

RESOLUTION NO. 2021-1

A RESOLUTION EXPRESSING THE INTENT OF THE ALACHUA COUNTY HEALTH FACILITIES AUTHORITY TO LOAN FUNDS TO OAK HAMMOCK AT THE UNIVERSITY OF FLORIDA, INC. FOR THE REFUNDING OF CERTAIN OUTSTANDING INDEBTEDNESS OF OAK HAMMOCK AT THE UNIVERSITY OF FLORIDA, INC. AND THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN CAPITAL IMPROVEMENTS ON ITS CAMPUS LOCATED IN ALACHUA COUNTY, FLORIDA; PROVIDING FOR THE ISSUANCE OF CONTINUING CARE RETIREMENT COMMUNITY REVENUE AND REVENUE REFUNDING BONDS OF THE AUTHORITY, IN ONE OR MORE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$85,000,000 FOR THE PURPOSE OF MAKING A LOAN OF FUNDS FOR SUCH PURPOSES; AND PROVIDING CERTAIN OTHER DETAILS WITH RESPECT THERETO.

BE IT RESOLVED by the ALACHUA COUNTY HEALTH FACILITIES AUTHORITY that:

SECTION 1. AUTHORITY. This Resolution is adopted pursuant to the provisions of the Act, as hereinafter defined.

SECTION 2. DEFINITIONS.

"Act" means Chapter 159, Part II, and Chapter 154, Part III, Florida Statutes, as amended, and other applicable provisions of law.

"Authority" means the Alachua County Health Facilities Authority, a public body corporate and politic of the State of Florida.

"Borrower" means Oak Hammock at the University of Florida, Inc., a Florida not-for-profit corporation, or an affiliated or related entity, and its successors or assigns.

"Chairman" means the Chairman or Vice Chairman of the Authority.

"Bonds" means the proposed continuing care retirement community revenue and revenue refunding bonds to be issued in an aggregate principal amount not exceeding \$85,000,000, in one or more series, to be authorized by subsequent resolution of the Authority pursuant to the Act and in accordance with the terms, conditions and limitations contained in such resolution.

"Project" means the acquisition, construction and equipping of certain improvements on the campus of the Borrower as more particularly described on Exhibit "A" attached hereto.

"Refunded Bonds" means the Alachua County Health Facilities Authority Continuing Care Retirement Community Revenue Refunding Bonds (Oak Hammock at the University of Florida, Inc. Project), Series 2012A, the City of Gainesville, Florida Continuing Care Retirement Community Revenue Refunding Note (Oak Hammock at the University of Florida, Inc. Project), Series 2017A, and the City of Gainesville, Florida Continuing Care Retirement Community

Revenue Refunding Note (Oak Hammock at the University of Florida, Inc. Project), Series 2017B.

"Refunded Projects" means the acquisition, construction and equipping of the projects described on Exhibit "A" attached hereto.

"Secretary" means the Secretary or any Assistant Secretary of the Authority.

SECTION 3. PROPOSAL. The Borrower has requested that the Authority issue its Bonds under the Act in an aggregate principal amount not exceeding \$85,000,000 to pay all or a portion of the cost of refinancing the acquisition, construction and equipping of the Refunded Projects owned and operated by the Borrower and to thereby refund all or a portion of the Refunded Bonds, and to finance the Project, which amount the Borrower has represented will, together with other available funds of the Borrower, be sufficient to accomplish such purpose, such Bonds to be secured under the terms of a loan agreement between the Authority and the Borrower, in an amount sufficient to pay the principal of and interest on such Bonds as the same become due and payable.

SECTION 4. FINDINGS. The Authority hereby finds, determines and declares as follows:

A. The Project and the issuance of the Bonds to finance the Project, refinance the Refunded Projects and refund the Refunded Bonds will have a substantial public benefit.

B. The Authority is authorized and empowered by the Act to enter into transactions such as those contemplated by the Borrower, and to fully perform the obligations of the Authority to be undertaken in connection with the financing of the Project and refinancing of the Refunded Projects and to refund the Refunded Bonds in order to improve the industrial economy of Alachua County, Florida (the "County") and the State of Florida (the "State"), increase opportunities for gainful employment and purchasing power, and improve living conditions, and otherwise contribute to the health, prosperity and welfare of the County, the State and the inhabitants thereof.

C. The Project and the Refunded Projects each constitute a "project" within the meaning of Section 159.27(5), Florida Statutes, and a "health care facility" within the meaning of Section 154.205(10) and 159.27(16), Florida Statutes and a "health facility" within the meaning of Section 154.205(8), Florida Statutes.

D. The Borrower has requested that the Authority issue the Bonds in an aggregate principal amount not exceeding \$85,000,000 to finance the acquisition, construction and equipping of the Project and to refinance the Refunded Projects through the refunding of the Refunded Bonds, capitalize interest, fund necessary reserves and pay costs of issuance. The Bonds shall be paid from the repayment of a loan of the bond proceeds from the Authority to the Borrower.

E. The availability of financing by means of continuing care retirement community revenue and revenue refunding bonds is an important inducement to the Borrower to proceed with the acquisition, construction and equipping of the Project and refinancing of the Refunded Projects through the refunding of the Refunded Bonds.

F. Notice of a public hearing to be held by the Authority on the date hereof, inviting comments and discussion concerning the issuance of the Bonds by the Authority to finance the Project and to refinance the Refunded Projects through the refunding of the Refunded Bonds was published in *The Gainesville Sun*, a newspaper of general circulation on September 8, 2021, which is at least seven (7) days prior to the date hereof.

G. Following such notice, a public hearing was held by the Authority on the date hereof, during which comments and discussions were requested and heard concerning the issuance of the Bonds to finance the Project and refinance the Refunded Projects through the refunding of the Refunded Bonds.

H. Based solely upon the representations of the Borrower with respect to the Project and the Refunded Projects, the Project, the Refunded Projects and the issuance of the Bonds to finance the Project and refinance the Refunded Projects through the refunding of the Refunded Bonds will have a substantial public benefit.

I. Based upon the representation of the Borrower that the Project will be located in Alachua County, Florida, for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended, the Board of County Commissioners of Alachua County, Florida, is the elected legislative body having jurisdiction over the entire area in which the Project and Refunded Projects are and will be located.

J. The Bonds shall not be deemed to constitute a debt, liability or obligation, or a pledge of the faith and credit or taxing power, of the Authority, of Alachua County or of the State of Florida or of any political subdivision thereof, but the Bonds shall be payable solely from the revenues and proceeds to be derived by the Authority from payments received under the loan agreement entered into between the Authority and the Borrower.

SECTION 5. DETERMINATION. If, upon further investigation of the Borrower and its proposal, the Authority is able to find:

A. That the Authority is not obligated to pay the Bonds except from the proceeds derived from the repayment of a loan to the Borrower and that neither the faith and credit nor the taxing power of the Authority or of the State or any political subdivision thereof is pledged to the payment of the principal of or the interest, or premium, if any, on the Bonds;

B. That the Authority, the Borrower and the proposed purchaser or purchasers of the Bonds have executed or will execute, concurrently with the

issuance of the Bonds, the documentation required for the financing of the Project and refinancing of the Refunded Projects through the refunding of the Refunded Bonds as contemplated hereby;

C. That adequate provision has been made in the documents for the operation, repair and maintenance of the Project and Refunded Projects at the expense of the Borrower and for the payment of the principal of, premium, if any, and interest on the Bonds and reserves, if any, therefor;

D. That, based upon an opinion expected to be delivered at closing by bond counsel, the interest on the Bonds will be excludable from gross income for federal income tax purposes under existing laws of the United States;

E. That, if such opinion of bond counsel is not able to be delivered by bond counsel on all or a portion of the Bonds, then all or such portion of the Bonds shall be issued as taxable bonds, the interest on which shall not be excludable from gross income for federal income tax purposes under existing laws of the United States;

F. That, based on the criteria established by the Act, the Borrower is financially responsible and fully capable of and willing to fulfill all of its obligations under the terms and provisions of the loan agreement to be negotiated between the parties, under which the Borrower will be obligated, among other things, to pay amounts sufficient to timely discharge the debt service on the Bonds, and to operate, repair and maintain the Project and Refunded Projects at the Borrower's expense; and

G. That the proposal will otherwise comply with all of the provisions of the Act;

then the Authority shall, and by passage of this Resolution hereby agrees to, issue Bonds to finance the acquisition, construction and equipping of the Project and refinance the Refunded Projects through the refunding of the Refunded Bonds in accordance with the provisions and authority of the Act and this Resolution. The principal amount, terms of maturity, interest rate and other details of the Bonds will be determined by the Borrower and the Authority and subsequently adopted by resolution of the Authority.

SECTION 6. RATIFICATION; FURTHER ACTIONS. Any action taken by the Borrower in furtherance of the acquisition of the Project and refinancing of the Refunded Projects through the refunding of the Refunded Bonds is hereby ratified, confirmed and approved.

The Chairman and the Secretary of the Authority are further authorized to take such further action and execute such further instruments as may be necessary to fully effectuate the purpose and intention of this Resolution.

SECTION 7. PRIORITY. Nothing herein shall be deemed to restrict the Authority or the State of Florida or any agency or political subdivision thereof in determining the order or priority of the issuance of bonds by the Authority or to require the Authority to give the Bonds

priority as to the time of issuance over any other bonds previously or subsequently approved by the Authority for issuance, and such prioritization by the Authority could result in the inability of the Authority to issue the Bonds.


SECTION 8. RECOMMENDATION TO COUNTY COMMISSION. The Secretary of the Authority is hereby authorized and directed to forward a copy of this Resolution to the Board of County Commissioners of Alachua County, Florida, and the Chairman and the Secretary of the Authority are hereby authorized to take any other action, at the expense of the Borrower, as may appear proper in satisfying the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, and any applicable regulations thereto. The Authority hereby recommends that the Board of County Commissioners approve the issuance of the Bonds.

SECTION 9. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 16th day of September, 2021.

(SEAL)

ATTEST:


Secretary



**ALACHUA COUNTY HEALTH
FACILITIES AUTHORITY**

By 
Chairman

#150025965_v2
86228-9

EXHIBIT "A"

Project Description

Financing or refinancing, including through reimbursement, the costs of certain improvements to the Borrower's facilities located at 5100 SW 25th Boulevard, Gainesville, Florida, including, but not limited to, replacing air conditioning roof chillers, refurbishing memory care units to standard assisted living units, replacing elevators and constructing an approximately 18,000 square feet plant operations building.

Refunded Project Description

Financing and refinancing the costs of acquiring, constructing and equipping the realty consisting of approximately 136 acres of land at 5100 S.W. 25th Boulevard, Gainesville, Florida and a continuing care retirement community facility containing approximately 800,000 square feet of space including (a) independent living units consisting of two multi-unit apartment buildings, villas and club homes, (b) an assisted living center with residential living suites and memory support units, (c) a health center with private skilled nursing beds, (d) a commons building, (e) related common areas and infrastructure improvements, (f) additional facilities, acquired and/or constructed by the Borrower, (g) acquisition or construction of related and appurtenant facilities, fixtures and equipment, (h) expansion of an existing 42-bed skilled nursing facility by up to 31 beds, (i) renovation of an existing skilled nursing facility, (j) an expansion of the existing assisted living facilities by up to 15 units, and (k) acquisition or construction of related and appurtenant facilities, fixtures and equipment.