

APPROVED  
BY ORANGE COUNTY BOARD  
OF COUNTY COMMISSIONERS

AUG 24 1999 PA/BS

RESOLUTION NO. 99-B-10

A RESOLUTION of the Board of County Commissioners of Orange County, Florida approving the issuance by the Orange County Health Facilities Authority of its Revenue Bonds in an amount not to exceed \$40,000,000 and the loan of the proceeds thereof to Westminster Community Care Services, Inc., a Florida not-for-profit corporation.

WHEREAS, the Orange County Health Facilities Authority (the "Authority") has been created by the Board of County Commissioners of Orange County, Florida (the "Board of County Commissioners") pursuant to the Health Facilities Authority Law, Part III of Chapter 154 of the Florida Statutes, as amended (the "Act"), and is authorized under the Act to issue revenue bonds for the purpose of financing and reimbursing health facilities for not-for-profit corporations; and

WHEREAS, the Authority is authorized under the Florida Interlocal Cooperation Act of 1969, Section 163.01, Part 1, Chapter 163, Florida Statutes, as amended (the "Interlocal Cooperation Act"), to enter into agreements with other "public agencies," as defined in the Interlocal Cooperation Act, to exercise jointly with such other public agencies any power, privilege or authority which the Authority and such other public agencies share in common and which each might exercise separately; and

WHEREAS, Westminster Community Care Services, Inc. (the "Company"), a Florida not-for-profit corporation, has requested the Authority to issue its Revenue Bonds (the "Bonds") in the principal amount not to exceed \$40,000,000; and

WHEREAS, the proceeds from the sale of the Bonds will be loaned to the Company and used, together with certain other available funds, (i) to finance and reimburse the costs of acquiring and rehabilitating certain capital improvements for the health facilities described below (the "Project") and (ii) to pay certain expenses incurred in connection with the issuance of the Bonds; and

WHEREAS, the locations of the capital facilities constituting the Project are as follows:

- (1) Westminster Care of Orlando (formerly known as Veranda Rehabilitation & Nursing Center), a 420-bed nursing home of approximately 120,331 square feet located at 830 West 29<sup>th</sup> Street, Orlando, Florida;
- (2) Westminster Care of Delaney Park (formerly known as Barrington Terrace), a 60-bed nursing home of approximately 17,190 square feet located at 215 Annie Street, Orlando, Florida;
- (3) Westminster Care of Clermont (formerly known as Lake Highlands & Rehabilitation Center), a 182-bed nursing home and a 36-bed assisted living facility of approximately 62,457 square feet located at 161 East Minnehaha Avenue, Clermont, Florida; and

WHEREAS, the portion of the Bonds to be issued for the Project located outside of the geographical limits of Orange County, Florida will be issued by the Authority pursuant to an Interlocal Agreement between the Authority and Lake County, Florida; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires the approval of the issuance of the Bonds by the Board of County Commissioners, as the "applicable elected representative" under Section 147(f) of the code, after a public hearing following reasonable public notice; and

WHEREAS, attached hereto as Exhibits A and B, respectively, are copies of the publisher's affidavit evidencing publication of the Notice of Public Hearing and the Report of the Public Hearing held by a hearing officer of the Authority on June 22, 1999;

NOW, THEREFORE, Be It Resolved by the Board of County Commissioners of Orange County, Florida, as follows:

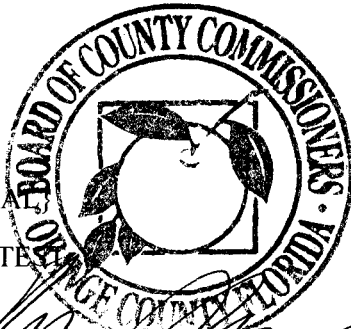
Section 1. The issuance of the Bonds by the Authority in the principal amount not to exceed \$40,000,000 for the purposes set forth above is hereby approved.

Section 2. The Bonds shall not constitute a debt, liability or obligation of Orange County, Florida or of the State of Florida or of any political subdivision thereof or a pledge of the faith and credit or any taxing power of Orange County, Florida or of the State of Florida or of any political subdivision thereof, but shall be limited obligations of the Authority payable solely from and secured by a pledge of payments made by the Company.

Section 3. The approval given herein shall be solely for the purpose of satisfying the requirements of Section 147(f) of the Code and otherwise authorizing the issuance of the Bonds pursuant to the Act and shall not be construed as an approval of any zoning application or any regulatory permit required in connection with the issuance of the Bonds, nor creating any vested rights with respect to any land use regulations and this Board shall not be construed by virtue of its adoption of this Resolution to have waived, or be estopped from asserting, any authority or responsibilities it may have in that regard.

Section 4. This Resolution shall take effect immediately upon its adoption.

ADOPTED this 24th day of August, 1999.



[SEAL]  
ATTEST

Deputy Clerk of Board of County  
Commissioners

ORANGE COUNTY, FLORIDA

By *[Signature]*  
Chairman

State of Florida } S.S.
COUNTY OF ORANGE }

Before the undersigned authority personally appeared Denise Little
that he/she is the Legal Advertising Representative of The Orlando Sentinel, a daily
newspaper published at ORLANDO in
ORANGE County, Florida;
that the attached copy of advertisement, being a MEETING NOTICE BO
in the matter of JUNE 22

in the ORANGE Court,
was published in said newspaper in the issue; of 06/04/99

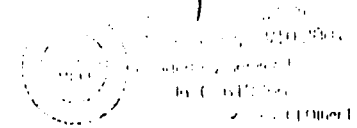
Affiant further says that the said Orlando Sentinel is a newspaper published at
ORLANDO in said
ORANGE County, Florida,
and that the said newspaper has heretofore been continuously published in
said ORANGE County, Florida,
each Week Day and has been entered as second-class mail matter at the post
office 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.

Denise Little (signature)

The foregoing instrument was acknowledged before me this 4 day of
June, 19 99, by Denise Little
who is personally known to me and who did take an oath

Deborah C. Summo (signature)

(SEAL)



BOARD NAME: Orange County Health Facilities Authority

DATE: Tuesday, June 22, 1999

LOCATION: Chambers, 3rd Floor, Orange County Administration Center, 201 S. Rosalind Avenue, Orlando, FL 32801

TIME: 4:00 p.m.

Approve minutes of May 18, 1999 and:

NOTICE IS HEREBY GIVEN that a public hearing will be held on Tuesday, June 22, 1999, at 4:00 p.m. in the First Floor Conference Room of the Orange County Administration Center, 201 S. Rosalind Avenue, Orlando, Florida, by the Orange County Health Facilities Authority (the "Authority") regarding a proposal to issue not to exceed \$40,000,000 of the Authority's Revenue Bonds (Westminster Community Care Services, Inc. Project), Series 1999 for the purpose of financing or reimbursing the cost of acquiring and rehabilitating three nursing homes and a related assisted living facility (collectively, the "Nursing Homes") by Westminster Community Care Services, Inc. (the "Corporation"). The Nursing Homes include Westminster Care of Orlando (formerly known as Varanda Rehabilitation & Nursing Center), a 420-bed nursing home of approximately 120,331 square feet located at 830 West 29th Street, Orlando, Florida, Westminster Care of Delaney Park (formerly known as Barrington Terrace), a 60-bed nursing home of approximately 17,190 square feet located at 215 Annie Street, Orlando, Florida and Westminster of Clermont (formerly known as Lake Highlands & Rehabilitation Center), a 182-bed nursing home and a 36-bed assisted living facility of approximately 62,457 square feet located at 161 East Minnehaha Avenue, Clermont, Florida. The two Orlando facilities described above are presently owned by CareLink Partners, Inc. and the Clermont facility is presently owned by Lake Highlands Associates, Inc. The Nursing Homes will be owned by the Corporation at or prior to the issuance of the above-described bonds.

The Authority may also consider and take official action with regard to any other business that may come before it at the meeting.

The public hearing described above is required by the Internal Revenue Code of 1986, as amended. At the time and place set for public hearing, residents, taxpayers and other interested persons will be given the opportunity to express their views, both orally and in writing, on the proposed issuance of the bonds described above. Written comments may also be submitted to the Authority c/o Lowndes, Drosdick, Doster, Kantor & Reed P.A., 216 North Eola Drive, Orlando, Florida 32801.

Attention: Kenneth Artn. Additional information can be obtained from such office.

NOTICE IS HEREBY ALSO GIVEN that the Authority will meet in public session following the public hearing for the purpose of considering for adoption a resolution bearing the following title and considering such other business as may properly come before the Authority at said meeting:

A RESOLUTION PROVIDING FOR THE FINANCING BY ORANGE COUNTY HEALTH FACILITIES AUTHORITY FOR THE PURPOSE OF FINANCING AND REIMBURSING THE ACQUISITION AND REHABILITATION OF CERTAIN NURSING HOMES AND AN ASSISTED LIVING FACILITY TO BE OWNED AND OPERATED BY WESTMINSTER COMMUNITY CARE SERVICES, INC.; PROVIDING FOR THE ISSUANCE OF REVENUE BONDS (WESTMINSTER COMMUNITY CARE SERVICES, INC. PROJECT), SERIES 1999 OF ORANGE COUNTY HEALTH FACILITIES AUTHORITY IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$40,000,000; APPROVING THE FORM OF TRUST INDENTURE AND LOAN AGREEMENT; APPROVING THE FORM OF AN INTERLOCAL AGREEMENT WITH LAKE COUNTY, FLORIDA OR SUCH OTHER APPROPRIATE GOVERNMENTAL BODY, PROVIDING FOR THE RIGHTS OF HOLDERS OF SUCH BONDS; PROVIDING FOR OTHER RELATED MATTERS; REQUESTING COUNTY COMMISSION APPROVAL FOR THE ISSUANCE OF SUCH BONDS, AND PROVIDING AN EFFECTIVE DATE.

Pursuant to Section 286.0105, Florida Statutes, as amended, the Authority hereby advises that if any person decides to appeal any decision made by the Authority, with respect to any matter considered at such public hearing and meeting, such person will need a record of the proceedings and, for such purpose, may need to insure that a verbatim record of the proceedings is made, which record includes the testimony and the evidence upon which the appeal is to be 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: (407) 843-4600.

DATED: June 4, 1999

ORANGE COUNTY HEALTH FACILITIES AUTHORITY

By: Jack Martin

Executive Director
COR2745352 June 4, 1999

Exhibit B  
**ORANGE COUNTY**  
**HEALTH FACILITIES AUTHORITY MEETING**  
**June 22, 1999**

The Orange County Health Facilities Authority (the "Authority") met in a public session in the 3rd Floor Conference Room of the Orange County Administration Center, 201 South Rosalind Avenue, Orlando, Florida on Tuesday, June 22, 1999. Such meeting had been noticed by publication in the Orlando Sentinel on June 3, 1999, and by posting at the Orange County Administration Center bulletin board, 1st Floor. Chairman Jack Martin, Linda Shaughnessy, and Dr. Juan Lopez were present. Members Tyrone Nabbie and Hal Marston were not able to attend. Also in attendance were the Authority's counsel, Lou Frey and Ken Artin of Lowndes, Drosdick, Doster, Kantor & Reed, David Moore of Public Financial Management, Inc., and John Mines and Janice Clement, Florida Hospital Association. There being a quorum, the meeting was called to order at 4:10 p.m. by Chairman Jack Martin.

1. **Approval of Minutes**

Upon a motion made by Mrs. Shaughnessy and seconded by Dr. Lopez, the minutes of the Authority's meeting held on May 18, 1999, were unanimously approved.

2. **Leasing Program**

The Chairman asked David Moore of Public Financial Management about the leasing program previously discussed. Mr. Moore stated that the program was being modified in order to work in Florida, and that he hopes to bring the program to the board at the next meeting.

3. **Interlocal Agreement with Palm Beach County Health Facilities Authority**

Mr. John Mines of the Florida Hospital Association stated that a Interlocal Agreement was needed regarding a proposed loan from the pooled loan program, secondary loan fund, for the benefit of Bethesda Health Care System. He stated there was an Interlocal Agreement in place between Orange County Health Facilities Authority and Palm Beach County Health Facilities Authority, but it had to be amended. Mr. Mines stated that Palm Beach County Health Facilities Authority has already approved this. Attorney Artin presented the resolution for review and discussion by the board members. Dr. Lopez moved approval of the Interlocal Agreement and was seconded by Mrs. Shaughnessy. The motion was unanimously approved.

4. **Bethesda Health Care System Bond Issue**

Mr. John Mines of the Florida Hospital Association discussed a loan proposal for the benefit of Bethesda Health Care System. He stated that a loan would be up to \$15 million for a six-year-term. He further stated that this would use up the pooled loan program, secondary loan fund. He

indicated this is the first time in history that this has happened. Mr. Mines pointed out that MBIA Insurance Corporation has insured the bonds. When money is paid back into the pooled loan program, it will stay in for 36 months before bonds must be redeemed. Mr. Mines pointed out that the MBIA Insurance Corporation insurance policy expires in 2005, and that the bonds expire between 2020 and 2025. He has asked the MBIA to extend their insurance through 2025. However, MBIA indicated that if they did that, they wanted to substantially change the program by increasing the basis points from 50 to 70 be given the Authority to call bonds or to shut down the program and that all their costs and expenses be paid. Mr. Mines felt that this was not reasonable. After further meetings with MBIA, they indicated that they would consent to being replaced. Mr. Mines said that he has talked to three companies who had shown some interest and is looking for others. He stated that we have until December 2000 to make changes or begin to amortize the bonds. The loan documents for Bethesda Health Care System were submitted to the board. Dr. Lopez moved the loan documents be approved. This was seconded by Mrs. Shaughnessy and was unanimously approved.

5. **Presbyterian Retirement Communities/Orlando Regional Health Care Systems**

Mr. Irv Weinstein, bond counsel for Presbyterian Retirement Communities, came forward and asked that an Interlocal Agreement be signed with Lake County regarding the joint venture between Presbyterian Retirement Communities and ORHC. He stated that Lake County Commissioners were going to meet on July 27 to consider this resolution. Mr. Jim Eisner, CEO of Presbyterian Homes explained the joint venture. He said there was a public need for more nursing home beds, especially in the Medicare area. He said that they had gotten together with ORHC to form a new 501(c)3. Mr. Eisner indicated both parties were putting in equity capital for this venture. There would be three nursing homes involved initially, with some rooms set up for long-term care for children. He felt the venture had every chance of success because of the joint venture partners, because of the \$10 million in new capital, and because of the fact that there is an experienced management group. He said that an independent financial study was being completed by KPMG in the near future. He further indicated that to show confidence in the program, the management fee had been subordinated to the debt service. David Moore of Public Financial Management said that this is a new entity, although the joint venture partners are experienced in the field. PFM will focus on the new entity and what it brings to this particular issue. Attorney Ken Artin said he had just received the documents and that any approval will be subject to his review of the documents. Jim Bogner, attorney for ORMC and Paul Goldstein of ORMC spoke in favor of the program. Upon motion duly made by Dr. Lopez and seconded by Mrs. Shaughnessy, the Interlocal Agreement was approved.

The Chairman then indicated that a TEFRA hearing had been duly noticed. He called the TEFRA hearing to order and asked if anyone wanted to speak. No one from the public wanted to speak. The Chairman then closed the TEFRA hearing.

Dr. Lopez moved the resolution submitted by Ken Artin be adopted. This was seconded by Mrs. Shaughnessy and was unanimously approved.

6. **Orlando Regional Health Care System**

Jim Luebchow, attorney at Chapman & Cutler, indicated that he was bond counsel for ORHS. He appeared with attorney Jim Bogner of Mateer & Harbert, and Paul Goldstein of ORHC. Mr. Luebchow indicated that OCHC wanted to refinance \$400 million in bonds to restructure their existing debt. Some of the funds would be used to purchase Lucerne Hospital. He said they had a real need to move quickly because of the rise in interest rates. He asked for authorization to print and mail the POS. When questioned, they said they did not want to reveal at this time the purchase price of Lucerne, as there was a need for confidentiality. They were hoping that they could come in late July for the final bond resolution. Attorney Artin reported that all was in order and that it was time to act on the resolution. Upon motion made by Mrs. Shaughnessy and seconded by Dr. Lopez, the motion to allow them to move forward was unanimously approved.

7. **New Business**

The Chairman, after polling the members of the board and the people present, announced that the next meeting would be set for 4:00 p.m., Tuesday, July 27, 1999, in the Orange County Administration Center, either on the first or third floor.

8. **Old Business**

The board members had previously asked bond counsel and financial agents to make a presentation on the pricing of bonds. A very learned discussion took place on this issue, which was appreciated by the members of the board.

9. **Adjournment**

Upon motion duly made and seconded, the meeting was adjourned at 5:35 p.m. Dated this 22nd day of June, 1999.

**ORANGE COUNTY HEALTH  
FACILITIES AUTHORITY**

By: \_\_\_\_\_

Jack Martin

Attest:

  
Member