

Legislative #

150079

RESOLUTION NO. 2015 – __ – __

A RESOLUTION OF THE CITY OF GAINESVILLE, FLORIDA, APPROVING THE EXECUTION OF AN INTERLOCAL AGREEMENT WITH THE CITY OF JACKSONVILLE, FLORIDA (THE “ISSUER”); APPROVING FOR PURPOSES OF SECTION 147 OF THE INTERNAL REVENUE CODE THE ISSUANCE BY THE ISSUER OF ITS HEALTH CARE FACILITIES REVENUE BONDS (BROOKS REHABILITATION), IN ONE OR MORE TAX-EXEMPT OR TAXABLE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$130,000,000, TO FINANCE, REIMBURSE OR REFINANCE THE COSTS OF THE ACQUISITION, CONSTRUCTION, INSTALLATION AND EQUIPPING OF CERTAIN HEALTH CARE FACILITIES TO BE LOCATED WITHIN THE JURISDICTION OF THE CITY OF GAINESVILLE, FLORIDA, AND OTHER HEALTH CARE FACILITIES LOCATED OUTSIDE THE CITY OF GAINESVILLE, FLORIDA, OF WHICH NOT TO EXCEED \$2,000,000 WILL BE ISSUED FOR THE PURPOSE OF PROVIDING FUNDS TO MAKE A LOAN TO GENESIS HEALTH, INC., A FLORIDA NOT FOR PROFIT CORPORATION, TO FINANCE, REIMBURSE OR REFINANCE A PORTION OF THE COSTS OF THE ACQUISITION AND INSTALLATION OF SUCH HEALTH CARE FACILITIES TO BE LOCATED IN THE CITY OF GAINESVILLE, FLORIDA; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Genesis Health, Inc., a Florida not for profit corporation (the “Borrower”), desires to finance, reimburse or refinance a part of the costs of the acquisition and installation of certain health care facilities to be located in the City of Gainesville, Florida (“Gainesville”), as more particularly described in Exhibit A hereto (the “Gainesville Project”), and to finance, reimburse or refinance all or a part of the costs of the acquisition, construction, installation and equipping of certain other health care facilities located outside Gainesville, as more particularly described in Exhibit A hereto (the “Other Projects”), (the Gainesville Project and the Other Projects are hereinafter collectively referred to as, the “Projects”); and

WHEREAS, the Borrower has represented that it will recognize substantial cost savings by financing or refinancing all of the Projects through a single plan of finance consisting of the issuance by the City of Jacksonville, Florida (the “Issuer”), of its Health Care Facilities Revenue Bonds (Brooks Rehabilitation) (the “Bonds”), in one or more series, in an aggregate principal amount not to exceed \$130,000,000, to finance, reimburse or refinance all of the Projects; and

WHEREAS, the Issuer has requested that the City Commission of Gainesville (the "Commission") consider and approve the Issuer's issuance of the Bonds in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Borrower has requested that the Commission authorize the execution and delivery of an Interlocal Agreement to be entered into between Gainesville and the Issuer (the "Interlocal Agreement"), in substantially the form attached hereto as Exhibit B, to allow the issuance by the Issuer of the Bonds to pay a part of the costs of the Gainesville Project, the amount thereof not to exceed \$2,000,000; and

WHEREAS, the Issuer and Gainesville are willing to enter into the Interlocal Agreement as herein described in order to permit the Borrower to finance or refinance a part of the costs of the Gainesville Project.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Gainesville, Florida:

SECTION 1. Authority. This Resolution is adopted pursuant to the laws of the State of Florida, including Chapter 159, Part II, and Section 163.01, Florida Statutes, as amended, and other applicable provisions of law (collectively, the "Act").

SECTION 2. Findings. The Commission hereby finds, determines and declares as follows:

A. The Commission is the elected legislative body of Gainesville, and Gainesville has jurisdiction over the area in which the Gainesville Project is located.

B. Notice of a public hearing to be held before the Commission, inviting comments and discussions concerning the issuance of the Bonds by the Issuer to finance, reimburse or refinance a part of the costs of the Gainesville Project, was published in *The Gainesville Sun*, a newspaper of general circulation in Gainesville at least fourteen days prior to such hearing date, and a copy of the publisher's affidavit of proof of publication is attached hereto as Exhibit C and incorporated herein by reference.

C. Following such notice, a public hearing was held by the Commission during which comments and discussions concerning the issuance of the Bonds by the Issuer to finance, reimburse or refinance a part of the costs of the Gainesville Project were requested and allowed.

D. Based upon representations made by the Issuer and the Borrower, the Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of Gainesville, the Issuer, the State of Florida or any political subdivision thereof but shall be payable solely from the revenues pledged therefor pursuant to a Loan Agreement entered into by and between the Issuer and the Borrower prior to or contemporaneously with the issuance of the Bonds.

SECTION 3. Authorization of Interlocal Agreement. The form of the Interlocal Agreement attached hereto as Exhibit B and incorporated by reference is hereby approved. The

Mayor (or other appropriate official designated by the Commission) and the Clerk of the Commission or any Deputy Clerk are hereby authorized in the name of and on behalf of Gainesville pursuant to this Resolution to execute and deliver the Interlocal Agreement in substantially the form attached to this Resolution, with such changes, insertions and deletions as the officers signing such document may approve, their execution thereof to be conclusive evidence of such approval. The officers executing the Interlocal Agreement are hereby further authorized to do all things which may be required or advisable with respect to or in any way related thereto, including, but not limited to, recording of filing the Interlocal Agreement with the Clerk of the Circuit Court in and for the Alachua County, Florida. The Mayor (or other appropriate official designated by the Commission) and Clerk of the Commission or Deputy Clerk are hereby further authorized to take such further action and execute such further instruments as may be necessary or appropriate to fully effectuate the purpose and intention of this Resolution and the Interlocal Agreement.

SECTION 4. Approval. Solely for the purposes of satisfying the provisions of Section 147(f) of the Code, the Commission hereby approves the issuance of the Bonds by the Issuer in one or more tax-exempt or taxable series in an aggregate principal amount not exceeding \$130,000,000, of which not to exceed \$2,000,000 will be issued for the purpose of providing funds to make a loan to the Borrower to finance, reimburse or refinance a part of the costs of the Gainesville Project. The approval given herein shall not be construed as (i) an endorsement of the creditworthiness of the Borrower or the financial viability of the Projects, (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 Gainesville Project, and the Commission shall not be construed by reason of its adoption of this Resolution and its execution of the Interlocal Agreement to make any such endorsement, finding or recommendation or to have waived any right of Gainesville or estopped Gainesville from asserting any rights or responsibilities it may have in such regard. Further, the approval by the Commission of the issuance of the Bonds by the Issuer shall not be construed to obligate Gainesville to incur any liability, pecuniary or otherwise, in connection with either the issuance of the Bonds or the acquisition and construction of the Gainesville Project.

SECTION 5. Effective Date. This Resolution shall take effect immediately upon its passage.

[The remainder of this page is intentionally left blank; signature page follows.]

PASSED AND ADOPTED this _____ day of July, 2015.

CITY OF GAINESVILLE, FLORIDA

Edward Braddy, Mayor

ATTEST:

Clerk of the Commission

**APPROVED AS TO FORM AND
LEGALITY:**

City Attorney

EXHIBIT A

PROJECT DESCRIPTIONS

Gainesville Project Description

The Gainesville Project consists of financing, reimbursing or refinancing the costs of the acquisition and installation by Brooks Home Care Advantage, Inc., a Florida not for profit corporation (“Home Health”), of capital improvements, fixtures, furnishings, equipment and related personal property, used to provide home health services, located or to be located at 4615 NW 53rd Avenue, Suite C, Gainesville, Florida, and to be owned and operated by Home Health.

Other Projects Description

The Other Projects consist of financing, reimbursing or refinancing the following:

(a) the acquisition, construction and installation of improvements, renovations, equipment and other capital expenditures at the existing 157-bed inpatient rehabilitation hospital owned and operated by Genesis Rehabilitation Hospital, Inc., a Florida not for profit corporation, doing business as Brooks Rehabilitation Hospital (the “Hospital”), located at 3599 University Boulevard South, Jacksonville, Florida (the “Main Campus”);

(b) the acquisition and installation by Home Health of capital improvements, fixtures, furnishings, equipment and related real and personal property, used to provide home health services, located or to be located at 5836 Richard Street, Jacksonville, Florida; 6871 Belfort Oaks Place, Jacksonville, Florida; 4131 University Boulevard, Building 17, Jacksonville, Florida; 1699 South 14th Street, Suite 12, Fernandina Beach, Florida; 771 Fentress Boulevard, Suite 2F, Daytona Beach, Florida; 530 Zeagler Drive, Suite 103, Palatka, Florida; 1329 Kingsley Avenue, Suite D, Orange Park, Florida; 14 Office Park Drive, Suite 3, Palm Coast, Florida; and 2730 US 1 South, Suites G & H, St. Augustine, Florida, and to be owned and operated by Home Health;

(c) the acquisition, construction, installation and equipping of a new outpatient rehabilitation clinic, consisting of a 1-story building containing approximately 10,200 square feet and including related real and personal property, facilities, fixtures, furnishings and equipment, to be located on a site containing approximately 3.95 acres located at 500 Park Avenue, Orange Park, Florida, near the Southwest corner of Wells Road and U.S. 17/Park Avenue, and to be owned and operated by Health Development (as defined below);

(d) the acquisition, construction, installation and equipping of a new inpatient family housing facility, consisting of a 1-story building containing approximately 27,000 square feet and including related real and personal property, facilities, fixtures, furnishings and equipment, to be located on a site containing approximately 1.6 acres at 6139 Beach Boulevard, Jacksonville, Florida, and to be owned and operated by the Hospital;

(e) the completion of the acquisition, construction, installation and equipping of a 111 licensed-bed rehabilitation skilled nursing facility, consisting of a three-story building

containing approximately 82,000 square feet and including related real and personal property, facilities, license and associated assets, fixtures, furnishings and equipment, to be located on a site containing approximately 8 acres at the southeast corner of the intersection of Beach Boulevard and Hickman Road in Jacksonville, Florida, with approximately 625 feet fronting on Beach Boulevard (a portion of the site was previously occupied by Gator Office Products at 6188 Beach Boulevard, Jacksonville, Florida), at the Main Campus, and owned by Brooks Skilled Nursing Facility Holdings B, Inc., a Florida not for profit corporation (“Skilled Nursing Holdings B”), and operated by Brooks Skilled Nursing Facility B, Inc., a Florida not for profit corporation (“Skilled Nursing B”);

(f) the acquisition, construction and installation of improvements, renovations, equipment and other capital expenditures at the existing 100-licensed bed skilled nursing facility located on an approximately 7-acre site at 6209 Brooks Bartram Drive, Building #100, Jacksonville, Florida, owned by Brooks Skilled Nursing Facility Holdings A, Inc., a Florida not for profit corporation (“Skilled Nursing Holdings A”), and operated by Brooks Skilled Nursing Facility A, Inc., a Florida not for profit corporation (“Skilled Nursing A”);

(g) the acquisition, construction and installation of capital improvements, including but not limited to, leasehold improvements and equipment, to be used to provide physical, occupational and other rehabilitation therapy at the following outpatient rehabilitation facilities, each of which is operated by Genesis Health Development, Inc., a Florida not for profit corporation doing business as Brooks Rehabilitation Centers (“Health Development”), the sole member of which is Genesis Health, Inc., a Florida not for profit corporation doing business as Brooks Rehabilitation (“Brooks Rehabilitation”):

(i) the outpatient facility located at the Main Campus, owned by the Hospital;

(ii) the outpatient facility located at the Main Campus, owned by Brooks Rehabilitation;

(iii) the outpatient facility located at the Main Campus, owned by Health Development;

(iv) the outpatient facility located at 3901 University Boulevard South, Jacksonville, Florida, owned by Health Development;

(v) Brooks Rehabilitation Center/Mandarin, located at 11701 San Jose Boulevard, Suite 210, Jacksonville, Florida, owned by the Hospital;

(vi) Brooks Rehabilitation Center/Northside, located at 320 Dundas Drive, Suite 8, Jacksonville, Florida, owned by the Hospital;

(vii) Brooks Rehabilitation Center/San Pablo, located at 14286 Beach Boulevard, Suite 34, Jacksonville, Florida, owned by the Hospital;

(viii) Brooks Rehabilitation Center/Southside, located at 3901 University Boulevard South, Jacksonville, Florida, owned by the Hospital;

(ix) Brooks Rehabilitation Center/Westside, located at 7749 Normandy Crossing, Suite 147, Jacksonville, Florida, owned by the Hospital;

(x) Brooks Rehabilitation Center/Center for Sports Therapy, located at 10423 Centurion Parkway North, Jacksonville, Florida, owned by the Hospital;

(xi) Brooks Rehabilitation Center/Monument, located at 1205 Monument Road, Suite 202, Jacksonville, Florida, owned by Health Development;

(xii) Brooks Rehabilitation Center/San Jose, located at 8505 San Jose Boulevard, Jacksonville, Florida, owned by Health Development;

(xiii) Brooks Rehabilitation Center/Balance Center, located at 10475 Centurion Parkway North, Suite 304, Jacksonville, Florida, owned by Health Development;

(xiv) Brooks Rehabilitation Center/Center for Back and Neck Health, located at 7207 Golden Wings Road, Suite 300, Jacksonville, Florida, owned by Health Development;

(xv) Brooks Rehabilitation Center/Arlington, located at 9100 Merrill Road, Suite 10, Jacksonville, Florida, owned by Health Development;

(xvi) Brooks Rehabilitation Clubhouse, located at 3197 Cortez Road, Jacksonville, Florida, owned by Brooks Rehabilitation;

(xvii) Brooks Rehabilitation Center/Amelia, located at 4800 First Coast Highway, Suite 240, Fernandina Beach, Florida, owned by Health Development;

(xviii) Brooks Rehabilitation Center/Palm Coast, located at 9 Pine Cone Drive, Suite 104B, Palm Coast, Florida, owned by Health Development;

(xix) Brooks Rehabilitation Center/Orange Park, located at 550 Wells Road, Suite 4, Orange Park, Florida, owned by the Hospital; and

(xx) Brooks Rehabilitation Center/St. Augustine, located at 190 Southpark Boulevard, Suite 100 & 102, St. Augustine, Florida, owned by the Hospital;

(h) refunding a portion of the outstanding Jacksonville Health Facilities Authority Health Care Facilities Revenue Bonds (Brooks Health System), Series 2007, the proceeds of which were loaned to the Borrower and used to:

(i) finance the acquisition, construction and installation of an administrative support building (the "Administrative Building") to accommodate existing support services and expanded education and conference space for the Borrower and its affiliates, including related facilities, fixtures, furnishings and equipment, to be owned and operated by the Borrower and located at 3349 University Boulevard South,

Jacksonville, Florida, at the Main Campus adjacent to the Hospital's existing inpatient rehabilitation hospital;

(ii) refinance certain outstanding indebtedness of the Borrower which financed the acquisition of approximately 117.5 acres of unimproved land owned by the Borrower and to be used by the Borrower and/or its affiliates as the future site for post-acute care and related health care facilities, which land is located at 6209 Brooks Bartram Drive Jacksonville, Florida, being bounded on the west by Bartram Park Boulevard, beginning approximately 900 feet south of the intersection of Old St. Augustine Road and Bartram Park Boulevard, with approximately 1,200 feet facing Bartram Park Boulevard, and being bounded on the east by Interstate 95, with approximately 2,100 feet facing Interstate 95;

(iii) finance the acquisition, construction and installation of capital improvements at the existing inpatient rehabilitation hospital, then containing 143 beds, owned and operated by the Hospital and located on the Main Campus, consisting of the (a) renovation and expansion of the existing inpatient rehabilitation hospital, including expansion of the brain therapy gym and of the pediatric therapy gym, construction of a therapist work area near the therapy gym spaces, addition of a stroke therapy gym, conversion of the administrative office space into eighteen patient rooms, two of which to be bariatric rooms with an overhead lift system, addition of a spinal cord injury therapy gym and construction of an ADL suite, and the acquisition and installation of related facilities, fixtures, furniture and equipment, and (b) acquisition and installation of routine capital improvements and expenditures at the existing inpatient rehabilitation hospital;

(iv) refund the outstanding Jacksonville Health Facilities Authority Hospital Revenue and Refunding Bonds (Genesis Rehabilitation Hospital Project), Series 1996, the proceeds of which were loaned to the Hospital and used to (a) refund the Authority's outstanding Hospital Revenue Bonds (Memorial Regional Rehabilitation Center Project), Series 1992, which financed the construction and equipping of the Hospital's inpatient rehabilitation hospital, originally containing 110 beds, on the Main Campus, (b) finance the cost of acquiring a computer system at the Main Campus and the cost of leasehold improvements and equipment at the Hospital's outpatient facilities located at 11701 San Jose Boulevard, 7764 Normandy Boulevard, 14444 Beach Boulevard, and 3901 University Boulevard, all in Jacksonville, Florida, and owned and operated by the Hospital, (c) fund a debt service reserve, and (d) pay the costs of issuance; and

(v) finance the acquisition, construction and installation of capital improvements, including but not limited to leasehold improvements and equipment, to be used to provide physical, occupational and other rehabilitation therapy at the following outpatient facilities operated by Health Development in Jacksonville, Florida:

(1) the outpatient facility located at the Main Campus, owned by the Hospital;

- (2) Brooks Rehabilitation Center/Mandarin, located at 11701 San Jose Boulevard, Suite 210, Jacksonville, Florida, owned by the Hospital;
- (3) Brooks Rehabilitation Center/Northside, located at 320 Dundas Avenue, Suite 8, Jacksonville, Florida, owned by the Hospital;
- (4) Brooks Rehabilitation Center/San Pablo, located at 14444 Beach Boulevard, Jacksonville, Florida 32250, owned by the Hospital;
- (5) Brooks Rehabilitation Center/Southside, located at 3901 University Boulevard South, Jacksonville, Florida, owned by the Hospital;
- (6) Brooks Rehabilitation Center/Westside, located at 7749 Normandy Crossing, Suite 147, Jacksonville, Florida, owned by the Hospital;
- (7) Brooks Rehabilitation Center/Medical Fitness, located at 10423 Centurion Parkway North, Jacksonville, Florida, owned by the Hospital;
- (8) outpatient facility located at the Main Campus, owned by Health Development;
- (9) Brooks Rehabilitation Center/Beaches, located at 2344 South Third Street, Jacksonville, Florida, owned by Health Development;
- (10) Brooks Rehabilitation Center/Monument, located at 1205 Monument Road, Suite 202, Jacksonville, Florida, owned by Health Development;
- (11) Brooks Rehabilitation Center/Riverside, located at 800 Lomax Street, Suite 105, Jacksonville, Florida, owned by Health Development;
- (12) Brooks Rehabilitation Center/San Jose, located at 8505 San Jose Boulevard, Jacksonville, Florida, owned by Health Development; and
- (13) Brooks Rehabilitation Center/Balance Center, located at 10475 Centurion Parkway North, Suite 304, Jacksonville, Florida, owned by Health Development.

EXHIBIT B
INTERLOCAL AGREEMENT

INTERLOCAL AGREEMENT

Dated as of July __, 2015

Between

CITY OF JACKSONVILLE, FLORIDA

and

CITY OF GAINESVILLE, FLORIDA

**THERE ARE NO INTANGIBLE TAXES OR DOCUMENTARY STAMPS DUE ON THE
BONDS DESCRIBED HEREIN, PURSUANT TO CHAPTER 159, PART II, FLORIDA
STATUTES**

This Interlocal Agreement was prepared by
Chauncey W. Lever, Jr., Esq.
Foley & Lardner LLP
One Independent Drive, Suite 1300
Jacksonville, Florida 32202-5017

INTERLOCAL AGREEMENT

This INTERLOCAL AGREEMENT (this "Agreement") is dated as of July __, 2015, and is entered into between the CITY OF JACKSONVILLE ("Jacksonville"), an incorporated municipality of the State of Florida, and the CITY OF GAINESVILLE ("Gainesville"), an incorporated municipality of the State of Florida;

WITNESSETH:

WHEREAS, Jacksonville and Gainesville each represent to the other that, pursuant to Chapter 159, Part II, Florida Statutes, as amended ("Chapter 159"), and other applicable provisions of law, it is authorized to issue bonds to finance the cost of the acquisition, construction, improvement and equipping of certain health care facilities described in Chapter 159; and

WHEREAS, Jacksonville and Gainesville each represent to the other that it constitutes a "public agency" within the meaning of Section 163.01, Florida Statutes, as amended (the "Interlocal Act"), and is authorized under the Interlocal Act to enter into interlocal agreements providing for them to jointly exercise any power, privilege or authority which each of them could exercise separately; and

WHEREAS, Jacksonville represents to Gainesville that Jacksonville has been advised that Genesis Health, Inc., doing business as Brooks Rehabilitation, a Florida not for profit corporation (the "Borrower"), desires to finance, reimburse or refinance all or a part of the costs of the acquisition, construction, installation and equipping of certain "health care facilities" constituting "projects," as such terms are used in Chapter 159, to be located in Gainesville (collectively, the "Gainesville Project") and other "health care facilities" to be located outside Gainesville (collectively, the "Other Projects"), as described in Exhibit A hereto (the Gainesville Project and the Other Projects are hereinafter referred to collectively as the "Project"); and

WHEREAS, Jacksonville represents to Gainesville that Jacksonville has been advised that the Borrower has requested that Jacksonville and Gainesville enter into this Agreement to authorize Jacksonville to issue under Chapter 159 its Health Care Facilities Revenue Bonds (Brooks Rehabilitation), in one or more tax-exempt or taxable series in an aggregate principal amount of not to exceed \$130,000,000 (the "Bonds"), to finance, reimburse and refinance all or a portion of the Gainesville Project and the Other Projects, of which not to exceed \$2,000,000 will be issued for the purpose of providing funds to make a loan to the Borrower pursuant to a loan agreement between Jacksonville and the Borrower (the "Financing Agreement") to finance, reimburse or refinance a part of the costs of the Gainesville Project, and that issuance of the Bonds by Jacksonville will result in a significant cost savings to the Borrower over the issuance and sale of separate issues of bonds by Jacksonville, Gainesville and the other local government bodies whose jurisdiction within which a portion of the Project is or will be located, in order to finance, reimburse or refinance a part of the costs of the Project; and

WHEREAS, Jacksonville and Gainesville have agreed to enter into this Agreement for the purposes stated above; and

WHEREAS, Jacksonville represents to Gainesville that on May 26, 2015, the Industrial Development Revenue Bond Review Committee of the City of Jacksonville, Florida, on behalf of Jacksonville, preliminarily authorized and approved the issuance of the Bonds, the application of the proceeds thereof and the execution and delivery of this Agreement; and

WHEREAS, Jacksonville represents to Gainesville that on _____, 2015, the City Council of Jacksonville authorized and approved the issuance of the Bonds, the application of the proceeds thereof and the execution and delivery of this Agreement; and

WHEREAS, on July 2, 2015, the City Commission of Gainesville approved the issuance of the Bonds by Jacksonville for purposed of satisfying Section 147 (f) of the Internal Revenue Code of 1986, as amended (the "Code"), and approved the execution and delivery of this Agreement; and

WHEREAS, the Interlocal Act authorizes Jacksonville and Gainesville to enter into this Agreement, and Jacksonville represents to Gainesville that the Interlocal Act and Chapter 159 confer upon Jacksonville authorization to issue the Bonds and to apply the proceeds thereof to the financing, reimbursing or refinancing a part of the costs of the Gainesville Project through a loan of Bond proceeds to the Borrower; and

WHEREAS, the parties hereto desire to agree to the issuance of the Bonds by Jacksonville for such purposes and such agreement by the parties hereto is in the public interest; and

WHEREAS, pursuant to Section 6 hereof, the Borrower has agreed to indemnify Jacksonville and Gainesville in connection with its execution of this Agreement;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, and intending to be legally bound hereby, the parties hereto agree as follows:

SECTION 1. Authorization to Issue the Bonds. Jacksonville and Gainesville do hereby agree that Jacksonville is hereby authorized to issue the Bonds in one or more tax-exempt or taxable series in an aggregate principal amount not exceeding \$130,000,000, of which not to exceed \$2,000,000 will be issued for the purpose of providing funds to make a loan to the Borrower to finance, reimburse or refinance a part of the costs of the Gainesville Project. Jacksonville is hereby authorized to exercise all powers relating to the issuance of the Bonds vested in Gainesville pursuant to the Constitution and the laws of the State of Florida and to do all things within the jurisdiction of Gainesville which are necessary or convenient for the issuance of the Bonds and the financing, reimbursing or refinancing of a part of the costs of the Gainesville Project to the same extent as if Gainesville were issuing its own obligations under Chapter 159 for such purposes without any further authorization from Gainesville to exercise such powers or to take such actions. It is the intent of this Agreement and the parties hereto that Jacksonville be vested, to the maximum extent permitted by law, with all powers which Gainesville might exercise with respect to the issuance of the Bonds and the lending of the proceeds thereof to the Borrower to finance, reimburse or refinance a part of the costs of the Gainesville Project as though Gainesville were issuing the Bonds as its own special limited obligations.

The approval given herein by Gainesville shall not be construed as (i) an endorsement of the creditworthiness of the Borrower 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 Gainesville Project, and Gainesville shall not be construed by reason of the delivery of this Agreement to have made any such endorsement, finding or recommendation or to have waived any right of Gainesville or to be estopped from asserting any rights or responsibilities it may have in such regard.

SECTION 2. Qualifying Project.

A. Jacksonville hereby further represents, determines and agrees as follows:

1. The Project constitutes a “project” as such term is used in Chapter 159.

2. The Borrower is financially responsible and fully capable and willing to fulfill its obligations under the Financing Agreement, including the obligations to make payments in the amounts and at the times required, to operate, repair, and maintain at its own expense the Facilities, and to serve the purposes of Chapter 159 and such other responsibilities as may be imposed under the Financing Agreement.

3. Adequate provision will be made in the Financing Agreement for the operation, repair, and maintenance of the Gainesville Project at the expense of the Borrower and for the payment of principal of and interest on the Bonds.

4. The Borrower has represented to Jacksonville that the Borrower expects to expend not exceeding \$2,000,000 to pay costs (including related financing costs) of the Gainesville Project.

5. A public hearing was held on June 11, 2015, by Jacksonville, on behalf of Jacksonville and the City Council of Jacksonville, during which comments concerning the issuance of the Bonds by Jacksonville to finance or refinance the Project were requested and could be heard.

B. Gainesville hereby represents, determines and agrees as follows:

1. Based upon representation of the Borrower and/or Jacksonville, the Gainesville Project is appropriate to the needs and circumstances of, provides or preserves gainful employment in, and serves a public purpose by advancing the public health or the general welfare of, the State of Florida and its people.

2. Based in part upon representation of the Borrower and/or Jacksonville, Gainesville will be able to cope satisfactorily with the impact of the Gainesville Project and currently provides the public facilities, including utilities and public services, that are necessary for the operation, repair, and maintenance of the Gainesville Project.

3. A public hearing was held on July 2, 2015 by the City Commission (the "Commission") of Gainesville during which comments concerning approval for purposes of Section 147 (f) of the Code by the Commission of the issuance of the Bonds by Jacksonville to finance, reimburse or refinance a part of the costs of the Gainesville Project were requested and could be heard.

4. The Commission approved the issuance of the Bonds by Jacksonville and the use of the proceeds thereof to finance, reimburse and refinance a part of the costs of the Gainesville Project at a meeting on July 2, 2015.

SECTION 3. No Pecuniary Liability of Jacksonville or Gainesville; Limited Obligation of Jacksonville. Neither the provisions, covenants or agreements contained in this Agreement and any obligations imposed upon Jacksonville or Gainesville hereunder, nor the Bonds issued pursuant to this Agreement, shall constitute an indebtedness or liability of Jacksonville or Gainesville. The Bonds when issued, and the interest thereon, shall be limited and special obligations of Jacksonville payable solely from certain nongovernmental revenues and other nongovernmental amounts pledged thereto by the terms thereof.

SECTION 4. No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be a covenant or agreement of any member, officer, agent or employee of Jacksonville or Gainesville in his or her individual capacity and no member, officer, agent or employee of Jacksonville or Gainesville shall be liable personally on this Agreement or be subject to any personal liability or accountability by reason of the execution of this Agreement.

SECTION 5. Allocation of Responsibilities. Jacksonville shall take all actions it deems necessary or appropriate in connection with the issuance of the Bonds, including, in its discretion, the preparation, review, execution and filing with government agencies of certificates, opinions, agreements and other documents to be delivered at the closing of the Bonds and the establishment of any funds and accounts pursuant to a trust indenture related to the Bonds.

Neither Jacksonville nor Gainesville shall be liable for the costs of issuing the Bonds or the costs incurred by either of them in connection with the preparation, review, execution or approval of this Agreement or any documentation or opinions required to be delivered in connection therewith by Jacksonville or Gainesville or counsel to any of them. All of such costs shall be paid from the proceeds of the Bonds or from other moneys of the Borrower.

SECTION 6. Indemnity. The Borrower, by its approval and acknowledgement at the end of this Agreement, agrees to indemnify and hold harmless Jacksonville and Gainesville, their respective officers, employees, representatives and agents, from and against any and all losses, claims, damages, liabilities or expenses of every conceivable kind, character and nature whatsoever, including, but not limited to, losses, claims, damages, liabilities or expenses (including reasonable fees and expenses of attorneys, accountants, consultants and other experts), arising out of, resulting from, or in any way connected with this Agreement or the issuance of the Bonds, including, without limitation, any of same incurred in connection with any audit of the Bonds by the Internal Revenue Service.

SECTION 7. Term. This Agreement will remain in full force and effect from the date of its execution, subject to the provisions of Section 8 hereof, until such time as it is terminated by any party hereto upon 10 days written notice to the other party hereto. Notwithstanding the foregoing, it is agreed that this Agreement may not be terminated so long as any of the Bonds remain outstanding or unpaid (or any bonds issued to refund the Bonds remain outstanding or unpaid). Nothing herein shall be deemed in any way to limit or restrict either party hereto from issuing its own obligations or entering into any other agreement for the financing, reimbursement or refinancing of any facility which either party hereto may choose to finance.

SECTION 8. Filing of Agreement. It is agreed that this Agreement shall be filed by the Borrower or its authorized agent or representative with the Clerk of the Circuit Court of Duval County, Florida and with the Clerk of the Circuit Court of Alachua County, Florida, all in accordance with the Interlocal Act, and that this Agreement shall not become effective until so filed with the Borrower's executed approval and acknowledgment attached thereto.

SECTION 9. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

SECTION 10. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO AND THE BORROWER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY DOCUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR EACH OF THE PARTIES TO ENTER INTO THIS AGREEMENT.

SECTION 11. Litigation. In the event any legal proceedings are instituted between the parties hereto concerning this Agreement, the prevailing party in such proceedings shall be entitled to recover its costs of suit, including reasonable attorneys' fees, at both trial and appellate levels.

SECTION 12. Governing Law. This Agreement is being delivered and is intended to be performed in the State of Florida, and shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of Florida.

SECTION 13. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be executed by the proper officers thereof, all as of the date first above written.

CITY OF JACKSONVILLE, FLORIDA

ATTEST:

By: _____
Theodore Carter, Economic
Development Officer

By: _____
James R. McCain, Jr., Corporation
Secretary

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this ____ day of July, 2015, by Theodore Carter and James R. McCain, Jr., the Economic Development Officer and the Corporation Secretary, respectively, of the City of Jacksonville, Florida, on behalf of the City. Such persons did not take an oath and: *(notary must check applicable box)*

- are personally known to me.
- produced a current Florida driver's license as identification.
- produced _____ as identification.

{Notary Seal must be affixed}

Signature of Notary

Name of Notary (Typed, Printed or
Stamped)

Commission Number
(if not legible on seal):

My Commission Expires
(if not legible on seal):

[Signature Page to Interlocal Agreement]

CITY OF GAINESVILLE, FLORIDA

ATTEST:

By: _____
Edward Braddy, Mayor

By: _____
Kurt Lannon,
Clerk of the Commission

STATE OF FLORIDA
COUNTY OF ALACHUA

The foregoing instrument was acknowledged before me this _____ day of July, 2015, by Edward Braddy and Kurt Lannon, the Mayor and the Clerk of the Commission, respectively, of the City of Gainesville, Florida, on behalf of the City. Such persons did not take an oath and: *(notary must check applicable box)*

- are personally known to me.
- produced a current Florida driver's license as identification.
- produced _____ as identification.

{Notary Seal must be affixed}

Signature of Notary

Name of Notary (Typed, Printed or Stamped)

Commission Number
(if not legible on seal):

My Commission Expires
(if not legible on seal):

[Signature Page to Interlocal Agreement]

APPROVAL AND ACKNOWLEDGMENT

Genesis Health, Inc. d/b/a Brooks Rehabilitation, a Florida not for profit corporation (the "Borrower"), hereby approves the foregoing Interlocal Agreement, certifies that the information contained therein regarding the Borrower and the Projects is correct and acknowledges its acceptance of its obligations arising thereunder, including, without limitation, its obligations under Section 6 thereof, by causing this Approval and Acknowledgment to be executed by its proper officer as of the date of said Interlocal Agreement.

GENESIS HEALTH, INC.

By: _____
Douglas M. Baer, President and Chief
Executive Officer

EXHIBIT A

PROJECT DESCRIPTIONS

Gainesville Project Description

The Gainesville Project consists of financing, reimbursing or refinancing the costs of the acquisition and installation by Brooks Home Care Advantage, Inc., a Florida not for profit corporation (“Home Health”), of capital improvements, fixtures, furnishings, equipment and related personal property, used to provide home health services, located or to be located at 4615 NW 53rd Avenue, Suite C, Gainesville, Florida, and to be owned and operated by Home Health.

Other Projects Description

The Other Projects consist of financing, reimbursing or refinancing the costs of the following:

(a) the acquisition, construction and installation of improvements, renovations, equipment and other capital expenditures at the existing 157-bed inpatient rehabilitation hospital owned and operated by Genesis Rehabilitation Hospital, Inc., a Florida not for profit corporation, doing business as Brooks Rehabilitation Hospital (the “Hospital”), located at 3599 University Boulevard South, Jacksonville, Florida (the “Main Campus”);

(b) the acquisition and installation by Home Health of capital improvements, fixtures, furnishings, equipment and related real and personal property, used to provide home health services, located or to be located at 5836 Richard Street, Jacksonville, Florida; 6871 Belfort Oaks Place, Jacksonville, Florida; 4131 University Boulevard, Building 17, Jacksonville, Florida; 1699 South 14th Street, Suite 12, Fernandina Beach, Florida; 771 Fentress Boulevard, Suite 2F, Daytona Beach, Florida; 530 Zeagler Drive, Suite 103, Palatka, Florida; 1329 Kingsley Avenue, Suite D, Orange Park, Florida; 14 Office Park Drive, Suite 3, Palm Coast, Florida; and 2730 US 1 South, Suites G & H, St. Augustine, Florida, and to be owned and operated by Home Health;

(c) the acquisition, construction, installation and equipping of a new outpatient rehabilitation clinic, consisting of a 1-story building containing approximately 10,200 square feet and including related real and personal property, facilities, fixtures, furnishings and equipment, to be located on a site containing approximately 3.95 acres located at 500 Park Avenue, Orange Park, Florida, near the Southwest corner of Wells Road and U.S. 17/Park Avenue, and to be owned and operated by Health Development (as defined below);

(d) the acquisition, construction, installation and equipping of a new inpatient family housing facility, consisting of a 1-story building containing approximately 27,000 square feet and including related real and personal property, facilities, fixtures, furnishings and equipment, to be located on a site containing approximately 1.6 acres at 6139 Beach Boulevard, Jacksonville, Florida, and to be owned and operated by the Hospital;

(e) the completion of the acquisition, construction, installation and equipping of a 111 licensed-bed rehabilitation skilled nursing facility, consisting of a three-story building containing approximately 82,000 square feet and including related real and personal property, facilities, license and associated assets, fixtures, furnishings and equipment, to be located on a site containing approximately 8 acres at the southeast corner of the intersection of Beach Boulevard and Hickman Road in Jacksonville, Florida, with approximately 625 feet fronting on Beach Boulevard (a portion of the site was previously occupied by Gator Office Products at 6188 Beach Boulevard, Jacksonville, Florida), at the Main Campus, and owned by Brooks Skilled Nursing Facility Holdings B, Inc., a Florida not for profit corporation (“Skilled Nursing Holdings B”), and operated by Brooks Skilled Nursing Facility B, Inc., a Florida not for profit corporation (“Skilled Nursing B”);

(f) the acquisition, construction and installation of improvements, renovations, equipment and other capital expenditures at the existing 100-licensed bed skilled nursing facility located on an approximately 7-acre site at 6209 Brooks Bartram Drive, Building #100, Jacksonville, Florida, owned by Brooks Skilled Nursing Facility Holdings A, Inc., a Florida not for profit corporation (“Skilled Nursing Holdings A”), and operated by Brooks Skilled Nursing Facility A, Inc., a Florida not for profit corporation (“Skilled Nursing A”);

(g) the acquisition, construction and installation of capital improvements, including but not limited to, leasehold improvements and equipment, to be used to provide physical, occupational and other rehabilitation therapy at the following outpatient rehabilitation facilities, each of which is operated by Genesis Health Development, Inc., a Florida not for profit corporation doing business as Brooks Rehabilitation Centers (“Health Development”), the sole member of which is Genesis Health, Inc., a Florida not for profit corporation doing business as Brooks Rehabilitation (“Brooks Rehabilitation”):

(i) the outpatient facility located at the Main Campus, owned by the Hospital;

(ii) the outpatient facility located at the Main Campus, owned by Brooks Rehabilitation;

(iii) the outpatient facility located at the Main Campus, owned by Health Development;

(iv) the outpatient facility located at 3901 University Boulevard South, Jacksonville, Florida, owned by Health Development;

(v) Brooks Rehabilitation Center/Mandarin, located at 11701 San Jose Boulevard, Suite 210, Jacksonville, Florida, owned by the Hospital;

(vi) Brooks Rehabilitation Center/Northside, located at 320 Dundas Drive, Suite 8, Jacksonville, Florida, owned by the Hospital;

(vii) Brooks Rehabilitation Center/San Pablo, located at 14286 Beach Boulevard, Suite 34, Jacksonville, Florida, owned by the Hospital;

(viii) Brooks Rehabilitation Center/Southside, located at 3901 University Boulevard South, Jacksonville, Florida, owned by the Hospital;

(ix) Brooks Rehabilitation Center/Westside, located at 7749 Normandy Crossing, Suite 147, Jacksonville, Florida, owned by the Hospital;

(x) Brooks Rehabilitation Center/Center for Sports Therapy, located at 10423 Centurion Parkway North, Jacksonville, Florida, owned by the Hospital;

(xi) Brooks Rehabilitation Center/Monument, located at 1205 Monument Road, Suite 202, Jacksonville, Florida, owned by Health Development;

(xii) Brooks Rehabilitation Center/San Jose, located at 8505 San Jose Boulevard, Jacksonville, Florida, owned by Health Development;

(xiii) Brooks Rehabilitation Center/Balance Center, located at 10475 Centurion Parkway North, Suite 304, Jacksonville, Florida, owned by Health Development;

(xiv) Brooks Rehabilitation Center/Center for Back and Neck Health, located at 7207 Golden Wings Road, Suite 300, Jacksonville, Florida, owned by Health Development;

(xv) Brooks Rehabilitation Center/Arlington, located at 9100 Merrill Road, Suite 10, Jacksonville, Florida, owned by Health Development;

(xvi) Brooks Rehabilitation Clubhouse, located at 3197 Cortez Road, Jacksonville, Florida, owned by Brooks Rehabilitation;

(xvii) Brooks Rehabilitation Center/Amelia, located at 4800 First Coast Highway, Suite 240, Fernandina Beach, Florida, owned by Health Development;

(xviii) Brooks Rehabilitation Center/Palm Coast, located at 9 Pine Cone Drive, Suite 104B, Palm Coast, Florida, owned by Health Development;

(xix) Brooks Rehabilitation Center/Orange Park, located at 550 Wells Road, Suite 4, Orange Park, Florida, owned by the Hospital; and

(xx) Brooks Rehabilitation Center/St. Augustine, located at 190 Southpark Boulevard, Suite 100 & 102, St. Augustine, Florida, owned by the Hospital;

(h) refunding a portion of the outstanding Jacksonville Health Facilities Authority Health Care Facilities Revenue Bonds (Brooks Health System), Series 2007, the proceeds of which were loaned to the Borrower and used to:

(i) finance the acquisition, construction and installation of an administrative support building (the "Administrative Building") to accommodate existing support services and expanded education and conference space for the Borrower and its

affiliates, including related facilities, fixtures, furnishings and equipment, to be owned and operated by the Borrower and located at 3349 University Boulevard South, Jacksonville, Florida, at the Main Campus adjacent to the Hospital's existing inpatient rehabilitation hospital;

(ii) refinance certain outstanding indebtedness of the Borrower which financed the acquisition of approximately 117.5 acres of unimproved land owned by the Borrower and to be used by the Borrower and/or its affiliates as the future site for post-acute care and related health care facilities, which land is located 6209 Brooks Bartram Drive Jacksonville, Florida, being bounded on the west by Bartram Park Boulevard, beginning approximately 900 feet south of the intersection of Old St. Augustine Road and Bartram Park Boulevard, with approximately 1,200 feet facing Bartram Park Boulevard, and being bounded on the east by Interstate 95, with approximately 2,100 feet facing Interstate 95;

(iii) finance the acquisition, construction and installation of capital improvements at the existing inpatient rehabilitation hospital, then containing 143 beds, owned and operated by the Hospital and located on the Main Campus, consisting of the (a) renovation and expansion of the existing inpatient rehabilitation hospital, including expansion of the brain therapy gym and of the pediatric therapy gym, construction of a therapist work area near the therapy gym spaces, addition of a stroke therapy gym, conversion of the administrative office space into eighteen patient rooms, two of which to be bariatric rooms with an overhead lift system, addition of a spinal cord injury therapy gym and construction of an ADL suite, and the acquisition and installation of related facilities, fixtures, furniture and equipment, and (b) acquisition and installation of routine capital improvements and expenditures at the existing inpatient rehabilitation hospital;

(iv) refund the outstanding Jacksonville Health Facilities Authority Hospital Revenue and Refunding Bonds (Genesis Rehabilitation Hospital Project), Series 1996, the proceeds of which were loaned to the Hospital and used to (a) refund the Authority's outstanding Hospital Revenue Bonds (Memorial Regional Rehabilitation Center Project), Series 1992, which financed the construction and equipping of the Hospital's inpatient rehabilitation hospital, originally containing 110 beds, on the Main Campus, (b) finance the cost of acquiring a computer system at the Main Campus and the cost of leasehold improvements and equipment at the Hospital's outpatient facilities located at 11701 San Jose Boulevard, 7764 Normandy Boulevard, 14444 Beach Boulevard, and 3901 University Boulevard, all in Jacksonville, Florida, and owned and operated by the Hospital, (c) fund a debt service reserve, and (d) pay the costs of issuance; and

(v) finance the acquisition, construction and installation of capital improvements, including but not limited to leasehold improvements and equipment, to be used to provide physical, occupational and other rehabilitation therapy at the following outpatient facilities operated by Health Development in Jacksonville, Florida:

(1) the outpatient facility located at the Main Campus, owned by the Hospital;

- (2) Brooks Rehabilitation Center/Mandarin, located at 11701 San Jose Boulevard, Suite 210, Jacksonville, Florida, owned by the Hospital;
- (3) Brooks Rehabilitation Center/Northside, located at 320 Dundas Avenue, Suite 8, Jacksonville, Florida, owned by the Hospital;
- (4) Brooks Rehabilitation Center/San Pablo, located at 14444 Beach Boulevard, Jacksonville, Florida 32250, owned by the Hospital;
- (5) Brooks Rehabilitation Center/Southside, located at 3901 University Boulevard South, Jacksonville, Florida, owned by the Hospital;
- (6) Brooks Rehabilitation Center/Westside, located at 7749 Normandy Crossing, Suite 147, Jacksonville, Florida, owned by the Hospital;
- (7) Brooks Rehabilitation Center/Medical Fitness, located at 10423 Centurion Parkway North, Jacksonville, Florida, owned by the Hospital;
- (8) outpatient facility located at the Main Campus, owned by Health Development;
- (9) Brooks Rehabilitation Center/Beaches, located at 2344 South Third Street, Jacksonville, Florida, owned by Health Development;
- (10) Brooks Rehabilitation Center/Monument, located at 1205 Monument Road, Suite 202, Jacksonville, Florida, owned by Health Development;
- (11) Brooks Rehabilitation Center/Riverside, located at 800 Lomax Street, Suite 105, Jacksonville, Florida, owned by Health Development;
- (12) Brooks Rehabilitation Center/San Jose, located at 8505 San Jose Boulevard, Jacksonville, Florida, owned by Health Development; and
- (13) Brooks Rehabilitation Center/Balance Center, located at 10475 Centurion Parkway North, Suite 304, Jacksonville, Florida, owned by Health Development.

EXHIBIT C

**PUBLISHER'S AFFIDAVIT OF
PROOF OF PUBLICATION OF PUBLIC HEARING**

**NOTICE OF PUBLIC HEARING BY
CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA**

NOTICE is hereby given that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), will be held by the City Commission (the "Commission") of the City of Gainesville, Florida (the "City"), at its regular meeting on Thursday, July 2, 2015, at 5:30 p.m. or as soon thereafter as may be heard, local time, in the City Commission Auditorium located at City Hall, 200 East University Avenue, Gainesville, Florida.

The public hearing will be held for the purpose of considering the proposed issuance by the City of Jacksonville, Florida ("Jacksonville"), of its Health Care Facilities Revenue Bonds (Brooks Rehabilitation), Series 2015, in an aggregate principal amount not to exceed \$130,000,000 (the "Bonds"), in one or more series, to obtain funds for a loan or loans by Jacksonville to Genesis Health, Inc., doing business as Brooks Rehabilitation, a Florida not for profit corporation ("Borrower" or "Brooks Rehabilitation"), in an aggregate principal amount equal to the principal amount of the Bonds, for the purpose of financing, reimbursing or refinancing all or a part of the costs of certain capital projects for the benefit of Borrower (collectively, the "Project"), including:

(a) the acquisition, construction and installation of improvements, renovations, equipment and other capital expenditures at the existing 157-bed inpatient rehabilitation hospital owned and operated by Genesis Rehabilitation Hospital, Inc., a Florida not for profit corporation, doing business as Brooks Rehabilitation Hospital (the "Hospital"), located at 3599 University Boulevard South, Jacksonville, Florida (the "Main Campus"); to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$16,000,000; and

(b) the acquisition and installation by Brooks Home Care Advantage, Inc., a Florida not for profit corporation ("Home Health"), of capital improvements, fixtures, furnishings, equipment and related real and personal property to be owned and operated by Home Health to provide home health services, located or to be located at 5836 Richard Street, Jacksonville, Florida (to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000), 6871 Belfort Oaks Place, Jacksonville, Florida (to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$6,000,000), 4131 University Boulevard, Building 17, Jacksonville, Florida (to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000), 1699 South 14th Street, Suite 12, Fernandina Beach, Florida (to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$2,000,000), 771 Fentress Boulevard, Suite 2F, Daytona Beach, Florida (to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$6,000,000), 4615 NW 53rd Avenue, Suite C, Gainesville, Florida (to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$2,000,000), 1329 Kingsley Avenue, Suite D, Orange Park, Florida (to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$3,500,000), 530 Zeagler Drive, Suite 103, Palatka, Florida (to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$3,500,000), 14 Office Park Drive, Suite 3, Palm Coast, Florida (to be financed,

reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,500,000) and 2730 US 1 South, Suites G & H, St. Augustine, Florida (to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,750,000); and

(c) the acquisition, construction, installation and equipping of a new outpatient rehabilitation clinic, consisting of a 1-story building containing approximately 10,200 square feet and including related real and personal property, facilities, fixtures, furnishings and equipment, to be located on a site containing approximately 3.95 acres located at 500 Park Avenue, Orange Park, Florida, near the Southwest corner of Wells Road and U.S. 17/Park Avenue, and to be owned and operated by Health Development; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$6,000,000; and

(d) the acquisition, construction, installation and equipping of a new inpatient family housing facility, consisting of a 1-story building containing approximately 27,000 square feet and including related real and personal property, facilities, fixtures, furnishings and equipment, to be owned and operated by the Hospital and to be located on a site containing approximately 1.6 acres at 6139 Beach Boulevard, Jacksonville, Florida, and included as part of the Main Campus; to be financed, reimbursed or refinanced by the issuance of the Bonds in an aggregate amount not exceeding \$8,000,000; and

(e) the completion of the acquisition, construction, installation and equipping of a 111 licensed-bed rehabilitation skilled nursing facility, consisting of a three-story building containing approximately 82,000 square feet and including related real and personal property, facilities, license and associated assets, fixtures, furnishings and equipment, to be located on a site containing approximately 8 acres at the southeast corner of the intersection of Beach Boulevard and Hickman Road in Jacksonville, Florida, with approximately 625 feet fronting on Beach Boulevard (a portion of the site was previously occupied by Gator Office Products at 6188 Beach Boulevard, Jacksonville, Florida), at the Main Campus, and owned by Brooks Skilled Nursing Facility Holdings B, Inc., a Florida not for profit corporation ("Skilled Nursing Holdings B"), and operated by Brooks Skilled Nursing Facility B, Inc., a Florida not for profit corporation ("Skilled Nursing B"); to be financed, reimbursed or refinanced by the issuance of the Bonds in an aggregate amount not exceeding \$5,000,000; and

(f) the acquisition, construction and installation of improvements, renovations, equipment and other capital expenditures at the existing 100-licensed bed skilled nursing facility located on an approximately 7-acre site at 6209 Brooks Bartram Drive, Building #100, Jacksonville, Florida, owned by Brooks Skilled Nursing Facility Holdings A, Inc., a Florida not for profit corporation ("Skilled Nursing Holdings A"), and operated by Brooks Skilled Nursing Facility A, Inc., a Florida not for profit corporation ("Skilled Nursing A"); to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$3,000,000; and

(g) the acquisition, construction and installation of capital improvements, including but not limited to, leasehold improvements and equipment, to be used to provide physical, occupational and other rehabilitation therapy at the following outpatient rehabilitation

facilities, each of which is operated by Genesis Health Development, Inc., a Florida not for profit corporation doing business as Brooks Rehabilitation Centers (“Health Development”), the sole member of which is the Borrower:

(i) the outpatient facility located at the Main Campus, owned by the Hospital; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(ii) the outpatient facility located at the Main Campus, owned by Brooks Rehabilitation; to be financed, reimbursed or refinanced by the issuance of Bonds in aggregate principal amount not exceeding \$1,000,000; and

(iii) the outpatient facility located at the Main Campus, owned by Health Development; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(iv) the outpatient facility located at 3901 University Boulevard South, Jacksonville, Florida, owned by Health Development; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(v) Brooks Rehabilitation Center/Mandarin, located at 11701 San Jose Boulevard, Suite 210, Jacksonville, Florida, owned by the Hospital; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(vi) Brooks Rehabilitation Center/Northside, located at 320 Dundas Drive, Suite 8, Jacksonville, Florida, owned by the Hospital; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(vii) Brooks Rehabilitation Center/San Pablo, located at 14286 Beach Boulevard, Suite 34, Jacksonville, Florida, owned by the Hospital; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(viii) Brooks Rehabilitation Center/Southside, located at 3901 University Boulevard South, Jacksonville, Florida, owned by the Hospital; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(ix) Brooks Rehabilitation Center/Westside, located at 7749 Normandy Crossing, Suite 147, Jacksonville, Florida, owned by the Hospital; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(x) Brooks Rehabilitation Center/Center for Sports Therapy, located at 10423 Centurion Parkway North, Jacksonville, Florida, owned by the Hospital; to be

financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(xi) Brooks Rehabilitation Center/Monument, located at 1205 Monument Road, Suite 202, Jacksonville, Florida, owned by Health Development; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000; and

(xii) Brooks Rehabilitation Center/San Jose, located at 8505 San Jose Boulevard, Jacksonville, Florida, owned by Health Development; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000; and

(xiii) Brooks Rehabilitation Center/Balance Center, located at 10475 Centurion Parkway North, Suite 304, Jacksonville, Florida, owned by Health Development; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000; and

(xiv) Brooks Rehabilitation Center/Center for Back and Neck Health, located at 7207 Golden Wings Road, Suite 300, Jacksonville, Florida, owned by Health Development; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000; and

(xv) Brooks Rehabilitation Center/Arlington, located at 9100 Merrill Road, Suite 10, Jacksonville, Florida, owned by Health Development; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000; and

(xvi) Brooks Rehabilitation Clubhouse, located at 3197 Cortes Road, Jacksonville, Florida, owned by Brooks Rehabilitation; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000; and

(xvii) Brooks Rehabilitation Center/Amelia, located at 4800 First Coast Highway, Suite 240, Fernandina Beach, Florida, owned by Health Development; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000; and

(xviii) Brooks Rehabilitation Center/Palm Coast, located at 9 Pine Cone Drive, Suite 104B, Palm Coast, Florida, owned by Health Development; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000; and

(xix) Brooks Rehabilitation Center/Orange Park, located at 550 Wells Road, Suite 4, Orange Park, Florida, owned by the Hospital; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$50,000; and

(xx) Brooks Rehabilitation Center/St. Augustine, located at 190 Southpark Boulevard, Suite 100 & 102, St. Augustine, Florida, owned by the Hospital; to be financed, reimbursed or refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(h) refunding a portion of the outstanding Jacksonville Health Facilities Authority Health Care Facilities Revenue Bonds (Brooks Health System), Series 2007, the proceeds of which were loaned to the Borrower and used to:

(i) finance the acquisition, construction and installation of an administrative support building (the "Administrative Building") to accommodate existing support services and expanded education and conference space for the Borrower and its affiliates, including related facilities, fixtures, furnishings and equipment, to be owned and operated by the Borrower and located at 3349 University Boulevard South, Jacksonville, Florida, at the Main Campus adjacent to the Hospital's existing inpatient rehabilitation hospital; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$17,000,000; and

(ii) refinance certain outstanding indebtedness of the Borrower which financed the acquisition of approximately 117.5 acres of unimproved land owned by the Borrower and to be used by the Borrower and/or its affiliates as the future site for post-acute care and related health care facilities, which land is located at 6209 Brooks Bartram Drive, Jacksonville, Florida, being bounded on the west by Bartram Park Boulevard, beginning approximately 900 feet south of the intersection of Old St. Augustine Road and Bartram Park Boulevard, with approximately 1,200 feet facing Bartram Park Boulevard, and being bounded on the east by Interstate 95, with approximately 2,100 feet facing Interstate 95; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$26,000,000; and

(iii) finance the acquisition, construction and installation of capital improvements at the existing inpatient rehabilitation hospital, then containing 143 beds, owned and operated by the Hospital and located on the Main Campus, consisting of the (a) renovation and expansion of the existing inpatient rehabilitation hospital, including expansion of the brain therapy gym and of the pediatric therapy gym, construction of a therapist work area near the therapy gym spaces, addition of a stroke therapy gym, conversion of the administrative office space into eighteen patient rooms, two of which will be bariatric rooms with an overhead lift system, addition of a spinal cord injury therapy gym and construction of an ADL suite, and the acquisition and installation of related facilities, fixtures, furniture and equipment, and (b) acquisition and installation of routine capital improvements and expenditures at the existing inpatient rehabilitation hospital; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$10,000,000; and

(iv) refund the outstanding Jacksonville Health Facilities Authority Hospital Revenue and Refunding Bonds (Genesis Rehabilitation Hospital Project), Series 1996, the proceeds of which were loaned to the Hospital and used to (a) refund the Authority's outstanding Hospital Revenue Bonds (Memorial Regional Rehabilitation

Center Project), Series 1992, which financed the construction and equipping of the Hospital's inpatient rehabilitation hospital, originally containing 110 beds, on the Main Campus (to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$24,000,000), (b) finance the cost of acquiring a computer system at the Main Campus (to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$5,000,000) and the cost of leasehold improvements and equipment at the Hospital's outpatient facilities located at 11701 San Jose Boulevard (to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000), 7764 Normandy Boulevard (to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000), 14444 Beach Boulevard (to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000), and 3901 University Boulevard South (to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000), all in Jacksonville, Florida, and owned and operated by the Hospital, (c) fund a debt service reserve, and (d) pay the costs of issuance; and

(v) finance the acquisition, construction and installation of capital improvements, including but not limited to leasehold improvements and equipment, to be used to provide physical, occupational and other rehabilitation therapy at the following outpatient facilities operated by Health Development in Jacksonville, Florida:

(1) the outpatient facility located at the Main Campus, owned by the Hospital; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$5,000,000; and

(2) Brooks Rehabilitation Center/Mandarin, located at 11701 San Jose Boulevard, Suite 210, Jacksonville, Florida, owned by the Hospital; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(3) Brooks Rehabilitation Center/Northside, located at 320 Dundas Avenue, Suite 8, Jacksonville, Florida, owned by the Hospital; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(4) Brooks Rehabilitation Center/San Pablo, located at 14444 Beach Boulevard, Jacksonville, Florida 32250, owned by the Hospital; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(5) Brooks Rehabilitation Center/Southside, located at 3901 University Boulevard South, Jacksonville, Florida, owned by the Hospital; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(6) Brooks Rehabilitation Center/Westside, located at 7749 Normandy Crossing, Suite #147, Jacksonville, Florida, owned by the Hospital; to

be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(7) Brooks Rehabilitation Center/Medical Fitness, located at 10423 Centurion Parkway North, Jacksonville, Florida, owned by the Hospital; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(8) outpatient facility located at the Main Campus, owned by Health Development; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000; and

(9) Brooks Rehabilitation Center/Beaches, located at 2344 South Third Street, Jacksonville, Florida, owned by Health Development; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000; and

(10) Brooks Rehabilitation Center/Monument, located at 1205 Monument Road, Suite 202, Jacksonville, Florida, owned by Health Development; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000; and

(11) Brooks Rehabilitation Center/Riverside, located at 800 Lomax Street, Suite 105, Jacksonville, Florida, owned by Health Development; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000; and

(12) Brooks Rehabilitation Center/San Jose, located at 8505 San Jose Boulevard, Jacksonville, Florida, owned by Health Development; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$500,000; and

(13) Brooks Rehabilitation Center/Balance Center, located at 10475 Centurion Parkway North, Suite 304, Jacksonville, Florida, owned by Health Development; to be refinanced by the issuance of Bonds in an aggregate principal amount not exceeding \$1,000,000.

The public hearing is required by Section 147(f) of the Code. Any person interested in the plan of finance, the proposed issuance by Jacksonville of the Bonds, or the location or nature of the Project may appear and be heard. Subsequent to the public hearing, the Commission will consider whether to approve the Bonds, as required by Section 147(f) of the Code.

The public hearing will be conducted in a manner that provides a reasonable opportunity to be heard for persons with differing views on the plan of finance, the location or nature of the Project, or the issuance of the Bonds. Any person desiring to be heard on this matter is requested to attend the public hearing or send a representative. Written comments may be submitted to the Commission by mailing the written comments to the Clerk of the

Commission, P.O. Box 490, Station 19, Gainesville, Florida 32627-0490. Written comments must be received by the Clerk on or before noon on July 1 in order to be considered.

Further information relating to this matter is available for inspection and copying during regular business hours at the Clerk of the Commission's Office at City Hall, 200 East University Avenue, Gainesville, Florida.

Comments made at the hearing are for the consideration of the Commission, and will not bind any legal action to be taken by the Commission in connection with its consideration and approval of the financing and the issuance by Jacksonville of the Bonds.

IF A PERSON DECIDES TO APPEAL ANY DECISION WITH RESPECT TO ANY SUCH MATTER CONSIDERED AT SUCH HEARING, SUCH PERSON WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE, SUCH PERSON MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

In accordance with the American Disabilities Act, persons needing a special accommodation to participate in this proceeding should contact the Clerk of the Commission no later than seven days prior to the proceeding at the address given above.

CITY COMMISSION OF THE CITY OF
GAINESVILLE, FLORIDA