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RESOLUTION NO. 2000-B-20

A RESOLUTION APPROVING THE ISSUANCE BY THE ORANGE COUNTY HEALTH FACILITIES AUTHORITY OF ITS FIRST MORTGAGE HEALTHCARE FACILITIES REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$17,500,000, THE PROCEEDS FROM THE SALE OF WHICH WILL BE USED FOR THE PRIMARY PURPOSE OF FINANCING AND REFINANCING COSTS INCURRED OR TO BE INCURRED BY GF/ORLANDO, INC. IN CONNECTION WITH THE ACQUISITION, RENOVATION, AND EQUIPPING OF CERTAIN INTERMEDIATE CARE AND GROUP HOME FACILITIES FOR THE DEVELOPMENTALLY DISABLED.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY, FLORIDA:

SECTION 1. FINDINGS. It is hereby ascertained, determined and declared as follows:

A. The Orange County Health Facilities Authority (the "Authority") has submitted to the Board of County Commissioners of Orange County, Florida (the "County"), a copy of a resolution of the Authority which was adopted by the Authority on November 14, 2000 (the "Authority Resolution"), granting its preliminary approval for the issuance by the Authority of its private activity health care facilities revenue bonds (the "Bonds"), in an aggregate principal amount not to exceed \$17,500,000 for the purposes of (1) financing and refinancing the costs of acquisition, renovation and equipping of certain intermediate care facilities and group homes for the developmentally disabled to be owned and/or operated by GF/Orlando, Inc. and Central Florida Group Homes, L.L.C. (collectively, the "Corporation"), as more particularly described in the Authority Resolution (the "Project"). A copy of the Authority Resolution is attached hereto as Exhibit A.

B. On November 14, 2000, the Authority held a public hearing, which public hearing was duly conducted by the Authority on such date upon reasonable public notice, and at which hearing members of the public were afforded reasonable opportunity to be heard on all matters pertaining to (1) the location and nature of the Project and (2) the issuance of the Bonds for such purposes.

C. The Authority has requested the County to approve the issuance of the Bonds in order to satisfy the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended and Section 125.01(Z), Florida Statutes.

D. The purposes of Part II of Chapter 159, Florida Statutes, will be effectively served and it is desirable and in the best interests of the County that the issuance of the Bonds

and the use of the proceeds thereof to finance and refinance the costs of the Project be approved by the Board of County Commissioners of the County (the "Board").

SECTION 2. APPROVAL OF ISSUANCE OF BONDS, THE PROJECT AND THE REFINANCING. The issuance of the Bonds and the use of the proceeds thereof to finance and refinance the costs of the Project as contemplated by the Authority Resolution be and hereby are approved.

SECTION 3. LIMITED APPROVAL. The approval given herein shall not be construed as (i) an endorsement of the creditworthiness of the Corporation or the financial viability of the Project, (ii) a recommendation to any prospective purchaser to purchase the Bonds, (iii) an evaluation of the likelihood of the repayment of the debt service on the Bonds, or (iv) approval of any necessary rezoning applications or approval or acquiescence to the alteration of existing zoning or land use nor approval for any other regulatory permits relating to the Project, and the Board shall not be construed by reason of its adoption of this Resolution to make any such endorsement, finding or recommendation or to have waived any right of the Board or stopping the Board from asserting any rights or responsibilities it may have in such regard. Further, the approval by the Board of the issuance of the Bonds by the Authority shall not be construed to obligate the County to incur any liability, pecuniary or otherwise, in connection with either the issuance of the Bonds, the acquisition and construction of the Project, and the Authority shall so provide in the financing documents setting forth the details of the Bonds.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

ADOPTED, this 19th day of December, 2000.

BOARD OF COUNTY COMMISSIONERS OF
ORANGE COUNTY, FLORIDA

(SEAL)

By: *Art Dalceanda*
Chairman

ATTEST:

Martha O. Haynie, County
Comptroller As Clerk to the
Board of County Commissioners

By: *[Signature]*

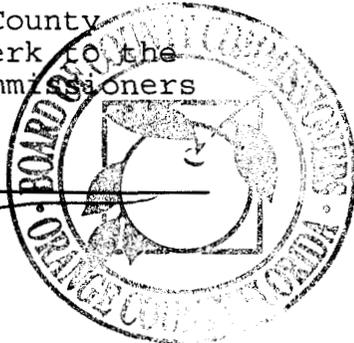


EXHIBIT A

AUTHORITY APPROVING RESOLUTION

**MINUTES OF THE MEETING OF THE
ORANGE COUNTY HEALTH FACILITIES AUTHORITY
TUESDAY, NOVEMBER 14, 2000**

IN ATTENDANCE: Chairman Jack Martin and Authority Members: Hal Marston, III, Dr. Juan Lopez and Tyrone Nabbie. Counsel to the Authority: Lou Frey and Mike Ryan. Financial Consultant to the Authority: David Moore of Public Financial Management. Borrower Representative: Mr. Greg Grove of Guardian Foundation, Inc. Underwriter Representative: Mr. Skip Frey of Herbert J. Sims and Co. Bond Counsel Representative: Mike Wadkins of Bryant, Miller & Olive. Seller/Manager Representatives: Terry Bangs and Kenneth Schultz of Development Services, Inc.

The Orange County Health Facilities Authority (the "Authority") met in public session in the Board Room at the offices of Lowndes, Drosdick, Doster, Kantor & Reed, P.A., 215 North Eola Drive, Orlando, Florida 32801 on November 14, 2000 at 4:30 P.M. Such meeting had been noticed by publication in *The Orlando Sentinel* on October 30, 2000 and by posting at the Orange County Administration Building, First Floor.

A quorum being established, the meeting was called to order by Chairman Martin at 4:35 p.m.

Authority Counsel, Lou Frey, opened business with a request to Mr. Skip Frey to summarize the bond transaction coming before the Board. Mr. Skip Frey related that the request was for issuance of up to \$18,000,000 in bonds to pay costs to be incurred by GF Orlando, Inc., a subsidiary of Guardian Foundation ("GF"), for its acquisition, renovation and equipping of intermediate care facilities and group homes from Developmental Services, Inc. ("DSI"). DSI will sell to GF Orlando, Inc. 3 care facilities and 12 group homes. DSI will continue to manage and be involved in the day to day business after the sale. A feasibility study has been done. The plan is to offer bonds in \$100,000 denominations to investors.

Mr. Greg Grove summarized GF's operations. GF currently operates 17 health care facilities. The first acquisition was made in the early 1990's at Amelia Island of a facility for the disabled. The company operates on a not-for-profit basis. Assets include nursing homes, assisted living and full service health facilities. The majority of patients are wards of the state, and the demand for facilities currently exceeds the supply in Florida.

Mr. David Moore distributed a handout summarizing a feasibility study done by Public Financial Management. The borrowing proposal includes a debt service reserve and working capital funds. 100% of the revenues come from the state to support individuals. The handout is attached to these minutes for reference.

Mr. Marston queried as to the forecasts when the revenues are 100% state funded, and questioned if the forecast of the debt service coverage seemed high. He queried as to whether the figures were realistic. Discussion was conducted regarding the means in which these

forecasts were developed. Mr. David Moore confirmed that he had reviewed them and considered them realistic.

Mr. Terry Bangs provided a synopsis of services and a history of DSI. DSI initially owned health care facilities for disabled and expanded into group homes and facilities for less disabled individuals. The state has a great need for more facilities.

Chairman Martin inquired as to DSI's involvement after the release of their equity. DSI will continue as manager of the facilities for a ten year period.

Mr. Ryan commented that David Moore had provided an opinion letter regarding this transaction that satisfies the requirement of Florida law as to the Board's findings of financial feasibility and that the members of the Board could rely (but are not required to rely) upon the opinions of its experts.

Chairman Martin presented a Resolution to the Board for vote, a copy of which is attached to these Minutes. Mr. Marston commented that he believed the group of people using these facilities are under-served as a whole and that there is a definite need for this funding. He is in favor of its passage.

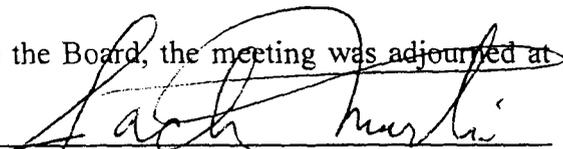
Mr. Marston made a motion to pass the Resolution and it was seconded by Dr. Lopez and unanimously carried.

OTHER BUSINESS:

Lou Frey related that the new legislation allowing OCHFA to do business outside of Orange County had been passed by the legislature and signed by Governor Bush. The Adventist would be returning to OCHFA for funding for projects in 2001.

Lou Frey inquired as to the status of the proposed lease financing program discussed at earlier meetings. Mr. Moore stated that interest rates for the lease programs are very high currently and participants in this market now are inhibited from participating in these transactions. He believes this is not a good time to begin such a program. Mr. Nabbie inquired if the Board was turning away potential lease program participants. Mr. Moore related that initially some interest was shown, but that no one had followed up on the program. The mechanics of the program are very cumbersome and inhibiting to participants. Mr. Nabbie related he thought this could be a good program to help smaller institutions with need. Lou Frey requested that Mr. Moore prepare a memorandum to the Board summarizing the program and proposing some ways in which the Board could facilitate this program for smaller institutions who would be well served by it.

There being no other business to come before the Board, the meeting was adjourned at 5:05 p.m.



Jack C. Martin, Chairman

Orlando Sentinel

Published Daily

State of Florida } s.s.
COUNTY OF ORANGE

Before the undersigned authority personally appeared DEBORAH TONEY, who on oath says that he/she is the Legal Advertising Representative of Orlando Sentinel, a daily newspaper published at ORLANDO in ORANGE County, Florida; that the attached copy of advertisement, being a NOTICE OF PUBLIC HEARING in the matter of NOV. 14 in the ORANGE Court, was published in said newspaper in the issue; of 10/30/00

Affiant further says that the said Orlando Sentinel is a newspaper published at ORLANDO in said ORANGE County, Florida, and that the said newspaper has heretofore been continuously published in said ORANGE County, Florida, each Week Day and has been entered as second-class mail matter at the post office in ORLANDO in said ORANGE County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he/she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

The foregoing instrument was acknowledged before me this 31 day of OCT., 2000, by DEBORAH TONEY, who is personally known to me and who did take an oath.

(SEAL)

JULIA NICHOLS
My Comm. Exp. 9/22/2001
Bonded By Service Ins
No. 683016
Known | Other LD.

NOTICE OF PUBLIC HEARING

The Orange County Health Facilities Authority (the "Authority") will meet on November 14, 2000, commencing at 4:30 P.M., in the conference room annex at the law offices of Lowndes, Droadick, Doster, Kantor & Reed, P.A., 215 North Eola Drive, Orlando, Florida 32802 to consider (i) adoption of a resolution providing for the approval of the issuance by the Authority of not exceeding, in the aggregate, \$17,500,000 of First Mortgage Healthcare Facilities Revenue Bonds, Series 2000 (GF/Orlando Project) (the "Series 2000 Bonds") and (ii) such other business as may come before the Authority. The Series 2000 Bonds will be issued for the principal purposes of financing and refinancing the costs of acquisition and renovation of certain intermediate-care facilities for the developmentally disabled (the "Project") to be owned and operated by GF/Orlando, Inc., a Florida not-for-profit corporation (the "Company"), and initially managed by Developmental Services, Incorporated. The Project is located in Orange, Seminole and Brevard Counties, Florida, as follows:

ICF/DD Facilities: (64 Beds each)

Orange County
Lake View Court
37 West Kennedy Blvd.
Orlando, Florida 32810

Brevard County
Washington Square
1401 North U.S. 1
Titusville, Florida 32796

Seminole County
Howell Branch Court
3664 Howell Branch Court
Winter Park, Florida 32792

Group Homes: (6 beds each)

Orange County
12019 Carolina Woods Lane
(Lease)
Orlando, Florida 32824

9991 Gronau Court
Orlando, Florida 32825

10001 Ratcliff Court
Orlando, Florida 32825

2914 Glyn Street
Orlando, Florida 32807

7503 Stratford Boulevard
Orlando, Florida 32807

2112 South Dean Road
Orlando, Florida 32825

3722 Deventry Road
Orlando, Florida 32817

8274 Jellison Street
Orlando, Florida 32825

944 Alaska Woods Lane
Orlando, Florida 32824

1716 Miami Road
Orlando, Florida 32825-8511

Brevard County
600 Highland Terrace
Titusville, Florida 32796

4000 Two Lane
Titusville, Florida 32796

The Series 2000 Bonds shall be payable solely from the revenues derived by the Authority from a mortgage and trust agreement and other financing documents to be entered into by and between the Authority and the Company prior to or contemporaneously with the issuance of the Series 2000 Bonds. Such Series 2000 Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of Orange, Seminole or Brevard Counties, the State of Florida or any other political subdivision or agency thereof. The aforementioned meeting shall be a public meeting and all persons who may be interested will be given an opportunity to be heard concerning the issuance of the Series 2000 Bonds and the location and nature of the facilities comprising the Project. Written comments may also be submitted to the Orange County Health Facilities Authority prior to the hearing at Lowndes, Droadick, Doster, Kantor & Reed, P.A., 215 North Eola Drive, Orlando, Florida 32802, Attention: Lou Frey, Jr., Esq.

ALL PERSONS FOR OR AGAINST SAID APPROVAL CAN BE HEARD AT SAID TIME AND PLACE. IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE AUTHORITY WITH RESPECT TO SUCH HEARING OR MEETING, (S)HE WILL NEED TO ENSURE THAT A VERBATIM RECORD OF SUCH HEARING OR MEETING IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS BASED.

In accordance with the Americans with Disabilities Act persons needing a special accommodation to participate in this proceeding should contact the individual or agency publishing this notice no later than seven days prior to the proceeding at

the address given in this notice.

Telephone: (841) 843-4600 (Lou Frey).

By order of the Orange County Health Facilities Authority.

ORANGE COUNTY HEALTH FACILITIES AUTHORITY

/s/ Jack Martin
Chairman
COR3591881 OCT.30.2000