subject
2 to such changes, insertions and omissions as may be approved in
3 such form by the Baptist Obligated Group and by the Economic
4 Development Officer, such approval by the Economic Development
5 Officer to be evidenced conclusively by the Economic Development
6 Officer's execution of the Indenture; and all of the provisions of
7 the Master Indenture Obligation, when executed by BHS, as agent of
8 the Baptist Obligated Group, and delivered to the Trustee as
9 authorized herein, shall be deemed to be a part of this Ordinance
10 as fully and to the same extent 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
19 issuance and delivery of the Bonds. The Economic Development
20 Officer is hereby authorized to deem the Official Statement final
21 as of its date on behalf of the Issuer for purposes of Rule 15c2-12
22 of the Securities and Exchange Commission, as amended (except for
23 such omissions permitted by such Rule), and to execute a
24 certificate to that effect to be delivered to the Purchaser. The
25 Economic Development Officer is hereby authorized to evidence the
26 Issuer's approval of the Official Statement by the Economic
27 Development Officer's endorsement thereof upon one or more copies,
28 and approval of all such omissions, insertions and variations may
29 be presumed from such endorsement upon any copy of such Official
30 Statement.

31 **SECTION 11. AUTHORIZATION TO EXECUTE IDENTIFICATION OF**

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

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

1 further authorized to do all acts which may be required or
2 advisable with respect or in any way relating thereto, including,
3 but not limited to, filing such Interlocal Agreement with the
4 Clerks of the Circuit Court in and for Duval County, Florida and in
5 and for the jurisdiction of the applicable Public Agency in
6 accordance with Section 163.01(11), Florida Statutes, as amended.

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

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

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

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

1 certificate one or more authorized signatories to execute any and
2 all instruments, documents and certificates in his place. Such
3 signature shall have the effect of the Economic Development
4 Officer's signature as authorized in this Ordinance.

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

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

1 officer of the Issuer executing the Bonds or any document referred
2 to herein or any certificate or other instrument to be executed in
3 connection with the issuance of the Bonds shall be liable
4 personally thereon or be subject, to any personal liability or
5 accountability by reason of the execution or delivery thereof.

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

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

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

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

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

31 **SECTION 24. REPEALING CLAUSE.** All ordinances or parts

1 thereof in conflict with the provisions herein contained are, to
2 the extent of such conflict, hereby superseded and repealed.

3 **SECTION 25. EFFECTIVE DATE.** This Ordinance shall become
4 effective immediately upon signature by the Mayor or upon becoming
5 effective without the Mayor's signature

6
7 Form Approved:

8
9 /s/ Margaret M. Sidman

10 Office of General Counsel

11 Legislation prepared by: McGuireWoods LLP & Assistant General
12 Counsel

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